

SB 353-3
(LC 2457)
4/4/23 (SCT/ps)

Requested by SENATE COMMITTEE ON JUDICIARY

**PROPOSED AMENDMENTS TO
SENATE BILL 353**

1 In line 2 of the printed bill, after “cannabis” insert “; creating new pro-
2 visions; amending ORS 475C.117, 475C.141, 475C.197, 475C.209, 475C.229,
3 475C.265, 475C.269, 475C.273, 475C.289, 475C.293, 475C.301, 475C.305, 475C.353,
4 475C.449, 475C.473, 475C.485, 475C.742, 475C.746, 475C.783, 475C.800, 475C.809,
5 475C.894, 475C.897 and 571.309; and declaring an emergency”.

6 Delete lines 4 through 8 and insert:

7

8

“INDUSTRIAL HEMP PRODUCTS

9

10 **“SECTION 1. Section 2 of this 2023 Act is added to and made a part**
11 **of ORS 571.260 to 571.348.**

12 **“SECTION 2. (1) As used in this section, ‘cannabinoid’ means any**
13 **of the chemical compounds that are the active constituents derived**
14 **from industrial hemp.**

15 **“(2)(a) The Oregon Liquor and Cannabis Commission shall establish**
16 **a registration program for industrial hemp products that contain**
17 **cannabinoids and are intended for human or animal consumption or**
18 **use. Except as provided in subsection (7) of this section, only an in-**
19 **dustrial hemp product described in this paragraph that is in its final**
20 **form and ready for sale, transfer or delivery to a consumer in this**
21 **state is subject to the requirements of this section.**

1 **“(b) A person that is located within or outside this state and that,**
2 **as determined by the commission by rule, is responsible for the man-**
3 **ufacture, packaging or distribution of an industrial hemp product de-**
4 **scribed in paragraph (a) of this subsection shall, prior to selling,**
5 **transferring or delivering the industrial hemp product directly to a**
6 **consumer in this state or selling, transferring or delivering the in-**
7 **dustrial hemp product to a retailer in this state for the purpose of sale**
8 **to a consumer in this state:**

9 **“(A) Annually submit the information described in subsection (3)**
10 **of this section to the commission in a manner specified by the com-**
11 **mission by rule;**

12 **“(B) Include on the industrial hemp product a label that contains**
13 **the information described in subsection (4) of this section; and**

14 **“(C) Pay the annual registration fee established by the commission**
15 **by rule.**

16 **“(3) A person described in subsection (2) of this section shall submit**
17 **to the commission the following information about an industrial hemp**
18 **product that contains cannabinoids and is intended for human or ani-**
19 **mal consumption or use:**

20 **“(a) The name and type of the product;**

21 **“(b) The name and physical address of the manufacturer of the**
22 **product;**

23 **“(c) The mailing address of the manufacturer of the product;**

24 **“(d) A certificate of analysis for a batch of the product;**

25 **“(e) A copy of the label for the product;**

26 **“(f) A statement about whether the product is an adult use**
27 **cannabis item; and**

28 **“(g) Any other information required by the commission by rule.**

29 **“(4) A person described in subsection (2) of this section shall label**
30 **an industrial hemp product that contains cannabinoids and is intended**

1 for human or animal consumption or use with a label that contains
2 the following information:

3 “(a) The name and type of the product;

4 “(b) The name and physical address of the manufacturer of the
5 product;

6 “(c) The ingredients of the product;

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

8 “(e) The serving size and number of servings contained in a package
9 of the product;

10 “(f) The potency of the product and a list of the cannabinoid con-
11 tents of the product;

12 “(g) The address of a publicly accessible website that contains the
13 certificate of analysis for the product;

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

15 “(i) If the product is an adult use cannabis item, the following
16 language:

17 “(A) ‘For use only by adults 21 and older.’; and

18 “(B) ‘Keep out of reach of children.’;

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

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

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

25 “(6) The fee collected under this section may not exceed the cost
26 of administering this section.

27 “(7) If a retailer receives an industrial hemp product that contains
28 cannabinoids and is intended for human or animal consumption or use
29 that:

30 “(a) Differs in form, or contains a label that differs, from the in-

1 **formation about the industrial hemp product available from the reg-**
2 **istration program established under this section, the retailer shall**
3 **submit to the commission the information described in subsections (3)**
4 **and (4) of this section and the fee described in subsection (2) of this**
5 **section.**

6 **“(b) Is not registered with the registration program established**
7 **under this section, the retailer may sell the industrial hemp product**
8 **to a consumer in this state if the retailer provides to the commission**
9 **the information described in subsections (3) and (4) of this section and**
10 **the fee described in subsection (2) of this section.**

11 **“(8) This section does not apply to an industrial hemp product that:**

12 **“(a) Does not contain cannabinoids;**

13 **“(b) Is intended only for topical use;**

14 **“(c) Is an industrial hemp grain or fiber product that does not**
15 **contain added cannabinoids;**

16 **“(d) Is a commercial feed product for animals registered under ORS**
17 **633.006 to 633.089; or**

18 **“(e) Is transported through this state en route to a final destination**
19 **in another state.**

20 **“SECTION 3. ORS 571.309 is amended to read:**

21 **“571.309. (1) The Oregon Liquor and Cannabis Commission, in consulta-**
22 **tion with the State Department of Agriculture, shall adopt rules to establish:**

23 **“[(1)] (a) The maximum concentration of tetrahydrocannabinol permitted**
24 **in a single serving of an industrial hemp product;**

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

28 **“[(3)] (c) The number of servings that are permitted in a package of in-**
29 **dustrial hemp products.**

30 **“(2) The commission shall adopt rules to establish standards for**

1 approving for sale at retail industrial hemp products that contain arti-
2 tificially derived cannabinoids. The standards adopted under this sub-
3 section may include that:

4 “(a) An artificially derived cannabinoid in an industrial hemp
5 product must be determined by the commission, as described in sub-
6 section (3) of this section, to be not impairing;

7 “(b) The industrial hemp product may not be intended for human
8 inhalation;

9 “(c) The industrial hemp product may not contain any controlled
10 substance, as determined by the State Board of Pharmacy by rule
11 pursuant to ORS 475.035;

12 “(d) The industrial hemp product must be processed in a facility
13 licensed by the State Department of Agriculture under ORS 616.695 to
14 616.755 or in a facility in another state or jurisdiction that meets re-
15 quirements substantially similar to requirements established under
16 ORS 616.695 to 616.755;

17 “(e) If the industrial hemp product is intended for human or animal
18 consumption, the industrial hemp product must comply with the re-
19 quirements of section 2 of this 2023 Act; and

20 “(f) The industrial hemp product may contain one or more arti-
21 ficially derived cannabinoids that have been:

22 “(A) Reported in at least two peer-reviewed publications as a na-
23 turally occurring component of the plant genus Cannabis within the
24 plant family Cannabaceae; and

25 “(B) Determined by the processor of the industrial hemp product
26 to be generally recognized as safe pursuant to the process established
27 by the United States Food and Drug Administration.

28 “(3) In determining that an artificially derived cannabinoid is not
29 impairing for purposes of subsection (2) of this section, the commis-
30 sion shall:

1 “(a) Review and rely on peer-reviewed publications and acknowl-
2 edged experts in the field of cannabinoids; and

3 “(b) Take into account the industrial hemp product serving size and
4 the total number of servings in the package of the industrial hemp
5 product.

