

D R A F T

SUMMARY

Digest: The Act makes new laws about marijuana and hemp and changes some laws about marijuana and hemp. (Flesch Readability Score: 60.1).

Directs the Oregon Liquor and Cannabis Commission, in consultation with the State Department of Agriculture, to create a map of locations of premises licensed to produce marijuana or industrial hemp. Allows law enforcement agencies to accompany the department to industrial hemp operations throughout the state for specified purposes.

Directs the commission to establish a registration system for industrial hemp products that contain cannabinoids and are intended for human or animal consumption or use. Establishes a civil penalty not to exceed \$10,000 for each violation. Becomes operative January 1, 2026.

Establishes a per capita requirement for the issuance of marijuana licenses. Becomes operative January 1, 2025.

Directs the commission to establish uniform standards for minor decoy operations to investigate sales of adult use cannabis items to minors. Becomes operative January 1, 2025.

Directs the commission to adopt rules to issue a temporary permit to a qualified individual to perform work for or on behalf of a marijuana licensee or laboratory.

Declares an emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to cannabis; creating new provisions; amending ORS 475C.049,
3 475C.117, 475C.197, 475C.209, 475C.265, 475C.269, 475C.273, 475C.742,
4 475C.746 and 571.309 and section 2, chapter 108, Oregon Laws 2022; re-
5 pealing ORS 571.312; and declaring an emergency.

6 **Be It Enacted by the People of the State of Oregon:**

ENFORCEMENT

1 **SECTION 1.** (1) As used in this section:

2 (b) “Industrial hemp” has the meaning given that term in ORS
3 571.269.

4 (b) “Marijuana” has the meaning given that term in ORS 475C.009.

5 (2) The Oregon Liquor and Cannabis Commission shall, with the
6 assistance of the State Department of Agriculture, create and contin-
7 ually update a map of the following:

8 (a) Premises for which a license has been issued under ORS
9 475C.065; and

10 (b) The locations of industrial hemp operations licensed under ORS
11 571.281.

12 (3) The commission shall make the map described in subsection (2)
13 of this section available to law enforcement agencies in this state and
14 public employees and officials who are responsible for the enforcement
15 of state and local laws regulating industrial hemp or marijuana.

16 **SECTION 2.** (1) As used in this section:

17 (a) “Industrial hemp” has the meaning given that term in ORS
18 571.269.

19 (b) “Marijuana” has the meaning given that term in ORS 475C.009.

20 (2) The Oregon Liquor and Cannabis Commission, in consultation
21 with the State Department of Agriculture, shall develop by rule a
22 methodology to distinguish whether a cannabis plant is marijuana or
23 industrial hemp for purposes of sections 1, 4, 5 and 6 of this 2024 Act.
24 The methodology must include testing criteria and cannabinoid con-
25 centrations above which immature or mature cannabis plants are
26 presumptively considered to be marijuana.

27 (3) The department may order a person licensed under ORS 571.281
28 to destroy any cannabis plants located at an industrial hemp operation
29 for which the person is responsible if the cannabis plants are
30 presumptively considered to be marijuana under the methodology de-
31 veloped pursuant to subsection (2) of this section.

1 **SECTION 3.** Sections 4 to 6 of this 2024 Act are added to and made
2 a part of ORS 571.260 to 571.348.

3 **SECTION 4.** (1) The State Department of Agriculture may enter
4 into an interagency agreement with the Oregon Liquor and Cannabis
5 Commission to allow representatives of the commission to carry out
6 inspections of industrial hemp crops under ORS 571.281 (7) throughout
7 this state.

8 (2) The department and the commission may adopt rules to carry
9 out this section.

10 **SECTION 5.** The State Department of Agriculture shall adopt rules
11 to allow:

12 (1) Law enforcement officers to accompany representatives of the
13 department to an industrial hemp operation for the purposes of pro-
14 viding protection to the department’s representatives; and

15 (2) Public employees and officials who are responsible for the
16 enforcement of state and local laws to accompany representatives of
17 the department to an industrial hemp operations in order to carry out
18 inspections that the public employees or officials are authorized to
19 perform.

20 **SECTION 6.** The Governor may order that the Oregon National
21 Guard provide assistance and support to the State Department of Ag-
22 riculture and law enforcement in carrying out inspections of industrial
23 hemp crops under ORS 571.281 (7) and other duties of the department
24 related to the enforcement of ORS 571.260 to 571.348.

25

26 **INDUSTRIAL HEMP PRODUCT REGISTRATION**

27

28 **SECTION 7.** Sections 8 to 11 of this 2024 Act are added to and made
29 a part of ORS 571.260 to 571.348.

30 **SECTION 8.** (1) As used in this section and sections 9 and 10 of this
31 2024 Act, “cannabinoid” means any of the chemical compounds that

1 are the active constituents derived from industrial hemp.

2 (2)(a) The Oregon Liquor and Cannabis Commission shall establish
3 a registration program for industrial hemp products that contain
4 cannabinoids and are intended for human or animal consumption or
5 use. An industrial hemp product described in this paragraph is not
6 subject to the requirements of this section unless the industrial hemp
7 product is in its final form and ready for sale, transfer or delivery to
8 a consumer in this state.

