

HB 2516 A STAFF MEASURE SUMMARY

House Committee On Economic Development and Small Business

Action Date: 04/04/23

Action: Do pass with amendments and be referred to Ways and Means. (Printed A-Eng.)

Vote: 8-3-0-0

Yeas: 8 - Bynum, Elmer, Javadi, Lively, Nguyen D, Osborne, Pham H, Ruiz

Nays: 3 - Diehl, Morgan, Walters

Fiscal: Fiscal impact issued

Revenue: No revenue impact, statement issued (Indeterminate Impact)

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Meeting Dates: 2/14, 4/4

WHAT THE MEASURE DOES:

Permits marijuana producer to operate cannabis tourism center (center) on land zoned for exclusive farm use or land zoned for other purposes subject to approval of local government. Center may provide tours of marijuana production facilities, educational activities related to marijuana production, marketing and sale of marijuana items processed by marijuana producer, and sampling of usable marijuana, subject to tracking usable marijuana in Oregon Liquor and Cannabis Commission (OLCC) system and does not violate Oregon Indoor Clean Air Act. Requires marijuana producer to verify patron of cannabis tourism center is at least 21 years old. Requires local government with land use jurisdiction over center ensures compliance with local criteria regarding floodplains, geologic hazards, the Willamette River Greenway, solar access and airport safety; regulations of general applicability for public health and safety; and regulations for resource protection acknowledged to comply with any statewide goal respecting open spaces, scenic and historic areas and natural resources. For purpose of limiting conflicts with accepted farm and forest practice on land adjacent to center, local government must establish setback of at least 20 feet from all property lines for center and all public gathering places, with exceptions, and require center to provide direct road access and internal circulation for center and public gathering access. Permits local government to establish reasonable time, place, and manner regulations for centers. Permits licensed marijuana producer, marijuana processor, or marijuana wholesaler to transfer marijuana items to licensed marijuana retailer or provide samples to employee of retail marijuana that holds required license or permit at a trade show and similar event. Provides OLCC authority to adopt rules. Requires OLCC adopt rules to permit delivery of marijuana items by marijuana retailer to consumer at hotel or inn. Prohibits marijuana retailer from offering marijuana item for free or at discount, if offer is contingent on simultaneous retail sale of item that is not marijuana item. Measure becomes operative January 1, 2024. Takes effect on 91st day following adjournment sine die.

ISSUES DISCUSSED:

- Tourism opportunities parallel to wineries
- Economic impact of cannabis tourism
- Cannabis sampling, cannabis tasting akin to wine tasting
- Opportunity to build brand loyalty for cannabis products
- Responsible consumption of cannabis when visiting cannabis tourism center

EFFECT OF AMENDMENT:

Replaces the measure.

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BACKGROUND:

Marijuana is regulated by the Oregon Liquor and Cannabis Commission (OLCC) since voters approved Measure 91 in November 2014. OLCC is the agency responsible for the sale of recreational marijuana in Oregon through the Control, Regulation and Taxation of Marijuana and Industrial Hemp Act. The agency also regulates the production, processing and sale of medical products sold to Oregon Medical Marijuana Program (OMMP) cardholders in OLCC-licensed marijuana retail shops.

Under current law, marijuana for recreational use must be purchased at an OLCC-licensed retail location.

House Bill 2516 A permits marijuana producer to operate cannabis tourism center (center) to provide tours of the marijuana production facilities, educational activities related to marijuana production, marketing and sale of marijuana items processed by marijuana producer, and sampling of usable marijuana, subject to certain requirements. In addition, the measure allows Oregon Liquor and Cannabis Commission to adopt rules to permit delivery of marijuana items by marijuana retailer to consumer at hotel or inn.