6 “SECTION 4. (1) Section 2 of this 2023 Act and the amendments to
7 ORS 571.309 by section 3 of this 2023 Act become operative on January
8 1, 2024.

9 “(2) The Oregon Liquor and Cannabis Commission may take any
10 action before the operative date specified in subsection (1) of this sec-
11 tion that is necessary to enable the commission to exercise, on and
12 after the operative date specified in subsection (1) of this section, all
13 of the duties, functions and powers conferred on the commission by
14 section 2 of this 2023 Act and the amendments to ORS 571.309 by sec-
15 tion 3 of this 2023 Act.

16
17 “INTERSTATE COMMERCE OF CANNABIS SEEDS
18

19 “SECTION 5. ORS 475C.229 is amended to read:

20 “475C.229. (1) For purposes of this section:

21 “(a) ‘Export’ includes placing a marijuana item in any mode of transpor-
22 tation for hire, such as luggage, mail or parcel delivery, even if the trans-
23 portation of the marijuana item is intercepted prior to the marijuana item
24 leaving this state.

25 “(b)(A) ‘Marijuana item’ includes an industrial hemp commodity or prod-
26 uct that exceeds the greater of:

27 “[(A)] (i) A concentration of 0.3 percent total
28 delta-9-tetrahydrocannabinol; or

29 “[(B)] (ii) The concentration of total delta-9-tetrahydrocannabinol allowed
30 under federal law.

1 “(b) ‘Marijuana item’ does not include marijuana seeds or industrial
2 hemp seeds imported or exported in accordance with applicable state
3 and federal law.

4 “(2) A person may not import marijuana items into this state or export
5 marijuana items from this state.

6 “(3) A violation of this section is a Class B violation, except:

7 “(a) As provided in subsection (4) of this section; or

8 “(b) If the item is industrial hemp and does not exceed a total
9 delta-9-tetrahydrocannabinol concentration of one percent.

10 “(4) A violation of this section is a:

11 “(a) Class A misdemeanor, if the importation or exportation:

12 “(A) Is not for consideration and the person holds a license issued under
13 ORS 475C.065, 475C.085, 475C.093 or 475C.097; or

14 “(B) Concerns an amount of marijuana items that exceeds the applicable
15 maximum amount specified in ORS 475C.337 (1)(a) to (f).

16 “(b) Class C felony, if the importation or exportation:

17 “(A) Is for consideration and the person holds a license issued under ORS
18 475C.065, 475C.085, 475C.093 or 475C.097;

19 “(B) Concerns an amount of marijuana items that exceeds 16 times the
20 applicable maximum amount specified in ORS 475C.337 (1)(a) to (f); or

21 “(C) Concerns a cannabinoid extract that was not purchased from a
22 marijuana retailer that holds a license issued under ORS 475C.097.

23
24 **“TEMPORARY PERMITS**

25
26 **“SECTION 6.** ORS 475C.269, as amended by section 4, chapter 117,
27 Oregon Laws 2022, is amended to read:

28 “475C.269. (1) An individual who performs work for or on behalf of a
29 licensee or a laboratory licensed under ORS 475C.548 must have a valid
30 permit **or temporary permit** issued by the Oregon Liquor and Cannabis

1 Commission under ORS 475C.273 if the individual participates in:

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

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

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

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

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

15 “475C.273. (1) The Oregon Liquor and Cannabis Commission shall issue
16 permits to qualified applicants to perform work described in ORS 475C.269.
17 The commission shall adopt rules establishing:

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

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

20 “(c) Procedures for applying for and renewing a permit issued under this
21 section; and

22 “(d) Reasonable application, issuance and renewal fees for a permit issued
23 under this section.

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

27 “(A) Checking identification;

28 “(B) Detecting intoxication;

29 “(C) Handling marijuana items;

30 “(D) If applicable, producing and propagating marijuana;

1 “(E) If applicable, processing marijuana;

2 “(F) The content of ORS 475C.005 to 475C.525 and rules adopted under
3 ORS 475C.005 to 475C.525; or

4 “(G) Any matter deemed necessary by the commission to protect the pub-
5 lic health and safety.

6 “(b) The commission or other provider of a course may charge a reason-
7 able fee for the course.

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

10 “(A) As part of a final order suspending a permit issued under this sec-
11 tion, the commission may require a permit holder to successfully complete
12 the course as a condition of lifting the suspension; and

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

16 “(3) The commission shall conduct a criminal records check under ORS
17 181A.195 on an individual applying for a permit under this section.

18 “(4) Subject to the applicable provisions of ORS chapter 183, the com-
19 mission may suspend, revoke or refuse to issue or renew a permit if the in-
20 dividual who is applying for or who holds the permit:

21 “(a) Is convicted of a felony or is convicted of an offense under ORS
22 475C.005 to 475C.525, except that the commission may not consider a con-
23 viction for an offense under ORS 475C.005 to 475C.525 if the date of the
24 conviction is two or more years before the date of the application or renewal;

25 “(b) Violates any provision of ORS 475C.005 to 475C.525 or any rule
26 adopted under ORS 475C.005 to 475C.525; or

27 “(c) Makes a false statement to the commission.

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

1 “(6) **The commission may establish by rule a process and conditions**
2 **for issuing a temporary permit to an individual who has applied to the**
3 **commission for a permit under this section.**

4 “**SECTION 8.** 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 Commis-
19 sion information on each vehicle used to make deliveries of marijuana items
20 under this section, including the make, model, year, color, vehicle identifi-
21 cation 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

1 section.

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

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

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

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

14 “(b) May not:

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

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

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

22 “(4) A delivery vehicle must:

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

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

30 “(c) Be free of any markings that may indicate that the delivery vehicle

1 is used for the purpose of delivering marijuana items.

2 “(5) A delivery of marijuana items may not be made to a consumer who
3 is located on land owned or leased by the federal government.

4 “(6) The commission may adopt rules to carry out the purposes of this
5 section.

6 “**SECTION 9.** ORS 475C.197 is amended to read:

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

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

12 “(b) Revise or render void an order suspending or revoking the permit
13 **or temporary permit**.

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

17 “**SECTION 10.** ORS 475C.209 is amended to read:

18 “475C.209. (1) In order to transport marijuana items, a licensee must cre-
19 ate a manifest that contains the following information:

20 “(a) The name of the driver of the transport vehicle;

21 “(b) Identifying information for the driver’s permit **or temporary permit**
22 issued under ORS 475C.273;

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

24 “(d) The name of the licensee from which the marijuana or marijuana
25 items are being transported;

26 “(e) A detailed inventory of the marijuana and marijuana items being
27 transported;

28 “(f) The location of any overnight stop during transportation, and the
29 estimated time of the overnight stop; and

30 “(g) The destination of the marijuana and marijuana items being trans-

1 ported.

2 “(2) Except as provided in subsection (1)(f) of this section, a manifest
3 created under this section is not required to include transport route infor-
4 mation.

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

7 **“SECTION 11.** ORS 475C.265 is amended to read:

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

13 “(a) Has violated a provision of ORS 475C.005 to 475C.525 or a rule
14 adopted under ORS 475C.005 to 475C.525.

15 “(b) Has diverted marijuana to the interstate market or an illicit market
16 or has diverted resources to a criminal enterprise.

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

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

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

27 “(f) Has misrepresented to a customer or the public any marijuana items
28 sold by the licensee or licensee representative.

