

**A-Engrossed**  
**Senate Bill 162**

Ordered by the Senate March 19  
Including Senate Amendments dated March 19

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**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. The statement includes a measure digest written in compliance with applicable readability standards.

Digest: The Act makes changes to some of the state laws about marijuana and industrial hemp. (Flesch Readability Score: 61.8).

Authorizes the destruction of hoop houses when executing a search warrant to investigate the unlawful production of marijuana. Requires the Oregon Liquor and Cannabis Commission to make the map of licensed industrial hemp operations and marijuana production premises available to the Water Resources Department and the Department of Environmental Quality. **Allows the commission to adopt rules to establish a license term for up to five years for specified licenses in certain circumstances.** Repeals the prohibition on a marijuana retailer locating within 1,000 feet of a building where a public prekindergarten or kindergarten program is provided. Allows the State Department of Agriculture to inspect biomass and processed industrial hemp stored at the location of a licensed industrial hemp operation.

Declares an emergency, effective on passage.

**A BILL FOR AN ACT**

1  
2 Relating to cannabis; creating new provisions; amending ORS 133.565, 475C.065, 475C.085, 475C.093,  
3 475C.097, 475C.101, 475C.105, 475C.548 and 571.281 and section 1, chapter 16, Oregon Laws 2024;  
4 and declaring an emergency.

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

6 **SECTION 1.** ORS 133.565 is amended to read:

7 133.565. (1) A search warrant shall be dated and shall be addressed to and authorize its exe-  
8 cution by an officer authorized by law to execute search warrants.

9 (2) The warrant shall state, or describe with particularity:

10 (a) The identity of the judge issuing the warrant and the date the warrant was issued;

11 (b) The name of the person to be searched, or the location and designation of the premises or  
12 places to be searched;

13 (c) The things constituting the object of the search and authorized to be seized; and

14 (d) The period of time, not to exceed five days, after execution of the warrant except as provided  
15 in subsection (3) of this section, within which the warrant is to be returned to the issuing authority.

16 (3) Except as otherwise provided herein, the search warrant shall be executed between the hours  
17 of 7 a.m. and 10 p.m. and within five days from the date of issuance. The judge issuing the warrant  
18 may, however, by indorsement upon the face of the warrant, authorize its execution at any time of  
19 the day or night and may further authorize its execution after five days, but not more than 10 days  
20 from date of issuance.

21 **(4) When executing a search warrant issued to search a location at which there is prob-**

**NOTE:** Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

1 **able cause to believe that the crime of unlawful production of marijuana is being committed,**  
2 **the police officer executing the search warrant may order the destruction of any hoop houses**  
3 **at the location if there is probable cause to believe that the hoop houses are being used in**  
4 **the commission of the unlawful production of marijuana.**

5 **SECTION 2. Section 3 of this 2025 Act is added to and made a part of ORS 475C.005 to**  
6 **475C.525.**

7 **SECTION 3. The Oregon Liquor and Cannabis Commission may adopt rules to establish**  
8 **a term for a license issued under ORS 475C.065, 475C.085, 475C.093, 475C.097 or 475C.548 that**  
9 **is up to five years if the commission finds that adoption of such a rule is consistent with**  
10 **public safety and the objectives of the licensing requirements. The rules adopted under this**  
11 **section may apply only to the renewal of a license.**

12 **SECTION 4. Section 1, chapter 16, Oregon Laws 2024, is amended to read:**

13 **Sec. 1.** (1) As used in this section:

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

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

16 (2) The Oregon Liquor and Cannabis Commission shall, with the assistance of the State De-  
17 partment of Agriculture, create and continually update a map of the following:

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

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

20 (3) The commission shall make the map described in subsection (2) of this section available to:

21 (a) Law enforcement agencies in this state [*and*];

22 (b) **The Water Resources Department and the Department of Environmental Quality; and**

23 (c) Public employees and officials who are responsible for the enforcement of state and local  
24 laws regulating industrial hemp or marijuana.

