

SB 162-1
(LC 1699)
1/29/25 (SCT/ps)

Requested by Representative WALLAN

**PROPOSED AMENDMENTS TO
SENATE BILL 162**

1 On page 1 of the printed bill, line 2, after “133.565,” delete the rest of the
2 line and insert “475C.065, 475C.085, 475C.093, 475C.097, 475C.101, 475C.105,
3 475C.548”.

4 After line 24, insert:

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

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

14 In line 25, delete “2” and insert “4”.

15 On page 2, after line 12, insert:

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

17 **“475C.065. (1) The production of marijuana is subject to regulation by the
18 Oregon Liquor and Cannabis Commission.**

19 **“(2) A marijuana producer must have a production license issued by the
20 commission for the premises at which the marijuana is produced. To hold a
21 production license issued under this section, a marijuana producer:**

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

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

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

5 “(3)(a) If the applicant is not the owner of the premises at which the
6 marijuana is to be produced, the applicant shall submit to the commission
7 signed informed consent from the owner of the premises to produce
8 marijuana at the premises.

9 “(b) The commission may adopt rules regarding the informed consent de-
10 scribed in this subsection.

11 “(4) The commission shall adopt rules that:

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

14 “(b) Establish application, licensure and renewal of licensure fees for
15 marijuana producers;

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

18 “(d) Assist the viability of marijuana producers that are independently
19 owned and operated and that are limited in size and revenue with respect to
20 other marijuana producers, by minimizing barriers to entry into the regu-
21 lated system and by expanding, to the extent practicable, transportation
22 options that will support their access to the retail market;

23 “(e) Allow a marijuana producer registered under ORS 475C.137 to
24 produce marijuana for medical purposes in the same manner that rules
25 adopted under ORS 475C.005 to 475C.525 allow a marijuana producer to
26 produce marijuana for nonmedical purposes, excepting those circumstances
27 where differentiating between the production of marijuana for medical pur-
28 poses and the production of marijuana for nonmedical purposes is necessary
29 to protect the public health and safety;

30 “(f) Require marijuana producers to submit, at the time of applying for

1 or renewing a license under ORS 475C.033, a report describing the applicant’s
2 or licensee’s electrical or water usage;

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

7 “(h) Support marijuana plant diversity by allowing a qualified marijuana
8 producer to receive marijuana seeds from any source in this state, but not
9 more than a total of 200 marijuana seeds per month from all sources com-
10 bined.

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

12 “(a) May not exceed, together with other fees collected under ORS
13 475C.005 to 475C.525, the cost of administering ORS 475C.005 to 475C.525;

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

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

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

20 “475C.085. (1) The processing of marijuana items is subject to regulation
21 by the Oregon Liquor and Cannabis Commission.

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

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

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

27 “(c) If the marijuana processor processes marijuana extracts or industrial
28 hemp extracts, as defined in ORS 571.269, may not be located in an area
29 zoned exclusively for residential use; and

30 “(d) Must meet the requirements of any rule adopted by the commission

1 under subsection (3) of this section.

2 “(3) The commission shall adopt rules that:

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

5 “(b) Establish application, licensure and renewal of licensure fees for
6 marijuana processors;

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

9 “(d) Require industrial hemp commodities and products processed by a
10 marijuana processor to meet any requirements for industrial hemp commod-
11 ities or products established under ORS 571.260 to 571.348 or rules adopted
12 under ORS 571.260 to 571.348;

13 “(e) Allow a marijuana processor registered under ORS 475C.141 to pro-
14 cess marijuana and usable marijuana into medical grade cannabinoid pro-
15 ducts, cannabinoid concentrates and cannabinoid extracts in the same
16 manner that rules adopted under ORS 475C.005 to 475C.525 allow a
17 marijuana processor to process marijuana and usable marijuana into general
18 use cannabinoid products, cannabinoid concentrates and cannabinoid ex-
19 tracts, excepting those circumstances where differentiating between the pro-
20 cessing of medical grade cannabinoid products, cannabinoid concentrates and
21 cannabinoid extracts and the processing of general use cannabinoid products,
22 cannabinoid concentrates and cannabinoid extracts is necessary to protect
23 the public health and safety; and

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

27 “(A) Cannabinoid edibles;

28 “(B) Cannabinoid concentrates;

29 “(C) Cannabinoid extracts; and

30 “(D) Any other type of cannabinoid product or industrial hemp commodity

1 or product identified 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
4 475C.005 to 475C.525, the cost of administering ORS 475C.005 to 475C.525; and

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

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

8 “475C.093. (1) The wholesale sale of marijuana items is subject to regu-
9 lation by the Oregon Liquor and Cannabis Commission.