29 “(g) Since the issuance of the license, has been convicted of a felony, of
30 violating any of the marijuana laws of this state, general or local, or of any

1 misdemeanor or violation of any municipal ordinance committed on the
2 premises for which the license has been issued.

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

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

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

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

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

14 “(B) A demonstration that, to the satisfaction of the commission, the
15 conduct of the licensee or applicant is not persistent or serious; and

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

20 “(4) The commission may suspend or restrict a license issued under ORS
21 475C.005 to 475C.525 or require a licensee or licensee representative to un-
22 dergo training if the commission finds or has reasonable grounds to believe
23 that the licensee or licensee representative has violated a provision of ORS
24 475C.005 to 475C.525 or a rule adopted under ORS 475C.005 to 475C.525.

25 “(5) The commission may suspend or revoke a permit **or temporary**
26 **permit** issued under ORS 475C.273 to an individual rather than suspend or
27 revoke a license issued under ORS 475C.005 to 475C.525 if the commission
28 determines that permit suspension or revocation is more appropriate.

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

1 “(A) Pay the tax as required under ORS 475C.682 twice in any four con-
2 secutive quarters and the Department of Revenue has issued to the licensee
3 a distraint warrant under ORS 475C.688 for the nonpayment of tax; or

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

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

13 “**SECTION 12.** ORS 475C.742 is amended to read:

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

30 “**SECTION 13.** ORS 475C.746 is amended to read:

1 “475C.746. (1) Notwithstanding any law relating to the exemption of in-
2 formation from public disclosure under ORS 475C.005 to 475C.525 or 475C.540
3 to 475C.586, upon the request of a financial institution, the Oregon Liquor
4 and Cannabis Commission shall provide to the financial institution the fol-
5 lowing information:

6 “(a) Whether a person with whom the financial institution is doing busi-
7 ness holds a license under ORS 475C.065, 475C.085, 475C.093, 475C.097 or
8 475C.548 or a permit **or temporary permit** under ORS 475C.273;

9 “(b) The name of any other business or individual affiliated with the
10 person;

11 “(c) A copy of the application, and any supporting documentation sub-
12 mitted with the application, for a license, **a permit** or a **temporary** permit
13 submitted by the person;

14 “(d) If applicable, data relating to sales and the volume of product sold
15 by the person;

16 “(e) Whether the person is currently compliant with the provisions of
17 ORS 475C.005 to 475C.525, 475C.540 to 475C.586 and 475C.600 to 475C.648 and
18 rules adopted under ORS 475C.005 to 475C.525, 475C.540 to 475C.586 and
19 475C.600 to 475C.648;

20 “(f) Any past or pending violation by the person of a provision of ORS
21 475C.005 to 475C.525, 475C.540 to 475C.586 or 475C.600 to 475C.648 or a rule
22 adopted under ORS 475C.005 to 475C.525, 475C.540 to 475C.586 or 475C.600 to
23 475C.648; and

24 “(g) Any penalty imposed upon the person for violating a provision of
25 ORS 475C.005 to 475C.525, 475C.540 to 475C.586 or 475C.600 to 475C.648 or a
26 rule adopted under ORS 475C.005 to 475C.525, 475C.540 to 475C.586 or
27 475C.600 to 475C.648.

28 “(2) Upon receiving a request under subsection (1) of this section, the
29 commission shall provide the requesting financial institution with the re-
30 quested information.

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

3 **“SECTION 14. (1) The amendments to ORS 475C.117, 475C.197,**
4 **475C.209, 475C.265, 475C.269, 475C.273, 475C.742 and 475C.746 by sections**
5 **6 to 13 of this 2023 Act become operative on January 1, 2024.**

6 **“(2) The Oregon Liquor and Cannabis Commission may take any**
7 **action before the operative date specified in subsection (1) of this sec-**
8 **tion that is necessary to enable the commission to exercise, on and**
9 **after the operative date specified in subsection (1) of this section, all**
10 **of the duties, functions and powers conferred on the commission by**
11 **the amendments to ORS 475C.117, 475C.197, 475C.209, 475C.265, 475C.269,**
12 **475C.273, 475C.742 and 475C.746 by sections 6 to 13 of this 2023 Act.**

13
14 **“COMMERCIAL MARIJUANA OFFENSES**

15
16 **“SECTION 15. ORS 475C.353 is amended to read:**

17 **“475C.353. (1) Except as provided in subsection (3) of this section, a felony**
18 **under ORS 475C.337 or 475C.341 shall be classified as crime category 1 of the**
19 **sentencing guidelines grid of the Oregon Criminal Justice Commission.**

20 **“(2) Except as provided in subsection (3) of this section, a felony under**
21 **ORS 475C.345 or 475C.349 shall be classified as crime category 4 of the sen-**
22 **tencing guidelines grid of the Oregon Criminal Justice Commission.**

23 **“(3) Subject to subsection (4) of this section, a felony under ORS 475C.337,**
24 **475C.341, 475C.345 or 475C.349 shall be classified as crime category 8 of the**
25 **sentencing guidelines grid of the Oregon Criminal Justice Commission if the**
26 **violation is a commercial marijuana offense. A violation is a commercial**
27 **marijuana offense for purposes of this subsection if the violation was com-**
28 **mitted in conjunction with at least three of the following factors:**

29 **“[(a) *The offender delivered a marijuana item for consideration;*]**

30 **“[(b)] (a) The offender was in possession of [~~\$300~~] **\$2,500** or more in cash;**

1 “[(c)] (b) The offender was unlawfully in possession of a firearm or other
2 weapon as described in ORS 166.270 (2), the offender used, attempted to use
3 or threatened to use a deadly weapon or dangerous weapon, as those terms
4 are defined in ORS 161.015, or the offender was in possession of a firearm
5 or other deadly weapon or dangerous weapon for the purpose of using the
6 deadly weapon or dangerous weapon;

7 “[(d)] (c) The offender was in possession of materials being used for the
8 packaging of marijuana items, such as scales, wrapping or foil, other than
9 a material used to contain the marijuana item that is the subject of the vi-
10 olation;

11 “[(e)] (d) The offender was in possession of marijuana item transaction
12 records or customer lists;

13 “[(f)] (e) The offender was in possession of stolen property;

14 “[(g)] (f) The offender was in possession of manufacturing paraphernalia
15 specifically designed for producing marijuana **or producing or processing**
16 **marijuana items**, such as [*recipes, precursor chemicals, laboratory equip-*
17 *ment,*] lighting equipment, ventilating equipment [*or*], power generation
18 equipment **or extraction equipment**;

19 “[(h)] (g) The offender modified structures by painting, wiring, plumbing
20 or lighting the structures to facilitate the offense;

21 “[(i)] (h) The offender used public lands to manufacture the marijuana
22 item; or

23 “[(j)] (i) The offender constructed fortifications or took security measures
24 that had the potential to injure persons.

25 “(4) To prove that a violation is a commercial marijuana offense for pur-
26 poses of subsection (3) of this section, the state must plead in the accusatory
27 instrument at least three of the factors described in subsection (3) of this
28 section. The state has the burden of proving each factor beyond a reasonable
29 doubt.

30 “**SECTION 16. The amendments to ORS 475C.353 by section 15 of**

1 **this 2023 Act apply to conduct occurring on or after the effective date**
2 **of this 2023 Act.**

3

4

“CANNABIS RESEARCH

5

6 **“SECTION 17. ORS 475C.289 and 475C.293 are added to and made a**
7 **part of ORS 475C.770 to 475C.919.**

8 **“SECTION 18.** ORS 475C.289 is amended to read:

9 **“475C.289. (1)** The [*Oregon Liquor and Cannabis Commission, in consulta-*
10 *tion with the*] Oregon Health Authority [*and*], **in consultation with** the
11 State Department of Agriculture **and the Oregon Liquor and Cannabis**
12 **Commission**, shall establish a program for the purpose of identifying and
13 certifying private and public researchers of cannabis.