25 **SECTION 5. ORS 475C.065 is amended to read:**

26 **475C.065.** (1) The production of marijuana is subject to regulation by the Oregon Liquor and  
27 Cannabis Commission.

28 (2) A marijuana producer must have a production license issued by the commission for the  
29 premises at which the marijuana is produced. To hold a production license issued under this section,  
30 a marijuana producer:

31 (a) Must apply for a license in the manner described in ORS 475C.033;

32 (b) Must provide proof that the applicant is 21 years of age or older; and

33 (c) Must meet the requirements of any rule adopted by the commission under subsections (3) and  
34 (4) of this section.

35 (3)(a) If the applicant is not the owner of the premises at which the marijuana is to be produced,  
36 the applicant shall submit to the commission signed informed consent from the owner of the prem-  
37 ises to produce marijuana at the premises.

38 (b) The commission may adopt rules regarding the informed consent described in this subsection.

39 (4) The commission shall adopt rules that:

40 (a) **Subject to section 3 of this 2025 Act,** require a marijuana producer to annually renew a  
41 license issued under this section;

42 (b) Establish application, licensure and renewal of licensure fees for marijuana producers;

43 (c) Require marijuana produced by marijuana producers to be tested in accordance with ORS  
44 475C.544;

45 (d) Assist the viability of marijuana producers that are independently owned and operated and

1 that are limited in size and revenue with respect to other marijuana producers, by minimizing bar-  
2 riers to entry into the regulated system and by expanding, to the extent practicable, transportation  
3 options that will support their access to the retail market;

4 (e) Allow a marijuana producer registered under ORS 475C.137 to produce marijuana for medical  
5 purposes in the same manner that rules adopted under ORS 475C.005 to 475C.525 allow a marijuana  
6 producer to produce marijuana for nonmedical purposes, excepting those circumstances where dif-  
7 ferentiating between the production of marijuana for medical purposes and the production of  
8 marijuana for nonmedical purposes is necessary to protect the public health and safety;

9 (f) Require marijuana producers to submit, at the time of applying for or renewing a license  
10 under ORS 475C.033, a report describing the applicant's or licensee's electrical or water usage;

11 (g) Require a marijuana producer to meet any public health and safety standards and industry  
12 best practices established by the commission by rule related to the production of marijuana or the  
13 propagation of immature marijuana plants and marijuana seeds; and

14 (h) Support marijuana plant diversity by allowing a qualified marijuana producer to receive  
15 marijuana seeds from any source in this state, but not more than a total of 200 marijuana seeds per  
16 month from all sources combined.

17 (5) Fees adopted under subsection (4)(b) of this section:

18 (a) May not exceed, together with other fees collected under ORS 475C.005 to 475C.525, the cost  
19 of administering ORS 475C.005 to 475C.525;

20 (b) Shall be in the form of a schedule that imposes a greater fee for premises with more square  
21 footage or on which more marijuana plants are grown; and

22 (c) Shall be deposited in the Marijuana Control and Regulation Fund established under ORS  
23 475C.297.

24 **SECTION 6.** ORS 475C.085 is amended to read:

25 475C.085. (1) The processing of marijuana items is subject to regulation by the Oregon Liquor  
26 and Cannabis Commission.

27 (2) A marijuana processor must have a processor license issued by the commission for the  
28 premises at which marijuana items are processed. To hold a processor license under this section, a  
29 marijuana processor:

30 (a) Must apply for a license in the manner described in ORS 475C.033;

31 (b) Must provide proof that the applicant is 21 years of age or older;

32 (c) If the marijuana processor processes marijuana extracts or industrial hemp extracts, as de-  
33 fined in ORS 571.269, may not be located in an area zoned exclusively for residential use; and

34 (d) Must meet the requirements of any rule adopted by the commission under subsection (3) of  
35 this section.

