A-Engrossed House Bill 3049

Ordered by the House April 4 Including House Amendments dated April 4

Sponsored by Representatives MORGAN, MARSH, Senators HANSELL, PROZANSKI (at the request of HB3000 Taskforce)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure.

Directs Oregon Liquor and Cannabis Commission to establish annual registration program and labeling requirements for industrial hemp commodity or product that contains cannabinoids and is intended for human or animal consumption. Removes requirement that State Department of Agriculture adopt rules establishing tracking requirements for transfer of industrial hemp commodities and products intended for human consumption.

Takes effect on 91st day following adjournment sine die.

| 1 | A BILL FOR AN AC | 1/1 |
|---|------------------|-----|
| 1 | A DILL FUR AN AC | , 1 |

- Relating to cannabis; creating new provisions; repealing ORS 571.312; and prescribing an effective date.
- 4 Be It Enacted by the People of the State of Oregon:
- 5 SECTION 1. Section 2 of this 2023 Act is added to and made a part of ORS 571.260 to 6 571.348.
 - <u>SECTION 2.</u> (1) As used in this section, "cannabinoid" means any of the chemical compounds that are the active constituents derived from industrial hemp.
 - (2)(a) The Oregon Liquor and Cannabis Commission shall establish a registration program for industrial hemp products that contain cannabinoids and are intended for human or animal consumption or use. Except as provided in subsection (7) of this section, only an industrial hemp product described in this paragraph that is in its final form and ready for sale, transfer or delivery to a consumer in this state is subject to the requirements of this section.
 - (b) A person that is located within or outside this state and that, as determined by the commission by rule, is responsible for the manufacture, packaging or distribution of an industrial hemp product described in paragraph (a) of this subsection shall, prior to selling, transferring or delivering the industrial hemp product directly to a consumer in this state or selling, transferring or delivering the industrial hemp product to a retailer in this state for the purpose of sale to a consumer in this state:
 - (A) Annually submit the information described in subsection (3) of this section to the commission in a manner specified by the commission by rule;
 - (B) Include on the industrial hemp product a label that contains the information described in subsection (4) of this section; and
 - (C) Pay the annual registration fee established by the commission by rule.
 - (3) A person described in subsection (2) of this section shall submit to the commission

7

8

9

10

11 12

13

14

15

16 17

18

19

 $\frac{20}{21}$

22

23

24

25

- the following information about an industrial hemp product that contains cannabinoids and is intended for human or animal consumption or use:
- 3 (a) The name and type of the product;
- 4 (b) The name and physical address of the manufacturer of the product;
- (c) The mailing address of the manufacturer of the product;
 - (d) A certificate of analysis for a batch of the product;
 - (e) A copy of the label for the product;
- (f) A statement about whether the product is an adult use cannabis item; and
- (g) Any other information required by the commission by rule.
- 10 (4) A person described in subsection (2) of this section shall label an industrial hemp 11 product that contains cannabinoids and is intended for human or animal consumption or use 12 with a label that contains the following information:
 - (a) The name and type of the product;
 - (b) The name and physical address of the manufacturer of the product;
- 15 (c) The ingredients of the product;

13

14

17 18

19

20

21

27

28

29 30

31

32

33 34

35

36 37

38

39

40

41

42

43

45

- 16 (d) The net weight or volume of the product;
 - (e) The serving size and number of servings contained in a package of the product;
 - (f) The potency of the product and a list of the cannabinoid contents of the product;
 - (g) The address of a publicly accessible website that contains the certificate of analysis for the product;
 - (h) Health and safety warnings required by law or rule;
- 22 (i) If the product is an adult use cannabis item, the following language:
- 23 (A) "For use only by adults 21 and older."; and
- 24 (B) "Keep out of reach of children.";
- 25 (j) If the product is a food product, any other information required by law or rule for food 26 products; and
 - (k) Any other information required by the commission by rule.
 - (5) If an industrial hemp product is intended only for human consumption or use, the person described in subsection (2) of this section shall comply with the requirements of ORS 571.337 and 571.339.
 - (6) The fee collected under this section may not exceed the cost of administering this section.
 - (7) If a retailer receives an industrial hemp product that contains cannabinoids and is intended for human or animal consumption or use that:
 - (a) Differs in form, or contains a label that differs, from the information about the industrial hemp product available from the registration program established under this section, the retailer shall submit to the commission the information described in subsections (3) and (4) of this section and the fee described in subsection (2) of this section.
 - (b) Is not registered with the registration program established under this section, the retailer may sell the industrial hemp product to a consumer in this state if the retailer provides to the commission the information described in subsections (3) and (4) of this section and the fee described in subsection (2) of this section.
 - (8) This section does not apply to an industrial hemp product that:
- 44 (a) Does not contain cannabinoids;
 - (b) Is intended only for topical use;

- (c) Is an industrial hemp grain or fiber product that does not contain added cannabinoids;
 - (d) Is a commercial feed product for animals registered under ORS 633.006 to 633.089; or
 - (e) Is transported through this state en route to a final destination in another state.

SECTION 3. There is appropriated to the Oregon Liquor and Cannabis Commission, for the biennium beginning July 1, 2023, out of the General Fund, the amount of \$256,000 for the purpose of carrying out the provisions of section 2 of this 2023 Act.

SECTION 4. ORS 571.312 is repealed.

SECTION 5. (1) Section 2 of this 2023 Act and the repeal of ORS 571.312 by section 4 of this 2023 Act become operative on January 1, 2024.

(2) The Oregon Liquor and Cannabis Commission and the State Department of Agriculture may take any action before the operative date specified in subsection (1) of this section that is necessary to enable the commission and the department to exercise, on and after the operative date specified in subsection (1) of this section, all of the duties, functions and powers conferred on the commission and the department by section 2 of this 2023 Act and the repeal of ORS 571.312 by section 4 of this 2023 Act.

SECTION 6. This 2023 Act takes effect on the 91st day after the date on which the 2023 regular session of the Eighty-second Legislative Assembly adjourns sine die.