14 **“(2)(a)** The authority shall [*assist the commission in identifying*] **identify**
15 candidates for certification under this section with respect to potential
16 medical research.

17 **“(b)** The department shall assist the [*commission*] **authority** in identifying
18 candidates for certification under this section with respect to potential ag-
19 ricultural research.

20 **“(3)** Subject to subsection (4) of this section, the [*commission*] **authority**
21 shall adopt by rule or order:

22 **“(a)** Qualifications for certification under this section;

23 **“(b)** The term of a certificate issued under this section;

24 **“(c)** Processes for applying for, receiving and renewing a certificate under
25 this section;

26 **“(d)** Procedures for tracking marijuana, usable marijuana, **cannabinoid**
27 **products, medical** cannabinoid products, cannabinoid concentrates and
28 cannabinoid extracts received by and disposed or otherwise made use of by
29 a person that holds a certificate issued under this section; and

30 **“(e)** Procedures for disposing or otherwise making use of marijuana, usa-

1 ble marijuana, **cannabinoid products, medical** cannabinoid products,
2 cannabinoid concentrates and cannabinoid extracts.

3 “(4) In establishing qualifications under subsection (3) of this section, the
4 [*commission*] **authority** shall consider the following:

5 “(a) A research applicant’s access to funding and the overall cost of the
6 proposed research;

7 “(b) The overall benefit of an applicant’s proposed research to this state’s
8 cannabis industry or to public health and safety; and

9 “(c) Legal barriers to conducting the proposed research or legal risks as-
10 sociated with conducting the proposed research.

11 “(5) In adopting procedures under subsection (3)(d) and (e) of this section
12 with respect to making use of marijuana, usable marijuana, cannabinoid
13 products, **medical cannabinoid products**, cannabinoid concentrates and
14 cannabinoid extracts, the [*commission*] **authority** shall also adopt procedures
15 by which a person that holds a certificate issued under this section may
16 transfer limited amounts of marijuana, usable marijuana, cannabinoid pro-
17 ducts, **medical cannabinoid products**, cannabinoid concentrates and
18 cannabinoid extracts to another person that holds a certificate issued under
19 this section or to a premises for which a license has been issued under ORS
20 475C.065, 475C.085, 475C.093 or 475C.097.

21 “(6) In adopting procedures under subsection (3)(d) and (e) of this section
22 with respect to making use of marijuana, usable marijuana, cannabinoid
23 products, **medical cannabinoid products**, cannabinoid concentrates and
24 cannabinoid extracts, the [*commission*] **authority** shall also adopt procedures
25 by which a person that holds a certificate issued under this section may give,
26 devise or bequest usable marijuana, immature marijuana plants, marijuana
27 seeds **as defined in ORS 475C.009**, cannabinoid products, **medical**
28 **cannabinoid products**, cannabinoid concentrates and cannabinoid extracts
29 to a medical marijuana dispensary [*registered with the authority under ORS*
30 *475C.833 and*] owned by a nonprofit corporation organized under ORS chap-

1 ter 65 for purposes described in ORS 475C.850.

2 “(7) A person that holds a certificate issued under this section:

3 “(a) May receive marijuana, usable marijuana, cannabinoid products,
4 **medical cannabinoid products**, cannabinoid concentrates and cannabinoid
5 extracts from a [*licensee*] **person that holds a license issued under ORS**
6 **475C.065, 475C.085, 475C.093 or 475C.097** or a [*registrant*] **person registered**
7 under ORS 475C.770 to 475C.919; and

8 “(b) May not sell or otherwise transfer marijuana, usable marijuana,
9 cannabinoid products, **medical cannabinoid products**, cannabinoid concen-
10 trates or cannabinoid extracts to any other person, except as provided in this
11 section and rules adopted by the [*commission*] **authority** under this section.

12 “[*(8) Except as otherwise provided by the commission by rule, rules adopted*
13 *under ORS 475C.005 to 475C.525 with respect to licensees and licensee repre-*
14 *sentatives apply to persons that hold a certificate issued under this section and*
15 *persons employed by or who otherwise perform work for persons that hold a*
16 *certificate issued under this section.*]

17 “[*(9)*] **(8)** A person that holds a certificate issued under this section, and
18 an employee of or other person who performs work for a person that holds
19 a certificate issued under this section, is exempt from the criminal laws of
20 this state for possession, delivery or manufacture of marijuana, aiding and
21 abetting another in the possession, delivery and manufacture of marijuana,
22 or any other criminal offense in which possession, delivery or manufacture
23 of marijuana is an element, while performing activities related to conducting
24 research as described in this section.

25 “**(9) As used in this section, ‘cannabinoid product’ has the meaning**
26 **given that term in ORS 475C.009.**

27 “**SECTION 19.** ORS 475C.293 is amended to read:

28 “475C.293. For the purpose of requesting a state or nationwide criminal
29 records check under ORS 181A.195, the [*Oregon Liquor and Cannabis Com-*
30 *mission*] **Oregon Health Authority** may require the fingerprints of any in-

1 individual listed on an application submitted under ORS 475C.289. The powers
2 conferred on the [commission] **authority** under this section include the
3 power to require the fingerprints of:

4 “(1) If the applicant is a limited partnership, each partner of the limited
5 partnership;

6 “(2) If the applicant is a limited liability company, each member of the
7 limited liability company;

8 “(3) If the applicant is a corporation, each director and officer of the
9 corporation;

10 “(4) Any individual who holds a financial interest of 10 percent or more
11 in the person applying for the certificate; and

12 “(5) Any individual who is a partner, member, director or officer of a legal
13 entity with a financial interest in the person applying for the certificate.

14 **“SECTION 20.** ORS 475C.301 is amended to read:

15 “475C.301. (1) In addition to the duties, functions and powers described
16 in ORS 471.775, and subject to subsection (2) of this section, a regulatory
17 specialist, as defined in ORS 471.001, has the authority as provided in ORS
18 133.005 to 133.400, 133.450, 133.525 to 133.703, 133.721 to 133.739, 161.233,
19 161.245, 475C.005 to 475C.525, 475C.540 to 475C.586 and 475C.600 to 475C.648,
20 and chapter 743, Oregon Laws 1971, to conduct inspections and investi-
21 gations, make seizures, aid in prosecutions of and issue citations to licensees
22 and persons who hold a [certificate or] permit under ORS 475C.005 to 475C.525
23 for violations of and offenses related to, and otherwise enforce, ORS 475C.005
24 to 475C.525, 475C.540 to 475C.586 and 475C.600 to 475C.648, any rule adopted
25 under ORS 475C.005 to 475C.525, 475C.540 to 475C.586 and 475C.600 to
26 475C.648 and any other law of this state that charges the Oregon Liquor and
27 Cannabis Commission with a duty, function or power related to a marijuana
28 item, including enforcing any law or rule related to individuals who use false
29 identification for purposes of purchasing or possessing a marijuana item or
30 who engage in illegal activity on or near a premises.

1 “(2) A regulatory specialist may not:

2 “(a) Be sworn in as a federal law enforcement official and act in that
3 capacity while performing an activity authorized by this section.