36 (3) The commission shall adopt rules that:

37 (a) **Subject to section 3 of this 2025 Act**, require a marijuana processor to annually renew a  
38 license issued under this section;

39 (b) Establish application, licensure and renewal of licensure fees for marijuana processors;

40 (c) Require marijuana processed by a marijuana processor to be tested in accordance with ORS  
41 475C.544;

42 (d) Require industrial hemp commodities and products processed by a marijuana processor to  
43 meet any requirements for industrial hemp commodities or products established under ORS 571.260  
44 to 571.348 or rules adopted under ORS 571.260 to 571.348;

45 (e) Allow a marijuana processor registered under ORS 475C.141 to process marijuana and usable

1 marijuana into medical grade cannabinoid products, cannabinoid concentrates and cannabinoid ex-  
2 tracts in the same manner that rules adopted under ORS 475C.005 to 475C.525 allow a marijuana  
3 processor to process marijuana and usable marijuana into general use cannabinoid products,  
4 cannabinoid concentrates and cannabinoid extracts, excepting those circumstances where differen-  
5 tiating between the processing of medical grade cannabinoid products, cannabinoid concentrates and  
6 cannabinoid extracts and the processing of general use cannabinoid products, cannabinoid concen-  
7 trates and cannabinoid extracts is necessary to protect the public health and safety; and

8 (f) Require a marijuana processor to meet any public health and safety standards and industry  
9 best practices established by the commission by rule related to:

10 (A) Cannabinoid edibles;

11 (B) Cannabinoid concentrates;

12 (C) Cannabinoid extracts; and

13 (D) Any other type of cannabinoid product or industrial hemp commodity or product identified  
14 by the commission by rule.

15 (4) Fees adopted under subsection (3)(b) of this section:

16 (a) May not exceed, together with other fees collected under ORS 475C.005 to 475C.525, the cost  
17 of administering ORS 475C.005 to 475C.525; and

18 (b) Shall be deposited in the Marijuana Control and Regulation Fund established under ORS  
19 475C.297.

20 **SECTION 7.** ORS 475C.093 is amended to read:

21 475C.093. (1) The wholesale sale of marijuana items is subject to regulation by the Oregon Li-  
22 quor and Cannabis Commission.

23 (2) A marijuana wholesaler must have a wholesale license issued by the commission for the  
24 premises at which marijuana items are received, stored or delivered. To hold a wholesale license  
25 under this section, a marijuana wholesaler:

26 (a) Must apply for a license in the manner described in ORS 475C.033;

27 (b) Must provide proof that the applicant is 21 years of age or older;

28 (c) May not be located in an area that is zoned exclusively for residential use; and

29 (d) Must meet the requirements of any rule adopted by the commission under subsection (3) of  
30 this section.

31 (3) The commission shall adopt rules that:

32 (a) **Subject to section 3 of this 2025 Act**, require a marijuana wholesaler to annually renew  
33 a license issued under this section;

34 (b) Establish application, licensure and renewal of licensure fees for marijuana wholesalers;

35 (c) Require marijuana items received, stored or delivered by a marijuana wholesaler to be tested  
36 in accordance with ORS 475C.544;

37 (d) Allow a marijuana wholesaler registered under ORS 475C.145 to sell medical grade  
38 cannabinoid products, cannabinoid concentrates and cannabinoid extracts at wholesale in the same  
39 manner that rules adopted under ORS 475C.005 to 475C.525 allow a marijuana wholesaler to sell  
40 general use cannabinoid products, cannabinoid concentrates and cannabinoid extracts at wholesale,  
41 excepting those circumstances where differentiating between the sale of medical grade cannabinoid  
42 products, cannabinoid concentrates and cannabinoid extracts and the sale of general use  
43 cannabinoid products, cannabinoid concentrates and cannabinoid extracts is necessary to protect the  
44 public health and safety; and

45 (e) Require a marijuana wholesaler to meet any public health and safety standards and industry

1 best practices established by the commission by rule.