9 (b) A person that is located within or outside this state and that,
10 as determined by the commission by rule, is responsible for the man-
11 ufacture, packaging or distribution of an industrial hemp product de-
12 scribed in paragraph (a) of this subsection shall, prior to selling,
13 transferring or delivering the industrial hemp product directly to a
14 consumer in this state or selling, transferring or delivering the in-
15 dustrial hemp product to a retailer in this state for the purpose of sale
16 to a consumer in this state:

17 (A) Annually submit the information described in subsection (3) of
18 this section to the commission in a manner specified by the commis-
19 sion by rule;

20 (B) Include on the industrial hemp product a label that contains the
21 information described in subsection (4) of this section; and

22 (C) Pay an annual registration fee established by the commission
23 by rule.

24 (3) A person described in subsection (2) of this section shall submit
25 to the commission the following information about an industrial hemp
26 product that contains cannabinoids and is intended for human or ani-
27 mal consumption or use:

28 (a) The name and type of the product;

29 (b) The name and physical address of the manufacturer of the
30 product;

31 (c) The mailing address of the manufacturer of the product;

1 (d) A certificate of analysis for a batch of the product;

2 (e) A copy of the label for the product;

3 (f) A statement about whether the product is an adult use cannabis
4 item; and

5 (g) Any other information required by the commission by rule.

6 (4) A person described in subsection (2) of this section shall label
7 an industrial hemp product that contains cannabinoids and is intended
8 for human or animal consumption or use with a label that contains
9 the following information:

10 (a) The name and type of the product;

11 (b) The name and physical address of the manufacturer of the
12 product;

13 (c) The ingredients of the product;

14 (d) The net weight or volume of the product;

15 (e) The serving size and number of servings contained in a package
16 of the product;

17 (f) The potency of the product and a list of the cannabinoid con-
18 tents of the product;

19 (g) The address of a publicly accessible website that contains the
20 certificate of analysis for the product;

21 (h) Health and safety warnings required by law or rule;

22 (i) If the product is an adult use cannabis item, the following lan-
23 guage:

24 (A) "For use only by adults 21 and older."; and

25 (B) "Keep out of reach of children.";

26 (j) If the product is a food product, any other information required
27 by law or rule for food products; and

28 (k) Any other information required by the commission by rule.

29 (5) In adopting rules under subsection (4) of this section, the com-
30 mission:

31 (a) May establish different labeling standards for different types of

1 industrial hemp products that contain cannabinoids and are intended
2 for human or animal consumption or use, and may consider existing
3 product quality requirements or standards applicable to different types
4 of products; and

5 (b) May not adopt rules that are more restrictive than is reasonably
6 necessary to protect the public health and safety.

7 (6) If an industrial hemp product is intended only for human con-
8 sumption or use, the person described in subsection (2) of this section
9 shall comply with the requirements of ORS 571.337 and 571.339.

10 (7) The fee collected under this section may not exceed the cost of
11 administering this section.

12 (8) A person is not required to submit to the commission the in-
13 formation described in subsection (3) of this section for an industrial
14 hemp product that contains cannabinoids and is intended for human
15 or animal consumption or use if another person has submitted the
16 information for the product and the product continues to be consistent
17 with the previously submitted information.

18 (9) The commission may refuse to register an industrial hemp
19 product that contains cannabinoids and is intended for human or ani-
20 mal consumption or use if, based on the information described in
21 subsection (3) or (4) of this section, the sale of the product to a con-
22 sumer is prohibited by section 9 of this 2024 Act or by the commission
23 by rule.

24 (10) This section does not apply to an industrial hemp product that:

25 (a) Does not contain cannabinoids;

26 (b) Is intended only for topical use;

27 (c) Is an industrial hemp grain or fiber product that does not con-
28 tain added cannabinoids;

29 (d) Is a commercial feed product for animals registered under ORS
30 633.006 to 633.089; or

31 (e) Is transported through this state en route to a final destination

1 in another state.

2 **SECTION 9.** A person may not sell, transfer or deliver to a con-
3 sumer in this state an industrial hemp product that contains
4 cannabinoids and is intended for human or animal consumption or use
5 that:

6 (1) Is not registered under section 8 of this 2024 Act.

7 (2) Does not bear a label that meets the requirements of section 8
8 of this 2024 Act, or bears a label that does not precisely indicate the
9 contents of the container or that may deceive a consumer regarding
10 the nature, composition, quantity, age or quality of the contents.

11 (3) Includes upon the packaging any untruthful or misleading
12 statements, including but not limited to, a health claim that is not
13 supported by a consensus of publicly available scientific evidence, in-
14 cluding evidence from well-designed studies conducted in a manner
15 that is consistent with generally recognized scientific procedures and
16 principles and for which there is significant scientific agreement
17 among experts qualified by scientific training and experience to eval-
18 uate such a claim.