4 “(b) Carry a firearm.

5 “(c) Conduct inspections and investigations of a primary residence.

6 “(d) For purposes of ensuring compliance with ORS 475C.770 to 475C.919,
7 conduct inspections and investigations of registry identification cardholders
8 or designated primary caregivers, the residences of registry identification
9 cardholders or designated primary caregivers, or the locations where registry
10 identification cardholders or designated primary caregivers produce
11 marijuana.

12 **“SECTION 21.** ORS 475C.305 is amended to read:

13 “475C.305. ORS 475C.017, 475C.021, 475C.025, 475C.029, 475C.033, 475C.037,
14 475C.041, 475C.045, 475C.049, 475C.053, 475C.057, 475C.061, 475C.065, 475C.077,
15 475C.085, 475C.093, 475C.097, 475C.105, 475C.109, 475C.113, 475C.117, 475C.137,
16 475C.141, 475C.145, 475C.149, 475C.157, 475C.161, 475C.165, 475C.173, 475C.177,
17 475C.205, 475C.213, 475C.217, 475C.225, 475C.233, 475C.237, 475C.241, 475C.245,
18 475C.265, 475C.269, 475C.273, 475C.281, 475C.285, [475C.289,] 475C.297,
19 475C.433, 475C.437, 475C.445, 475C.449, 475C.453, 475C.461, 475C.465, 475C.473,
20 475C.477, 475C.481, 475C.485, 475C.489 and 475C.493 do not apply:

21 “(1) To the production or storage of homegrown plants in the genus
22 Cannabis within the plant family Cannabaceae that are otherwise subject to
23 ORS 475C.005 to 475C.525 at a household by one or more persons 21 years
24 of age and older, if the total amount of homegrown plants at the household
25 does not exceed four plants at any time.

26 “(2) To the possession or storage of usable marijuana items at a household
27 by one or more persons 21 years of age or older, if the total amount of usable
28 marijuana at the household does not exceed eight ounces of usable marijuana
29 at any time.

30 “(3) To the making, processing, possession or storage of cannabinoid pro-

1 ducts at a household by one or more persons 21 years of age and older, if the
2 total amount of cannabinoid products at the household does not exceed 16
3 ounces in solid form at any time.

4 “(4) To the making, processing, possession or storage of cannabinoid pro-
5 ducts at a household by one or more persons 21 years of age and older, if the
6 total amount of cannabinoid products at the household does not exceed 72
7 ounces in liquid form at any time.

8 “(5) To the making, processing, possession or storage of cannabinoid
9 concentrates at a household by one or more persons 21 years of age or older,
10 if the total amount of cannabinoid concentrates at the household does not
11 exceed 16 ounces at any time.

12 “(6) To the possession of cannabinoid extracts at a household by one or
13 more persons 21 years of age or older, if the cannabinoid extracts were pur-
14 chased from a marijuana retailer that holds a license under ORS 475C.097,
15 or transferred by a medical marijuana dispensary registered by the Oregon
16 Health Authority under ORS 475C.833, and the total amount of cannabinoid
17 extracts at the household does not exceed one ounce at any time.

18 “(7) To the delivery of not more than one ounce of usable marijuana at
19 a time by a person 21 years of age or older to another person 21 years of age
20 or older for noncommercial purposes.

21 “(8) To the delivery of not more than 16 ounces of cannabinoid products
22 in solid form at a time by a person 21 years of age or older to another person
23 21 years of age or older for noncommercial purposes.

24 “(9) To the delivery of not more than 72 ounces of cannabinoid products
25 in liquid form at a time by a person 21 years of age or older to another
26 person 21 years of age or older for noncommercial purposes.

27 “(10) To the delivery of not more than 16 ounces of cannabinoid concen-
28 trates at a time by a person 21 years of age or older to another person 21
29 years of age or older for noncommercial purposes.

30 **“SECTION 22.** ORS 475C.449 is amended to read:

1 “475C.449. (1) For purposes of this section, ‘reasonable regulations’ in-
2 cludes:

3 “(a) Reasonable conditions on the manner in which a marijuana producer
4 that holds a license issued under ORS 475C.065 may produce marijuana [*or*
5 *in which a researcher of cannabis that holds a certificate issued under ORS*
6 *475C.289 may produce marijuana or propagate immature marijuana plants*];

7 “(b) Reasonable conditions on the manner in which a marijuana processor
8 that holds a license issued under ORS 475C.085 may process marijuana [*or*
9 *in which a researcher of cannabis that holds a certificate issued under ORS*
10 *475C.289 may process marijuana*];

11 “(c) Reasonable conditions on the manner in which a marijuana whole-
12 saler that holds a license issued under ORS 475C.093 may sell marijuana at
13 wholesale;

14 “(d) Reasonable conditions on the manner in which a marijuana retailer
15 that holds a license issued under ORS 475C.097 may sell marijuana items;

16 “(e) Reasonable limitations on the hours during which a premises for
17 which a license has been issued under ORS 475C.005 to 475C.525 may operate;

18 “(f) Reasonable requirements related to the public’s access to a premises
19 for which a license [*or certificate*] has been issued under ORS 475C.005 to
20 475C.525; and

21 “(g) Reasonable limitations on where a premises for which a license [*or*
22 *certificate*] may be issued under ORS 475C.005 to 475C.525 may be located.

23 “(2) Notwithstanding ORS 30.935, 215.253 (1) or 633.738, the governing
24 body of a city or county may adopt ordinances that impose reasonable regu-
25 lations on the operation of businesses located at premises for which a license
26 [*or certificate*] has been issued under ORS 475C.005 to 475C.525 if the prem-
27 ises are located in the area subject to the jurisdiction of the city or county,
28 except that the governing body of a city or county may not:

29 “(a) Adopt an ordinance that prohibits a premises for which a license has
30 been issued under ORS 475C.097 from being located within a distance that

1 is greater than 1,000 feet of another premises for which a license has been
2 issued under ORS 475C.097.

3 “(b) Adopt an ordinance that imposes a setback requirement for an agri-
4 cultural building used to produce marijuana located on a premises for which
5 a license has been issued under ORS 475C.065 if the agricultural building:

6 “(A) Was constructed on or before July 1, 2015, in compliance with all
7 applicable land use and building code requirements at the time of con-
8 struction;

9 “(B) Is located at an address where a marijuana grow site first registered
10 with the Oregon Health Authority under ORS 475C.792 on or before January
11 1, 2015;

12 “(C) Was used to produce marijuana pursuant to the provisions of ORS
13 475C.770 to 475C.919 on or before January 1, 2015; and

14 “(D) Has four opaque walls and a roof.

15 **“SECTION 23.** ORS 475C.473 is amended to read:

16 “475C.473. (1) The Oregon Liquor and Cannabis Commission, the State
17 Department of Agriculture and the Oregon Health Authority may not refuse
18 to perform any duty under ORS 475C.005 to 475C.525 on the basis that man-
19 ufacturing, distributing, dispensing, possessing or using marijuana is pro-
20 hibited by federal law.

21 “(2) The commission may not revoke or refuse to issue or renew a
22 license[, *certificate*] or permit under ORS 475C.005 to 475C.525 on the basis
23 that manufacturing, distributing, dispensing, possessing or using marijuana
24 is prohibited by federal law.