2 (4) Fees adopted under subsection (3)(b) of this section:

3 (a) May not exceed, together with other fees collected under ORS 475C.005 to 475C.525, the cost  
4 of administering ORS 475C.005 to 475C.525; and

5 (b) Shall be deposited in the Marijuana Control and Regulation Fund established under ORS  
6 475C.297.

7 **SECTION 8.** ORS 475C.097 is amended to read:

8 475C.097. (1) The retail sale of marijuana items is subject to regulation by the Oregon Liquor  
9 and Cannabis Commission.

10 (2) A marijuana retailer must have a retail license issued by the commission for the premises  
11 at which marijuana items are sold. To hold a retail license under this section, a marijuana retailer:

12 (a) Must apply for a license in the manner described in ORS 475C.033;

13 (b) Must provide proof that the applicant is 21 years of age or older;

14 (c) May not be located in an area that is zoned exclusively for residential use;

15 (d) Except as provided in ORS 475C.101, may not be located within 1,000 feet of:

16 [(A) *A building where a public prekindergarten or kindergarten program is provided by a school*  
17 *district or an education service district;*]

18 [(B)] (A) A public elementary or secondary school for which attendance is compulsory under  
19 ORS 339.020; or

20 [(C)] (B) A private or parochial elementary or secondary school, teaching children as described  
21 in ORS 339.030 (1)(a); and

22 (e) Must meet the requirements of any rule adopted by the commission under subsection (3) of  
23 this section.

24 (3) The commission shall adopt rules that:

25 (a) **Subject to section 3 of this 2025 Act**, require a marijuana retailer to annually renew a li-  
26 cense issued under this section;

27 (b) Establish application, licensure and renewal of licensure fees for marijuana retailers;

28 (c) Require marijuana items sold by a marijuana retailer to be tested in accordance with ORS  
29 475C.544;

30 (d) Notwithstanding ORS 475C.205, allow a marijuana retailer to deliver marijuana items to an-  
31 other marijuana retailer that has on the marijuana retailer's license application a person that has  
32 an interest in or authority over the management of the other marijuana retailer;

33 (e) Subject to the limitations and privileges described in ORS 475C.149 (3), allow a marijuana  
34 retailer registered under ORS 475C.149 to sell medical grade cannabinoid products, cannabinoid  
35 concentrates and cannabinoid extracts at retail in the same manner that rules adopted under ORS  
36 475C.005 to 475C.525 allow a marijuana retailer to sell general use cannabinoid products,  
37 cannabinoid concentrates and cannabinoid extracts at retail, excepting those circumstances where  
38 differentiating between the sale of medical grade cannabinoid products, cannabinoid concentrates  
39 and cannabinoid extracts and the sale of general use cannabinoid products, cannabinoid concen-  
40 trates and cannabinoid extracts is necessary to protect the public health and safety; and

41 (f) Require a marijuana retailer to meet any public health and safety standards and industry best  
42 practices established by the commission by rule.

43 (4) Fees adopted under subsection (3)(b) of this section:

44 (a) May not exceed, together with other fees collected under ORS 475C.005 to 475C.525, the cost  
45 of administering ORS 475C.005 to 475C.525; and

1 (b) Shall be deposited in the Marijuana Control and Regulation Fund established under ORS  
2 475C.297.

3 **SECTION 9.** ORS 475C.101 is amended to read:

4 475C.101. Notwithstanding ORS 475C.097 (2)(d), a marijuana retailer may be located within 1,000  
5 feet of a building described in ORS 475C.097 (2)(d) if:

6 (1)(a) The marijuana retailer is not located within 500 feet of:

7 [(A) *A building where a public prekindergarten or kindergarten program is provided by a school*  
8 *district or an education service district;*]

9 [(B)] (A) A public elementary or secondary school for which attendance is compulsory under  
10 ORS 339.020; or

11 [(C)] (B) A private or parochial elementary or secondary school, teaching children as described  
12 in ORS 339.030 (1)(a); and

13 (b) The Oregon Liquor and Cannabis Commission determines that there is a physical or ge-  
14 ographic barrier capable of preventing children from traversing to the premises of the marijuana  
15 retailer; or

16 (2) The marijuana retailer was established before August 1, 2017, in accordance with a city or  
17 county ordinance adopted under section 29b, chapter 83, Oregon Laws 2016.