19 (4) Is attractive to minors, including by featuring:

20 (a) A cartoon;

21 (b) A design, brand or name that resembles a product that is not
22 an industrial hemp product that contains cannabinoids and is intended
23 for human or animal consumption or use and is of a type typically
24 marketed to minors;

25 (c) A symbol or celebrity that is commonly used to market products
26 to minors;

27 (d) An image of minors; or

28 (e) Words that refer to products that are commonly associated with
29 minors or marketed to minors.

30 (5) In the commission's discretion:

31 (a) Bears or contains any poisonous or deleterious substance, in-

1 **cluding but not limited to tobacco or nicotine, in a quantity rendering**
2 **the product injurious in a manner that may pose a risk to human**
3 **health, or that exceeds any established safe tolerance;**

4 **(b) Consists in whole or in part of any filthy, putrid or decomposed**
5 **substance or is otherwise unfit for human or animal consumption or**
6 **use;**

7 **(c) Is processed, prepared, packaged or held under improper or in-**
8 **sanitary conditions or under conditions that increase the probability**
9 **of contamination with excessive microorganisms or physical contam-**
10 **inants or of cross-contamination;**

11 **(d) Is held or packaged in containers composed, in whole or in part,**
12 **of any poisonous or deleterious substance that renders the contents**
13 **potentially injurious to health;**

14 **(e) Includes any substitute substance;**

15 **(f) Is damaged or inferior; or**

16 **(g) Includes any substance intended to increase the bulk or weight**
17 **of the product, reduce the quality or strength of the product or make**
18 **the product appear better or of greater value.**

19 **(6) Does not meet relevant minimum standards provided by the laws**
20 **of this state.**

21 **SECTION 10. Subject to ORS chapter 183, the Oregon Liquor and**
22 **Cannabis Commission may:**

23 **(1) If the commission has reasonable cause to believe that any**
24 **quantity or lot of industrial hemp product that contains cannabinoids**
25 **and is intended for human or animal consumption or use is sold,**
26 **transferred or delivered in violation of section 8 or 9 of this 2024 Act**
27 **or rules adopted pursuant to section 8 or 9 of this 2024 Act, issue and**
28 **enforce an order to prohibit the disposal, distribution or use in any**
29 **manner of the quantity or lot. The person to whom the order is issued**
30 **shall immediately remove from locations readily visible and accessible**
31 **to the public any product in packaged form that is subject to the or-**

1 **der. The commission may enforce the order until all actions against**
2 **the order, including any contested case, are resolved, and shall release**
3 **from the order the product if the violation is cured.**

4 **(2) Seize any quantity or lot that the commission determines does**
5 **not comply with section 8 or 9 of this 2024 Act or rules adopted under**
6 **section 8 or 9 of this 2024 Act.**

7 **SECTION 11. In addition to any other liability or penalty provided**
8 **by law, the Oregon Liquor and Cannabis Commission may impose a**
9 **civil penalty, in the manner provided in ORS 183.745, not to exceed**
10 **\$10,000 for each violation of a provision of section 8, 9 or 10 of this 2024**
11 **Act, a rule adopted pursuant to section 8, 9 or 10 of this 2024 Act or**
12 **an order issued by the commission under section 10 of this 2024 Act.**
13 **Moneys collected under this section shall be deposited in the General**
14 **Fund and be available for general governmental purposes.**

15 **SECTION 12. ORS 571.309 is amended to read:**

16 **571.309. The Oregon Liquor and Cannabis Commission, in consultation**
17 **with the State Department of Agriculture, shall adopt rules to establish:**

18 **(1) The maximum concentration of tetrahydrocannabinol permitted in a**
19 **single serving of an industrial hemp product;**

20 **(2) The maximum concentration of any other cannabinoid, adult use**
21 **cannabinoid or artificially derived cannabinoid that is permitted in a single**
22 **serving of an industrial hemp product; [and]**

23 **(3) The number of servings that are permitted in a package of industrial**
24 **hemp products[.]; and**

25 **(4) Standards for approving industrial hemp products that contain**
26 **artificially derived cannabinoids and that are intended for sale at re-**
27 **tail. The rules adopted under this subsection may not be more re-**
28 **strictive than the rules applicable to the sale at retail of adult use**
29 **cannabis items.**

30 **SECTION 13. ORS 571.312 is repealed.**

31 **SECTION 14. (1) Sections 8 to 11 of this 2024 Act, the amendments**

1 to ORS 571.309 by section 12 of this 2024 Act and the repeal of ORS
2 571.312 by section 13 of this 2024 Act become operative on January 1,
3 2026.

4 (2) The Oregon Liquor and Cannabis Commission and the State
5 Department of Agriculture may take any action before the operative
6 date specified in subsection (1) of this section that is necessary to en-
7 able the commission and the department to exercise, on and after the
8 operative date specified in subsection (1) of this section, all of the du-
9 ties, functions and powers conferred on the commission and the de-
10 partment by sections 8 to 11 of this 2024 Act, the amendments to ORS
11 571.309 by section 12 of this 2024 Act and the repeal of ORS 571.312 by
12 section 13 of this 2024 Act.

13
14 **MARIJUANA LICENSE CAPS AND MORATORIUM**

15
16 **SECTION 15.** Section 16 of this 2024 Act is added to and made a part
17 of ORS 475C.005 to 475C.525.