25 **“SECTION 24.** ORS 475C.485 is amended to read:

26 “475C.485. In case of invasion, disaster, insurrection or riot, or imminent
27 danger of invasion, disaster, insurrection or riot, the Governor may, for the
28 duration of the invasion, disaster, insurrection or riot, or imminent danger,
29 immediately and without notice suspend, in the area involved, any license[,
30 *certificate*] or permit issued under ORS 475C.005 to 475C.525.

1 **“SECTION 25.** ORS 475C.894 is amended to read:

2 “475C.894. (1) Registration **or certification** under ORS 475C.770 to
3 475C.919 or possession of proof of registration **or certification** under ORS
4 475C.770 to 475C.919 does not constitute probable cause to search the person
5 or property of the registrant **or certificate holder** or otherwise subject the
6 person or property of the registrant **or certificate holder** to inspection by
7 a government agency. However, the Oregon Health Authority may inspect
8 the marijuana grow site of a person designated to produce marijuana by a
9 registry identification cardholder, a marijuana processing site registered
10 under ORS 475C.815, [or] a medical marijuana dispensary registered under
11 ORS 475C.833 **or a premises for which a certificate has been issued un-**
12 **der ORS 475C.289[,]** at any reasonable time to determine whether the person
13 responsible for the marijuana grow site, the person responsible for the
14 marijuana processing site, [or] the person responsible for the medical
15 marijuana dispensary[,] **or the person responsible for the premises for**
16 **which a certificate has been issued under ORS 475C.289** is in compliance
17 with ORS 475C.770 to 475C.919 and rules adopted under ORS 475C.770 to
18 475C.919.

19 “(2) Any property interest possessed, owned or used in connection with
20 the medical use of marijuana or acts incidental to the medical use of
21 marijuana that has been seized by state or local law enforcement officers
22 may not be harmed, neglected, injured or destroyed while in the possession
23 of a law enforcement agency, except that a law enforcement agency has no
24 responsibility to maintain live marijuana plants lawfully seized. Such prop-
25 erty interest may not be forfeited under any provision of law providing for
26 the forfeiture of property, except pursuant to a sentence imposed after con-
27 viction of a criminal offense. Marijuana and equipment or paraphernalia
28 used to produce, process or administer marijuana that was seized by a law
29 enforcement officer shall be returned immediately if the district attorney in
30 whose county the property was seized, or the district attorney’s designee,

1 determines that the person from whom the marijuana, equipment or par-
2 aphernalia was seized is entitled to the protections provided by ORS 475C.770
3 to 475C.919. The determination may be evidenced by a decision not to pros-
4 ecute, the dismissal of charges or acquittal.

5 **“SECTION 26.** ORS 475C.897 is amended to read:

6 “475C.897. (1) For purposes of this section, ‘reasonable regulations’ in-
7 cludes:

8 “(a) Reasonable limitations on the hours during which the marijuana
9 grow site of a person designated to produce marijuana by a registry iden-
10 tification cardholder, a marijuana processing site or a medical marijuana
11 dispensary may operate;

12 “(b) Reasonable conditions on the manner in which the marijuana grow
13 site of a person designated to produce marijuana by a registry identification
14 cardholder, a marijuana processing site or a medical marijuana dispensary
15 may transfer usable marijuana, medical cannabinoid products, cannabinoid
16 concentrates, cannabinoid extracts, immature marijuana plants and seeds;

17 “(c) Reasonable requirements related to the public’s access to the
18 marijuana grow site of a person designated to produce marijuana by a reg-
19 istry identification cardholder, a marijuana processing site or a medical
20 marijuana dispensary; [and]

21 “(d) Reasonable limitations on where the marijuana grow site of a person
22 designated to produce marijuana by a registry identification cardholder, a
23 marijuana processing site or a medical marijuana dispensary may be
24 located[.]; **and**

25 **“(e) Reasonable conditions on the manner in which a researcher of**
26 **cannabis that holds a certificate issued under ORS 475C.289 may**
27 **produce marijuana, propagate immature marijuana plants or process**
28 **marijuana.**

29 “(2) Notwithstanding ORS 30.935, 215.253 (1) or 633.738, the governing
30 body of a city or county may adopt ordinances that impose reasonable regu-

1 lations on the operation of marijuana grow sites of persons designated to
2 produce marijuana by registry identification cardholders, marijuana pro-
3 cessing sites [*and*], medical marijuana dispensaries **and premises for which**
4 **a certificate has been issued under ORS 475C.289** that are located in the
5 area subject to the jurisdiction of the city or county.

6 **“SECTION 27. The amendments to ORS 475C.289 and 475C.293 by**
7 **sections 18 and 19 of this 2023 Act apply to certificates issued or re-**
8 **newed on and after the operative date specified in section 28 of this**
9 **2023 Act. Until the date of renewal, the holder of a certificate issued**
10 **under ORS 475C.289 before the operative date specified in section 28**
11 **of this 2023 Act is subject to any tracking requirements established by**
12 **the Oregon Liquor and Cannabis Commission pursuant to ORS 475C.289**
13 **before the operative date specified in section 28 of this 2023 Act.**

14 **“SECTION 28. (1) The amendments to ORS 475C.289, 475C.293,**
15 **475C.301, 475C.305, 475C.449, 475C.473, 475C.485, 475C.894 and 475C.897 by**
16 **sections 18 to 26 of this 2023 Act become operative on January 1, 2024.**

17 **“(2) The Oregon Health Authority and the Oregon Liquor and**
18 **Cannabis Commission may take any action before the operative date**
19 **specified in subsection (1) of this section that is necessary to enable**
20 **the authority and the commission to exercise all of the duties, func-**
21 **tions and powers conferred on the authority and the commission by**
22 **the amendments to ORS 475C.289, 475C.293, 475C.301, 475C.305, 475C.449,**
23 **475C.473, 475C.485, 475C.894 and 475C.897 by sections 18 to 26 of this 2023**
24 **Act.**

25

26

“CANNABIS FOR MEDICAL USE

27

28 **“SECTION 29. ORS 475C.783 is amended to read:**

29 **“475C.783. (1) The Oregon Health Authority shall establish a program for**
30 **the issuance of registry identification cards to applicants who meet the re-**

1 requirements of this section.

2 “(2) The authority shall issue a registry identification card to an appli-
3 cant who is 18 years of age or older if the applicant pays a fee in an amount
4 established by the authority by rule and submits to the authority an appli-
5 cation containing the following information:

6 “(a) Written documentation from the applicant’s attending provider stat-
7 ing that the attending provider has diagnosed the applicant as having a de-
8 bilitating medical condition and that the medical use of marijuana may
9 mitigate the symptoms or effects of the applicant’s debilitating medical con-
10 dition;

11 “(b) The name, address and date of birth of the applicant;

12 “(c) The name, address and telephone number of the applicant’s attending
13 provider;

14 “(d) Proof of residency, submitted in a form required by the authority by
15 rule;

16 “(e) The name and address of the applicant’s designated primary
17 caregiver, if the applicant is designating a primary caregiver under ORS
18 475C.789; and

19 “(f) The information described in ORS 475C.792 (2), if the applicant is
20 applying to produce marijuana or designate another person under ORS
21 475C.792 to produce marijuana.