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

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

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

16 “(c) May not be located in an area that is zoned exclusively for residen-
17 tial use; and

18 “(d) Must meet the requirements of any rule adopted by the commission
19 under subsection (3) of this section.

20 “(3) The commission shall adopt rules that:

21 “(a) **Subject to section 3 of this 2025 Act**, require a marijuana whole-
22 saler to annually renew a license issued under this section;

23 “(b) Establish application, licensure and renewal of licensure fees for
24 marijuana wholesalers;

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

27 “(d) Allow a marijuana wholesaler registered under ORS 475C.145 to sell
28 medical grade cannabinoid products, cannabinoid concentrates and
29 cannabinoid extracts at wholesale in the same manner that rules adopted
30 under ORS 475C.005 to 475C.525 allow a marijuana wholesaler to sell general

1 use cannabinoid products, cannabinoid concentrates and cannabinoid ex-
2 tracts at wholesale, excepting those circumstances where differentiating be-
3 tween the sale of medical grade cannabinoid products, cannabinoid
4 concentrates and cannabinoid extracts and the sale of general use
5 cannabinoid products, cannabinoid concentrates and cannabinoid extracts is
6 necessary to protect the public health and safety; and

7 “(e) Require a marijuana wholesaler to meet any public health and safety
8 standards and industry best practices established by the commission by rule.

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

10 “(a) May not exceed, together with other fees collected under ORS
11 475C.005 to 475C.525, the cost of administering ORS 475C.005 to 475C.525; and

12 “(b) Shall be deposited in the Marijuana Control and Regulation Fund
13 established under ORS 475C.297.”.

14 In line 13, delete “3” and insert “8”.

15 On page 3, line 8, delete “4” and insert “9”.

16 In line 23, delete “5” and insert “10”.

17 After line 40, insert:

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

19 “475C.548. (1) A laboratory that conducts testing of marijuana items or
20 industrial hemp-derived vapor items as required by ORS 475C.544 must have
21 a license to operate at the premises at which the marijuana items or indus-
22 trial hemp-derived vapor items are tested.

23 “(2) For purposes of this section, the Oregon Liquor and Cannabis Com-
24 mission shall adopt rules establishing:

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

28 “(b) Processes for applying for and renewing a license under this section,
29 which may be the same as the application process established under ORS
30 475C.033;

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

3 “(d) Procedures for:

4 “(A) Tracking usable marijuana, cannabinoid products, cannabinoid con-
5 centrates or extracts or industrial hemp-derived vapor items to be tested;

6 “(B) Documenting and reporting test results; and

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

10 “(3) A license issued under this section:

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

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

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

17 “(5) Subject to the applicable provisions of ORS chapter 183, the com-
18 mission may refuse to issue or renew, or may suspend or revoke, a license
19 issued under this section for violation of:

20 “(a) A provision of ORS 475C.540 to 475C.586 or a rule adopted under a
21 provision of ORS 475C.540 to 475C.586; or

22 “(b) A provision of ORS 475C.005 to 475C.525 or a rule adopted under a
23 provision of ORS 475C.005 to 475C.525.

24 “(6) Fees adopted under subsection (2)(c) of this section must be reason-
25 ably calculated to pay the expenses incurred by the commission under ORS
26 475C.540 to 475C.586.

27 “(7) Fee moneys collected under this section shall be deposited in the
28 Marijuana Control and Regulation Fund established under ORS 475C.297 and
29 are continuously appropriated to the commission for the purpose of carrying
30 out the duties, functions and powers of the commission under ORS 475C.540

1 to 475C.586.”.

2 In line 41, delete “6” and insert “12”.

3 On page 5, delete lines 4 through 7.

4 In line 8, delete “8” and insert “13”.

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