18 **SECTION 16.** (1) The Oregon Liquor and Cannabis Commission may
19 not accept an application for a new license under ORS 475C.065,
20 475C.085, 475C.093 or 475C.097 unless:

21 (a) For a production license under ORS 475C.065, there is not more
22 than one active license per 7,500 residents in this state who are 21
23 years of age or older.

24 (b) For a processor license under ORS 475C.085, there is not more
25 than one active license per 12,500 residents in this state who are 21
26 years of age or older.

27 (c) For a wholesale license under ORS 475C.093, there is not more
28 than one active license per 12,500 residents in this state who are 21
29 years of age or older.

30 (d) For a retail license under ORS 475C.097, there is not more than
31 one active license per 7,500 residents in this state who are 21 years of

1 **age or older.**

2 **(2) Subsection (1) of this section does not apply to:**

3 **(a) An application for renewal of a license described in subsection**
4 **(1) of this section;**

5 **(b) An application for reissuance of a license described in subsection**
6 **(1) of this section necessitated by a change in the location or owner-**
7 **ship of a production, processing, wholesale or retail facility or prem-**
8 **ises;**

9 **(c) An application for a change in size of a mature marijuana plant**
10 **grow canopy; or**

11 **(d) The sale or purchase of a license described in subsection (1) of**
12 **this section issued prior to the operative date specified in section 19**
13 **of this 2024 Act.**

14 **(3) The commission may adopt rules to carry out this section.**

15 **SECTION 17. Section 16 of this 2024 Act applies to applications re-**
16 **ceived on or after January 1, 2025.**

17 **SECTION 18. ORS 475C.049 is amended to read:**

18 **475C.049. (1) Subject to section 16 of this 2024 Act,** the Oregon Liquor
19 and Cannabis Commission shall approve or deny an application to be li-
20 censed under ORS 475C.005 to 475C.525. Except as provided in subsection (2)
21 of this section, upon receiving an application under ORS 475C.033, the com-
22 mission may not delay processing, approving or denying the application or,
23 if the application is approved, issuing the license.

24 **(2) The commission may delay processing, approving or denying an appli-**
25 **cation described in subsection (1) of this section only if:**

26 **(a) The applicant, or a person named on the application, holds a license**
27 **issued under ORS 475C.005 to 475C.525 and the commission has issued a no-**
28 **tice proposing revocation of the license for one or more violations of ORS**
29 **475C.005 to 475C.525 that are administrative in nature, as determined by the**
30 **commission, or a notice proposing suspension of the license pursuant to ORS**
31 **305.385;**

1 (b) The applicant is applying for a license at a premises where the appli-
2 cant seeks to assume ownership of an existing business for which a license
3 has been issued under ORS 475C.005 to 475C.525 and the commission has is-
4 sued a notice proposing revocation of the license for the existing business
5 or a notice proposing suspension of the license for the existing business
6 pursuant to ORS 305.385; or

7 (c) The commission has received information from law enforcement that
8 the applicant or a person named on the application is engaging, or has en-
9 gaged, in the unregulated commerce of marijuana items or unlawful manu-
10 facture or delivery of controlled substances.

11 (3) The licenses described in ORS 475C.005 to 475C.525 must be issued by
12 the commission, subject to the provisions of ORS 475C.005 to 475C.525 and
13 rules adopted under ORS 475C.005 to 475C.525.

14 (4) The commission may not license a premises that does not have defined
15 boundaries. A premises does not need to be enclosed by a wall, fence or other
16 structure, but the commission may require a premises to be enclosed as a
17 condition of issuing or renewing a license. The commission may not license
18 a mobile premises.

19 **SECTION 19. (1) Section 16 of this 2024 Act and the amendments to**
20 **ORS 475C.049 by section 18 of this 2024 Act become operative on Janu-**
21 **ary 1, 2025.**

22 **(2) The Oregon Liquor and Cannabis Commission may take any**
23 **action before the operative date specified in subsection (1) of this sec-**
24 **tion that is necessary to enable the commission to exercise, on or after**
25 **the operative date specified in subsection (1) of this section, all of the**
26 **duties, functions and powers conferred on the commission by section**
27 **16 of this 2024 Act and the amendments to ORS 475C.049 by section 18**
28 **of this 2024 Act.**

29 **SECTION 20. Section 2, chapter 108, Oregon Laws 2022, is amended to**
30 **read:**

31 **Sec. 2. Section 1, chapter 108, Oregon Laws 2022, [of this 2022 Act] is**

1 repealed on [*March 31, 2024*] **December 31, 2024.**

2

3

MINOR DECOY OPERATIONS

4

5 **SECTION 21. Section 22 of this 2024 Act is added to and made a part**
6 **of ORS 475C.005 to 475C.525.**

7 **SECTION 22. (1)(a) The Oregon Liquor and Cannabis Commission**
8 **shall by rule develop uniform standards for minor decoy operations**
9 **used to investigate persons selling, transferring or delivering indus-**
10 **trial hemp products that contain cannabinoids and are intended for**
11 **human or animal consumption or use in this state for violations of the**
12 **laws of this state prohibiting sales of adult use cannabis items to mi-**
13 **nors.**