22 “(3)(a) The authority shall issue a registry identification card to an ap-
23 plicant who is under 18 years of age if:

24 “(A) The applicant [*pays the fee and*] submits the application described in
25 subsection (2) of this section; and

26 “(B) The custodial parent or legal guardian who is responsible for the
27 health care decisions of the applicant signs and submits to the authority a
28 written statement that:

29 “(i) The applicant’s attending provider has explained to the applicant and
30 to the custodial parent or legal guardian the possible risks and benefits of

1 the medical use of marijuana;

2 “(ii) The custodial parent or legal guardian consents to the medical use
3 of marijuana by the applicant;

4 “(iii) The custodial parent or legal guardian agrees to serve as the
5 applicant’s designated primary caregiver; and

6 “(iv) The custodial parent or legal guardian agrees to control the acqui-
7 sition, dosage and frequency of the medical use of marijuana by the appli-
8 cant.

9 “(b) An applicant who is under 18 years of age may not apply to produce
10 marijuana under subsection (2)(f) of this section.

11 “(c) **The authority may not impose an application or renewal fee**
12 **on an applicant who is under 18 years of age.**

13 “(4) The authority shall:

14 “(a) On the date on which the authority receives an application described
15 in subsection (2) of this section, issue a receipt to the applicant verifying
16 that the authority received an application under subsection (2) or (3) of this
17 section; and

18 “(b) Approve or deny an application received under subsection (2) or (3)
19 of this section within 30 days after receiving the application.

20 “(5)(a) If the authority approves an application, the authority shall issue
21 a serially numbered registry identification card to the applicant within five
22 days after approving the application. The registry identification card must
23 include the following information:

24 “(A) The registry identification cardholder’s name, address and date of
25 birth;

26 “(B) The issuance date and expiration date of the registry identification
27 card;

28 “(C) If the registry identification cardholder designated a primary
29 caregiver under ORS 475C.789, the name and address of the registry iden-
30 tification cardholder’s designated primary caregiver; and

1 “(D) Any other information required by the authority by rule.

2 “(b) If the registry identification cardholder designated a primary
3 caregiver under ORS 475C.789, the authority shall issue an identification
4 card to the designated primary caregiver. The identification card must con-
5 tain the information required by paragraph (a) of this subsection.

6 “(6) A registry identification cardholder shall:

7 “(a) In a form and manner prescribed by the authority, notify the au-
8 thority of any change concerning the registry identification cardholder’s:

9 “(A) Name, address or attending provider;

10 “(B) Designated primary caregiver, including the designation of a primary
11 caregiver made at a time other than at the time of applying for or renewing
12 a registry identification card; or

13 “(C) Person responsible for a marijuana grow site, including the desig-
14 nation of a person responsible for a marijuana grow site made at a time
15 other than at the time of applying for or renewing a registry identification
16 card.

17 “(b) Annually renew the registry identification card by paying a fee in
18 an amount established by the authority by rule, **unless the registry iden-**
19 **tification cardholder is under 18 years of age**, and submitting to the au-
20 thority an application that contains the following information:

21 “(A) Updated written documentation from the registry identification
22 cardholder’s attending provider stating that the registry identification
23 cardholder still has a debilitating medical condition and that the medical use
24 of marijuana may mitigate the symptoms or effects of the registry identifi-
25 cation cardholder’s debilitating medical condition;

26 “(B) The information described in subsection (2)(b) to (f) of this section;
27 and

28 “(C) If the registry identification cardholder is under 18 years of age, a
29 statement signed by the custodial parent or legal guardian of the registry
30 identification cardholder that meets the requirements of subsection (3) of this

1 section.

2 “(7) The authority shall:

3 “(a) On the date on which the authority receives an application described
4 in subsection (2) of this section, issue a receipt to the applicant verifying
5 that the authority received an application under subsection (6)(b) of this
6 section; and

7 “(b) Approve or deny an application received under subsection (6)(b) of
8 this section within 30 days after receiving the application.

9 “(8)(a) If the registry identification cardholder’s attending provider de-
10 termines that the registry identification cardholder no longer has a debili-
11 tating medical condition, or determines that the medical use of marijuana is
12 contraindicated for the registry identification cardholder’s debilitating med-
13 ical condition, the registry identification cardholder shall return the registry
14 identification card to the authority within 30 calendar days after receiving
15 notice of the determination.

16 “(b) If, because of circumstances beyond the control of the registry iden-
17 tification cardholder, a registry identification cardholder is unable to obtain
18 a second medical opinion about the registry identification cardholder’s con-
19 tinuing eligibility for the medical use of marijuana before having to return
20 the registry identification card to the authority, the authority may grant the
21 registry identification cardholder additional time to obtain a second medical
22 opinion.

23 “(9)(a) The authority may deny an application for a registry identification
24 card or an application to renew a registry identification card, or may sus-
25 pend or revoke a registry identification card, if:

26 “(A) The applicant or registry identification cardholder does not provide
27 the information required by this section;

28 “(B) The authority determines that the applicant or registry identification
29 cardholder provided false information; or

30 “(C) The authority determines that the applicant or registry identification

1 cardholder violated a provision of ORS 475C.770 to 475C.919 or a rule
2 adopted under ORS 475C.770 to 475C.919.

3 “(b) If a registry identification card is revoked, any associated identifi-
4 cation card issued under subsection (5)(b) of this section, or marijuana grow
5 site registration card issued under ORS 475C.792 (6), shall also be revoked.

6 “(c) A person whose application is denied, or whose registry identification
7 card is revoked, under this subsection may not reapply for a registry iden-
8 tification card for six months from the date of the denial or revocation un-
9 less otherwise authorized by the authority.

10 “(10)(a) The authority may deny a designation of a primary caregiver
11 made under ORS 475C.789, or suspend or revoke an associated identification
12 card issued under subsection (5)(b) of this section, if the authority determines
13 that the designee or the registry identification cardholder violated a pro-
14 vision of ORS 475C.770 to 475C.919 or a rule adopted under ORS 475C.770 to
15 475C.919.

16 “(b) A person whose designation has been denied, or whose identification
17 card has been revoked, under this subsection may not be designated as a
18 primary caregiver under ORS 475C.789 for six months from the date of the
19 denial or revocation unless otherwise authorized by the authority.

20 “(11)(a) Notwithstanding subsection (2) or (6)(b) of this section, if an ap-
21 plicant for a registry identification card, or a registry identification
22 cardholder applying for renewal of a registry identification card, submits to
23 the authority [*proof of having served in the Armed Forces of the United*
24 *States*] **applicable documentation listed in paragraph (c) of this sub-**
25 **section**, the authority:

26 “(A) May not impose a fee that is greater than \$20 for the issuance or
27 renewal of the registry identification card; and

28 “(B) Must waive the fee for the issuance or renewal of the registry iden-
29 tification card if the applicant submits proof of having a United States De-
30 partment of Veterans Affairs total disability rating of at least 50 percent as

1 a result of an injury or illness that the veteran incurred, or that was ag-
2 gravated, during active military service and who received a discharge or re-
3 lease under other than dishonorable conditions.

4 “(b) Notwithstanding subsection (6)(b)(A) of this section, the requirement
5 that a registry identification cardholder include in the application to renew
6 a registry identification card updated written documentation from the
7 cardholder’s attending provider regarding the cardholder’s continuing debil-
8 itating medical condition does not apply to a service-disabled veteran who:

9 “(A) Has been assigned a total and permanent disability rating for com-
10 pensation that rates the veteran as unable to secure or follow a substantially
11 gainful occupation as a result of service-connected disabilities as described
12 in 38 C.F.R. 4.16; or

13 “(B) Has a United States Department of Veterans Affairs total disability
14 rating of 100 percent as a result of an injury or illness that the veteran in-
15 curred, or that was aggravated, during active military service and who re-
16 ceived a discharge or release under other than dishonorable conditions.