18 **SECTION 10.** ORS 475C.105 is amended to read:

19 475C.105. (1) If a building described in ORS 475C.097 (2)(d) that has not previously been attended  
20 by children is established within 1,000 feet of a premises for which a license has been issued under  
21 ORS 475C.097, the marijuana retailer located at that premises may remain at that location unless  
22 the Oregon Liquor and Cannabis Commission revokes the license of the marijuana retailer under  
23 ORS 475C.265.

24 (2)(a) **Subject to subsection (3) of this section,** if the commission issues a license for a prem-  
25 ises under ORS 475C.097 and, after issuance, the commission becomes aware that a school estab-  
26 lished prior to issuance of the license is located within 1,000 feet of the premises, the commission  
27 may allow the marijuana retailer to relocate to a premises that is not within 1,000 feet of the school  
28 without applying for and being issued a new license under ORS 475C.097.

29 (b) The commission may adopt rules to carry out this subsection.

30 **(3) If the commission issued a license for a premises under ORS 475C.097 prior to January**  
31 **1, 2025, and, after issuance, the commission becomes aware that a building where a public**  
32 **prekindergarten or kindergarten program is provided by a school district or an education**  
33 **service district is located within 1,000 feet of the premises, the marijuana retailer located**  
34 **at the premises may remain at the premises unless the commission revokes the license of**  
35 **the marijuana retailer under ORS 475C.265.**

36 **SECTION 11.** ORS 475C.548 is amended to read:

37 475C.548. (1) A laboratory that conducts testing of marijuana items or industrial hemp-derived  
38 vapor items as required by ORS 475C.544 must have a license to operate at the premises at which  
39 the marijuana items or industrial hemp-derived vapor items are tested.

40 (2) For purposes of this section, the Oregon Liquor and Cannabis Commission shall adopt rules  
41 establishing:

42 (a) Qualifications to be licensed under this section, including that an applicant for licensure  
43 under this section must be accredited by the Oregon Health Authority as described in ORS 475C.560;

44 (b) Processes for applying for and renewing a license under this section, which may be the same  
45 as the application process established under ORS 475C.033;

1 (c) Fees for applying for, receiving and renewing a license under this section; and

2 (d) Procedures for:

3 (A) Tracking usable marijuana, cannabinoid products, cannabinoid concentrates or extracts or  
4 industrial hemp-derived vapor items to be tested;

5 (B) Documenting and reporting test results; and

6 (C) Disposing of samples of usable marijuana, cannabinoid products, cannabinoid concentrates  
7 or extracts or industrial hemp-derived vapor items that have been tested.

8 (3) A license issued under this section:

9 (a) **Subject to section 3 of this 2025 Act**, must be renewed annually.

10 (b) Is subject to the conditions provided in ORS 475C.049 for licenses issued under ORS 475C.005  
11 to 475C.525.

12 (4) The commission may inspect premises licensed under this section to ensure compliance with  
13 ORS 475C.540 to 475C.586 and rules adopted under ORS 475C.540 to 475C.586.

14 (5) Subject to the applicable provisions of ORS chapter 183, the commission may refuse to issue  
15 or renew, or may suspend or revoke, a license issued under this section for violation of:

16 (a) A provision of ORS 475C.540 to 475C.586 or a rule adopted under a provision of ORS  
17 475C.540 to 475C.586; or

18 (b) A provision of ORS 475C.005 to 475C.525 or a rule adopted under a provision of ORS  
19 475C.005 to 475C.525.

20 (6) Fees adopted under subsection (2)(c) of this section must be reasonably calculated to pay the  
21 expenses incurred by the commission under ORS 475C.540 to 475C.586.