14 **(b) Uniform standards established under this section apply to all**
15 **investigations conducted by the commission that use minor decoys.**
16 **The commission shall encourage all law enforcement agencies in this**
17 **state to use the uniform standards established under this section for**
18 **minor decoy operations conducted by the law enforcement agencies.**

19 **(2) To the greatest extent possible, the uniform standards estab-**
20 **lished by the commission under this section must:**

21 **(a) Be the same for minor decoy operations conducted by the com-**
22 **mission and for minor decoy operations conducted by law enforcement**
23 **agencies of this state; and**

24 **(b) Provide for coordination between the commission and law**
25 **enforcement agencies of this state in conducting minor decoy oper-**
26 **ations.**

27 **(3) The failure of the commission or a law enforcement agency to**
28 **follow the uniform standards established under this section is not**
29 **grounds for challenging a complaint, citation or conviction for vio-**
30 **lation of the laws prohibiting the sale of adult use cannabis items to**
31 **minors.**

1 (4) Notwithstanding any other provision of ORS 475C.005 to 475C.525
2 or any provision of 571.260 to 571.348, the commission may not consider
3 the sale of an adult use cannabis item to a minor that results from a
4 minor decoy operation that is not conducted in compliance with the
5 uniform standards established under this section for the purpose of
6 imposing a civil penalty.

7 (5) The commission shall give notice of the uniform standards es-
8 tablished under this section to all law enforcement agencies of this
9 state that conduct minor decoy operations.

10 **SECTION 23.** (1) Section 22 of this 2024 Act becomes operative on
11 January 1, 2025.

12 (2) The Oregon Liquor and Cannabis Commission may take any
13 action before the operative date specified in subsection (1) of this sec-
14 tion that is necessary to enable the commission to exercise, on and
15 after the operative date specified in subsection (1) of this section, all
16 of the duties, functions and powers conferred on the commission by
17 section 22 of this 2024 Act.

18
19 **TEMPORARY PERMITS**
20

21 **SECTION 24.** ORS 475C.269 is amended to read:

22 475C.269. (1) An individual who performs work for or on behalf of a
23 licensee or a laboratory licensed under ORS 475C.548 must have a valid
24 permit **or temporary permit** issued by the Oregon Liquor and Cannabis
25 Commission under ORS 475C.273 if the individual participates in:

26 (a) The delivery, possession, production, propagation, processing, sampl-
27 ing, securing, selling or testing of marijuana items at the premises or labo-
28 ratory for which the license has been issued;

29 (b) The recording of the delivery, possession, production, propagation,
30 processing, sampling, securing, selling or testing of marijuana items at the
31 premises or laboratory for which the license has been issued; or

1 (c) The verification of any document described in ORS 475C.217.

2 (2) A licensee or a laboratory licensed under ORS 475C.548 must verify
3 that an individual has a valid permit **or temporary permit** issued under
4 ORS 475C.273 before allowing the individual to perform, or continue to per-
5 form, any work described in subsection (1) of this section at the premises or
6 laboratory for which the license has been issued.

7 **SECTION 25.** ORS 475C.273 is amended to read:

8 475C.273. (1) The Oregon Liquor and Cannabis Commission shall issue
9 permits to qualified applicants to perform work described in ORS 475C.269.
10 The commission shall adopt rules establishing:

11 (a) The qualifications for performing work described in ORS 475C.269;

12 (b) The term of a permit issued under this section;

13 (c) Procedures for applying for and renewing a permit issued under this
14 section; and

15 (d) Reasonable application, issuance and renewal fees for a permit issued
16 under this section.

17 (2)(a) The commission may require an individual applying for a permit
18 under this section to successfully complete a course, made available by or
19 through the commission, through which the individual receives training on:

20 (A) Checking identification;

21 (B) Detecting intoxication;

22 (C) Handling marijuana items;

23 (D) If applicable, producing and propagating marijuana;

24 (E) If applicable, processing marijuana;

25 (F) The content of ORS 475C.005 to 475C.525 and rules adopted under ORS
26 475C.005 to 475C.525;

27 (G) If applicable, the content of ORS 475C.540 to 475C.586 and rules
28 adopted under ORS 475C.540 to 475C.586; or

29 (H) Any matter deemed necessary by the commission to protect the public
30 health and safety.

31 (b) The commission or other provider of a course may charge a reasonable

1 fee for the course.

2 (c) The commission may not require an individual to successfully com-
3 plete a course more than once, except that:

4 (A) As part of a final order suspending a permit issued under this section,
5 the commission may require a permit holder to successfully complete the
6 course as a condition of lifting the suspension; and

7 (B) As part of a final order revoking a permit issued under this section,
8 the commission shall require an individual to successfully complete the
9 course prior to applying for a new permit.

10 (3) The commission shall conduct a criminal records check under ORS
11 181A.195 on an individual applying for a permit under this section.