17 “(c) **The following are acceptable documentation for the purposes**
18 **of paragraph (a) of this subsection:**

19 “(A) **Proof of having served in the Armed Forces of the United**
20 **States; or**

21 “(B) **Proof of receiving Social Security Disability Insurance bene-**
22 **fits.**

23 “(12) For any purpose described in ORS 475C.770 to 475C.919, including
24 exemption from criminal liability under ORS 475C.883, a receipt issued by the
25 authority verifying that an application has been submitted to the authority
26 under subsection (2), (3) or (6)(b) of this section has the same legal effect as
27 a registry identification card for 30 days following the date on which the
28 receipt was issued to the applicant.

29 “**SECTION 30.** ORS 475C.800 is amended to read:

30 “475C.800. (1) Subject to subsection (2) of this section, a marijuana grow

1 site may transfer [*up to 20 pounds of*] usable marijuana [*per year*] to a person
2 that holds a license issued under ORS 475C.085 or 475C.093, provided that:

3 “(a) The transfer is tracked using the system developed and maintained
4 under ORS 475C.177;

5 “(b) More than 12 mature marijuana plants are produced at the marijuana
6 grow site;

7 “(c) The usable marijuana has been assigned to the person responsible for
8 the marijuana grow site pursuant to ORS 475C.798;

9 “(d) The usable marijuana has been tested in accordance with the pro-
10 visions of ORS 475C.540 to 475C.586; and

11 “(e) The marijuana grow site first registered with the Oregon Health
12 Authority under ORS 475C.792 on or before August 2, 2017.

13 “(2) If the Oregon Liquor and Cannabis Commission determines that the
14 supply of marijuana items offered for sale by marijuana retailers that hold
15 a license issued under ORS 475C.097 is exceeding consumer demand for the
16 marijuana items, and if the commission determines that the market for
17 marijuana items in this state will not self-correct for the excess, the com-
18 mission may issue an order that temporarily reduces the amount of usable
19 marijuana that may be transferred pursuant to this section or that tempo-
20 rarily suspends the ability to transfer usable marijuana pursuant to this
21 section.

22 “(3) **A transfer of usable marijuana from a marijuana grow site**
23 **under this section to a person that holds a license issued under ORS**
24 **475C.085 is not confidential.**

25 “(4) **A marijuana grow site designated to produce marijuana for at**
26 **least three registry identification cardholders may, in addition to**
27 **transferring usable marijuana to the registry identification**
28 **cardholders or to the designated primary caregivers of the registry**
29 **identification cardholders described in this subsection, transfer usable**
30 **marijuana to any other registry identification cardholder or designated**

1 **primary caregiver of a registry identification cardholder.**

2 **“SECTION 31.** ORS 475C.809 is amended to read:

3 “475C.809. (1) Except as provided in subsection (2) of this section, a reg-
4 istry identification cardholder and the designated primary caregiver of the
5 registry identification cardholder may jointly possess no more than [24
6 ounces]:

7 **“(a) Three pounds** of usable marijuana.

8 **“(b) Three pounds of medical cannabinoid products in solid form or**
9 **cannabinoid concentrates.**

10 **“(c) 216 ounces of medical cannabinoid products in liquid form.**

11 **“(d) Three ounces of cannabinoid extracts.**

12 “(2) Subject to subsection (3) of this section, a person designated to
13 produce marijuana by a registry identification cardholder may possess the
14 amount of usable marijuana that the person harvests from the person’s ma-
15 ture marijuana plants, provided that the person may not possess usable
16 marijuana in excess of the amount of usable marijuana in the person’s pos-
17 session as reported to the Oregon Health Authority under ORS 475C.795.

18 “(3) A person designated to produce marijuana by a registry identification
19 cardholder may not possess usable marijuana in excess of:

20 “(a) For a marijuana grow site located outdoors, 12 pounds of usable
21 marijuana per mature marijuana plant; or

22 “(b) For a marijuana grow site located indoors, six pounds of usable
23 marijuana per mature marijuana plant.

24 **“SECTION 32.** ORS 475C.141 is amended to read:

25 “475C.141. (1) To process marijuana for medical purposes, a marijuana
26 processor that holds a license issued under ORS 475C.085 must register with
27 the Oregon Liquor and Cannabis Commission under this section.

28 “(2) The commission shall register a marijuana processor for the purpose
29 of processing marijuana for medical purposes if the marijuana processor:

30 “(a) Holds a license issued under ORS 475C.085;

1 “(b) Meets any qualifications adopted by the commission by rule;

2 “(c) Applies to the commission in a form and manner prescribed by the
3 commission; and

4 “(d) Pays any fee adopted by the commission by rule.

5 “(3) A marijuana processor registered under this section may:

6 “(a) Process marijuana and usable marijuana into medical grade
7 cannabinoid products, cannabinoid concentrates and cannabinoid extracts;
8 and

9 “(b) Notwithstanding ORS 475C.205[,];

10 “(A) Receive marijuana and usable marijuana from, and for a fee process
11 that marijuana and usable marijuana into cannabinoid products, cannabinoid
12 concentrates and cannabinoid extracts for, a registry identification
13 cardholder or the designated primary caregiver of a registry identification
14 cardholder, provided that the cannabinoid products, cannabinoid concen-
15 trates and cannabinoid extracts meet the requirements of ORS 475C.540 to
16 475C.586 and the concentration standards adopted under ORS 475C.620[.];
17 **and**

18 “(B) **Receive usable marijuana from a marijuana grow site regis-**
19 **tered under ORS 475C.792.**

20 “(4)(a) The commission shall adopt rules necessary to administer this
21 section.

22 “(b) The rules must provide that any fee adopted by the commission under
23 subsection (2)(d) of this section be in an amount reasonably calculated to not
24 exceed, together with other fees collected under ORS 475C.005 to 475C.525,
25 the cost of administering ORS 475C.005 to 475C.525.

26 “**SECTION 33. The amendments to ORS 475C.783 by section 29 of**
27 **this 2023 Act apply to applications for issuance or renewal of a registry**
28 **identification card received by the Oregon Health Authority on or af-**
29 **ter the operative date specified in section 34 of this 2023 Act.**

30 “**SECTION 34. (1) The amendments to ORS 475C.141, 475C.783,**

1 475C.800 and 475C.809 by sections 29 to 32 of this 2023 Act become op-
2 erative on January 1, 2024.

3 “(2) The Oregon Health Authority and the Oregon Liquor and
4 Cannabis Commission may take any action before the operative date
5 specified in subsection (1) of this section that is necessary to enable
6 the authority and the commission to exercise, on and after the oper-
7 ative date specified in subsection (1) of this section, all of the duties,
8 functions and powers conferred on the authority and the commission
9 by the amendments to ORS 475C.141, 475C.783, 475C.800 and 475C.809 by
10 sections 29 to 32 of this 2023 Act.

11

12

“CAPTIONS

13

14 “SECTION 35. The unit captions used in this 2023 Act are provided
15 only for the convenience of the reader and do not become part of the
16 statutory law of this state or express any legislative intent in the
17 enactment of this 2023 Act.

18

19

“EFFECTIVE DATE

20

21 “SECTION 36. This 2023 Act being necessary for the immediate
22 preservation of the public peace, health and safety, an emergency is
23 declared to exist, and this 2023 Act takes effect on its passage.”.

24