22 (7) Fee moneys collected under this section shall be deposited in the Marijuana Control and  
23 Regulation Fund established under ORS 475C.297 and are continuously appropriated to the commis-  
24 sion for the purpose of carrying out the duties, functions and powers of the commission under ORS  
25 475C.540 to 475C.586.

26 **SECTION 12.** ORS 571.281 is amended to read:

27 571.281. (1)(a) To grow or handle industrial hemp, a person must be licensed by the State De-  
28 partment of Agriculture as a grower or handler.

29 (b) The department may identify by rule activities related to growing or handling hemp in ad-  
30 dition to those described in ORS 571.269 and may require licensure to engage in those activities.  
31 The department may issue, renew, suspend, revoke or refuse to issue or renew a license required  
32 pursuant to this subsection.

33 (2)(a) Only a grower or handler licensed under this section may produce agricultural hemp seed.  
34 For a grower or handler to produce agricultural hemp seed, the grower or handler must be licensed  
35 by the department as an agricultural hemp seed producer.

36 (b) Notwithstanding paragraph (a) of this subsection:

37 (A) A grower licensed under this section that retains agricultural hemp seed for the purpose of  
38 personally propagating industrial hemp in a subsequent year is not required to be licensed by the  
39 department as an agricultural hemp seed producer; and

40 (B) A grower or handler licensed under this section that produces Cannabis seeds that are in-  
41 capable of germination, or a handler licensed under this section that processes Cannabis seeds that  
42 are incapable of germination into commodities or products, is not required to be licensed by the  
43 department as an agricultural hemp seed producer.

44 (3) An applicant for a license under this section must submit to the department, in a form and  
45 manner prescribed by the department, the following information:

1 (a) The name and address of the applicant;

2 (b) The name and address of the industrial hemp operation of the applicant; and

3 (c) Any other information required by the department by rule.

4 (4) The department shall adopt rules specifying the period of time for which a license issued  
5 under this section is valid. A licensee may renew a license under this section in a form and manner  
6 prescribed by the department.

7 (5) A license under this section is a personal privilege and is not transferable.

8 (6) A grower or handler licensed under this section must keep records as required by the de-  
9 partment by rule. Upon not less than three days' notice, the department may subject the records to  
10 inspection or audit during normal business hours. The department may make an inspection or audit  
11 for the purpose of ensuring compliance with:

12 (a) A provision of ORS 571.260 to 571.348;

13 (b) A rule adopted under a provision of ORS 571.260 to 571.348; or

14 (c) An order issued by the department pursuant to a provision of ORS 571.260 to 571.348 or a  
15 rule adopted under a provision of ORS 571.260 to 571.348.

16 (7)(a) In addition to any inspection conducted pursuant to ORS 561.275, the department may  
17 inspect any crop during the crop's growth phase and take a representative composite sample for  
18 field analysis. If a crop contains an average tetrahydrocannabinol concentration exceeding the con-  
19 centration specified by the department by rule, the department may detain, seize or embargo the  
20 crop as provided under ORS 561.605 to 561.620, subject to any process established under ORS  
21 571.345.

22 **(b) The department may inspect biomass or processed industrial hemp that is stored at**  
23 **a location for which a license is issued under this section.**

24 (8)(a) The department may charge licensees the following fees in amounts reasonably calculated  
25 by the department to pay the cost of administering ORS 571.260 to 571.348:

26 (A) Application fees;

27 (B) License and license renewal fees;

28 (C) Administrative change fees; and

29 (D) Fees for other services.

30 (b) Moneys from fees charged under this subsection shall be deposited in the Industrial Hemp  
31 Fund established under ORS 571.278.

32 (9) The department may adopt rules establishing public health and safety standards and industry  
33 best practices for growers and handlers licensed under this section.

34 **SECTION 13. This 2025 Act being necessary for the immediate preservation of the public**  
35 **peace, health and safety, an emergency is declared to exist, and this 2025 Act takes effect**  
36 **on its passage.**

37