12 (4) Subject to the applicable provisions of ORS chapter 183, the commis-
13 sion may suspend, revoke or refuse to issue or renew a permit if the indi-
14 vidual who is applying for or who holds the permit:

15 (a) Is convicted of a felony or is convicted of an offense under ORS
16 475C.005 to 475C.525, except that the commission may not consider a con-
17 viction for an offense under ORS 475C.005 to 475C.525 if the date of the
18 conviction is two or more years before the date of the application or renewal;

19 (b) Violates any provision of ORS 475C.005 to 475C.525 or 475C.540 to
20 475C.586 or any rule adopted under ORS 475C.005 to 475C.525 or 475C.540 to
21 475C.586; or

22 (c) Makes a false statement to the commission.

23 (5) A permit issued under this section is a personal privilege and permits
24 work described under ORS 475C.269 only for the individual who holds the
25 permit.

26 **(6)(a) The commission shall establish by rule a process to issue to**
27 **an individual, upon receipt of the individual's application for a permit**
28 **described in subsection (1) of this section, a temporary permit to per-**
29 **form work described in ORS 475C.269 until the issuance or denial of a**
30 **permit described in subsection (1) of this section.**

31 **(b) A temporary permit expires on the date on which the individual**

1 **is issued or denied a permit described in subsection (1) of this section.**

2 **(c) The commission may adopt rules to establish conditions for the**
3 **issuance of a temporary permit under this subsection.**

4 **SECTION 26.** ORS 475C.117 is amended to read:

5 475C.117. (1) A marijuana retailer that holds a license issued under ORS
6 475C.097 may make deliveries to a consumer pursuant to the consumer's bona
7 fide order received by the marijuana retailer. The delivery of marijuana
8 items under this section may be made to a consumer:

9 (a) Within the same city or unincorporated area of the county in which
10 the marijuana retailer is located; or

11 (b) In a city or the unincorporated area of a county that is adjacent to
12 the city or unincorporated area of the county in which the marijuana retailer
13 is located, provided the adjacent city or county has adopted an ordinance
14 allowing for the delivery of marijuana items by a marijuana retailer located
15 in an adjacent city or unincorporated area of a county.

16 (2) A marijuana retailer that makes deliveries under this section shall:

17 (a) Ensure that deliveries are made in an efficient and timely manner.

18 (b) Upon request, provide to the Oregon Liquor and Cannabis Commission
19 information on each vehicle used to make deliveries of marijuana items un-
20 der this section, including the make, model, year, color, vehicle identification
21 number and registration plate number.

22 (c) Maintain an electronic or physical record of each bona fide order for
23 the delivery of marijuana items that the marijuana retailer fulfills.

24 (d) Report to the commission, and as necessary to the appropriate law
25 enforcement agency, any accidents or losses involving a delivery vehicle.

26 (3) An individual who makes deliveries on behalf of a marijuana retailer
27 under this section:

28 (a) Shall:

29 (A) Hold a permit **or temporary permit** issued under ORS 475C.273 and
30 carry the permit **or temporary permit** while making deliveries under this
31 section.

1 (B) Have a method of secure electronic communication in order to com-
2 municate with the marijuana retailer for which the individual is making
3 deliveries.

4 (C) Maintain an electronic or physical record of a bona fide order for a
5 delivery of a marijuana item.

6 (D) Present to the consumer a printed or electronic delivery manifest and
7 obtain on the manifest the consumer's written or electronic signature veri-
8 fying completion of the delivery of marijuana items.

9 (E) Except in the case of an emergency or unsafe road conditions or as
10 necessary for fuel, rest or vehicle repair, travel only between the premises
11 of the marijuana retailer and the locations at which the deliveries of
12 marijuana items are made.

13 (b) May not:

14 (A) Leave a delivery vehicle that contains marijuana items unattended
15 unless the delivery vehicle is locked and equipped with an active vehicle
16 alarm system.

17 (B) Carry more than \$10,000 worth of marijuana items in a delivery ve-
18 hicle at any one time.

19 (C) Consume, or be under the influence of, marijuana while making de-
20 liveries under this section.

21 (4) A delivery vehicle must:

22 (a) While being used for making deliveries, be equipped with an active
23 global positioning system device that tracks the location of the delivery ve-
24 hicle and enables the marijuana retailer for which the deliveries are being
25 made to identify the location of the delivery vehicle.

26 (b) Be equipped with a lockable container in a secured cargo area of the
27 delivery vehicle that is of a size appropriate to contain the marijuana items
28 being delivered.

29 (c) Be free of any markings that may indicate that the delivery vehicle
30 is used for the purpose of delivering marijuana items.

31 (5) A delivery of marijuana items may not be made to a consumer who is

1 located on land owned or leased by the federal government.

2 (6) The commission may adopt rules to carry out the purposes of this
3 section.

4 **SECTION 27.** ORS 475C.197 is amended to read:

5 475C.197. (1) Notwithstanding the lapse, suspension or revocation of a
6 permit **or temporary permit** issued under ORS 475C.273, the Oregon Liquor
7 and Cannabis Commission may:

8 (a) Proceed with any investigation of, or any action or disciplinary pro-
9 ceeding against, the person who held the permit **or temporary permit**; or

10 (b) Revise or render void an order suspending or revoking the permit **or**
11 **temporary permit**.

12 (2) In cases involving the proposed denial of a permit **or temporary**
13 **permit** issued under ORS 475C.273, the applicant for the permit **or tempo-**
14 **rary permit** may not withdraw the applicant's application.

15 **SECTION 28.** ORS 475C.209 is amended to read:

16 475C.209. (1) In order to transport marijuana items, a licensee must create
17 a manifest that contains the following information:

18 (a) The name of the driver of the transport vehicle;

19 (b) Identifying information for the driver's permit **or temporary permit**
20 issued under ORS 475C.273;

21 (c) The license plate number, make and model of the transport vehicle;

22 (d) The name of the licensee from which the marijuana or marijuana
23 items are being transported;

24 (e) A detailed inventory of the marijuana and marijuana items being
25 transported;

26 (f) The location of any overnight stop during transportation, and the es-
27 timated time of the overnight stop; and

28 (g) The destination of the marijuana and marijuana items being trans-
29 ported.

30 (2) Except as provided in subsection (1)(f) of this section, a manifest cre-
31 ated under this section is not required to include transport route informa-

1 tion.

2 (3) The transport driver shall carry in the transport vehicle a copy of the
3 manifest.

4 **SECTION 29.** ORS 475C.265 is amended to read:

5 475C.265. (1) Subject to subsection (3) of this section, the Oregon Liquor
6 and Cannabis Commission may revoke, suspend or restrict a license issued
7 under ORS 475C.005 to 475C.525 or 475C.548 or require a licensee or licensee
8 representative to undergo training if the commission finds or has reasonable
9 ground to believe that the licensee or licensee representative:

10 (a) Has violated a provision of ORS 475C.005 to 475C.525 or 475C.540 to
11 475C.586 or a rule adopted under ORS 475C.005 to 475C.525 or 475C.540 to
12 475C.586.

13 (b) Has diverted marijuana to the interstate market or an illicit market
14 or has diverted resources to a criminal enterprise.

15 (c) Has introduced into the marijuana industry regulated under ORS
16 475C.005 to 475C.525 cannabinoids or marijuana not produced or processed
17 by a licensee and not tracked in the system developed and maintained under
18 ORS 475C.177.

19 (d) Has made any false representation or statement to the commission
20 regarding compliance with a provision of ORS 475C.005 to 475C.525 or
21 475C.540 to 475C.586 or a rule adopted under ORS 475C.005 to 475C.525 or
22 475C.540 to 475C.586 in order to induce or prevent action by the commission.

23 (e) Is in the habit of using alcoholic liquor, habit-forming drugs,
24 marijuana or controlled substances to excess.

25 (f) Has misrepresented to a customer or the public any marijuana items
26 sold by the licensee or licensee representative.

27 (g) Since the issuance of the license, has been convicted of a felony, of
28 violating any of the marijuana laws of this state, general or local, or of any
29 misdemeanor or violation of any municipal ordinance committed on the
30 premises for which the license has been issued.

31 (h) Has sold a marijuana item to a person under 21 years of age.

1 (2) In addition to the grounds listed in subsection (1) of this section, the
2 commission may take an action described in subsection (1) of this section if
3 there is a history of a lack of institutional control involving the premises
4 for which a license has been issued under ORS 475C.005 to 475C.525 or
5 475C.548.

6 (3)(a) The commission may revoke a license under subsection (1)(a) of this
7 section only when the conduct poses a significant risk to public health or
8 safety.

9 (b) The commission shall consider as mitigating factors to the conduct
10 described in subsection (1) of this section the following:

11 (A) Self-reporting by a licensee or applicant;

12 (B) A demonstration that, to the satisfaction of the commission, the con-
13 duct of the licensee or applicant is not persistent or serious; and

14 (C) A demonstration that, to the satisfaction of the commission, the
15 licensee's willingness and ability to adequately control the premises for
16 which a license has been issued under ORS 475C.005 to 475C.525 or 475C.548
17 and any inventory stored at the premises.

18 (4) The commission may suspend or restrict a license issued under ORS
19 475C.005 to 475C.525 or 475C.548 or require a licensee or licensee represen-
20 tative to undergo training if the commission finds or has reasonable grounds
21 to believe that the licensee or licensee representative has violated a pro-
22 vision of ORS 475C.005 to 475C.525 or 475C.540 to 475C.586 or a rule adopted
23 under ORS 475C.005 to 475C.525 or 475C.540 to 475C.586.

24 (5) The commission may suspend or revoke a permit **or temporary per-**
25 **mit** issued under ORS 475C.273 to an individual rather than suspend or re-
26 voke a license issued under ORS 475C.005 to 475C.525 or 475C.548 if the
27 commission determines that permit suspension or revocation is more appro-
28 priate.

29 (6)(a) The commission may revoke a marijuana retailer license issued
30 under ORS 475C.097 if the licensee fails to:

31 (A) Pay the tax as required under ORS 475C.682 twice in any four con-

1 secutive quarters and the Department of Revenue has issued to the licensee
2 a distraint warrant under ORS 475C.688 for the nonpayment of tax; or

3 (B) File a return as required under ORS 475C.682 twice in any four con-
4 secutive quarters and the department has issued to the licensee a notice of
5 determination and assessment under ORS 475C.688 for failure to file a return.

6 (b) The department's written notice to the commission that a licensee
7 described under this subsection has failed to pay a tax or file a return twice
8 in any four consecutive quarters, and that the department has issued a
9 distraint warrant or notice of determination and assessment, shall constitute
10 prima facie evidence of the licensee's failure to pay the tax or file a return.

11 **SECTION 30.** ORS 475C.742 is amended to read:

12 475C.742. A financial institution that provides financial services custom-
13 arily provided by financial institutions pursuant to powers granted by ORS
14 717.200 to 717.320, 717.900 and 717.905, the Bank Act or by ORS chapter 723
15 to a marijuana processing site registered under ORS 475C.815, a medical
16 marijuana dispensary registered under ORS 475C.833, a marijuana producer
17 that holds a license under ORS 475C.065, a marijuana processor that holds
18 a license under ORS 475C.085, a marijuana wholesaler that holds a license
19 under ORS 475C.093, a marijuana retailer that holds a license under ORS
20 475C.097, a laboratory that holds a license under ORS 475C.548 or a person
21 to whom a permit **or temporary permit** has been issued under ORS 475C.273
22 is exempt from any criminal law of this state an element of which may be
23 proven by substantiating that a person provides financial services custom-
24 arily provided by financial institutions pursuant to powers granted by ORS
25 717.200 to 717.320, 717.900 and 717.905, the Bank Act or ORS chapter 723 to
26 a person who possesses, delivers or manufactures marijuana or marijuana
27 derived products.

28 **SECTION 31.** ORS 475C.746 is amended to read:

29 475C.746. (1) Notwithstanding any law relating to the exemption of in-
30 formation from public disclosure under ORS 475C.005 to 475C.525 or 475C.540
31 to 475C.586, upon the request of a financial institution, the Oregon Liquor

1 and Cannabis Commission shall provide to the financial institution the fol-
2 lowing information:

3 (a) Whether a person with whom the financial institution is doing busi-
4 ness holds a license under ORS 475C.065, 475C.085, 475C.093, 475C.097 or
5 475C.548 or a permit **or temporary permit** under ORS 475C.273;

6 (b) The name of any other business or individual affiliated with the per-
7 son;

8 (c) A copy of the application, and any supporting documentation submit-
9 ted with the application, for a license or a permit **or temporary permit**
10 submitted by the person;

11 (d) If applicable, data relating to sales and the volume of product sold by
12 the person;

13 (e) Whether the person is currently compliant with the provisions of ORS
14 475C.005 to 475C.525, 475C.540 to 475C.586 and 475C.600 to 475C.648 and rules
15 adopted under ORS 475C.005 to 475C.525, 475C.540 to 475C.586 and 475C.600
16 to 475C.648;

17 (f) Any past or pending violation by the person of a provision of ORS
18 475C.005 to 475C.525, 475C.540 to 475C.586 or 475C.600 to 475C.648 or a rule
19 adopted under ORS 475C.005 to 475C.525, 475C.540 to 475C.586 or 475C.600 to
20 475C.648; and

21 (g) Any penalty imposed upon the person for violating a provision of ORS
22 475C.005 to 475C.525, 475C.540 to 475C.586 or 475C.600 to 475C.648 or a rule
23 adopted under ORS 475C.005 to 475C.525, 475C.540 to 475C.586 or 475C.600 to
24 475C.648.

25 (2) Upon receiving a request under subsection (1) of this section, the
26 commission shall provide the requesting financial institution with the re-
27 quested information.

28 (3) The commission may charge a financial institution a reasonable fee
29 to cover the administrative costs of providing information under this section.

30 **SECTION 32. (1) The amendments to ORS 475C.117, 475C.197,**
31 **475C.209, 475C.265, 475C.269, 475C.273, 475C.742 and 475C.746 by sections**

1 24 to 31 of this 2024 Act become operative on January 1, 2025.

2 (2) The Oregon Liquor and Cannabis Commission may take any
3 action before the operative date specified in subsection (1) of this sec-
4 tion that is necessary to enable the commission to exercise, on and
5 after the operative date specified in subsection (1) of this section, all
6 of the duties, functions and powers conferred on the commission by
7 the amendments to ORS 475C.117, 475C.197, 475C.209, 475C.265, 475C.269,
8 475C.273, 475C.742 and 475C.746 by sections 24 to 31 of this 2024 Act.

9

10

CAPTIONS

11

12 SECTION 33. The unit captions used in this 2024 Act are provided
13 only for the convenience of the reader and do not become part of the
14 statutory law of this state or express any legislative intent in the
15 enactment of this 2024 Act.

16

17

EFFECTIVE DATE

18

19 SECTION 34. This 2024 Act being necessary for the immediate
20 preservation of the public peace, health and safety, an emergency is
21 declared to exist, and this 2024 Act takes effect on its passage.

22
