SB 844-6 (LC 3926) 4/23/15 (MBM/ps)

PROPOSED AMENDMENTS TO SENATE BILL 844

In line 2 of the printed bill, delete "amending section 27, chapter 1, 1 Oregon Laws 2015" and insert "creating new provisions; amending ORS $\mathbf{2}$ 181.534, 181.537, 475.300, 475.302, 475.303, 475.304, 475.306, 475.309, 475.312, 3 475.314, 475.316, 475.319, 475.320, 475.323, 475.326, 475.328, 475.331, 475.334, 4 475.338, 475.340 and 475.342 and section 2, chapter 79, Oregon Laws 2014, and $\mathbf{5}$ section 5, chapter 1, Oregon Laws 2015; repealing ORS 475.324; and declaring 6 an emergency.". 7 Delete lines 4 through 14 and insert: 8 9 **"OREGON MEDICAL MARIJUANA ACT** 10 "(Definitions) 11 12"SECTION 1. ORS 475.302 is amended to read: 13 "475.302. As used in ORS 475.300 to 475.346: 14 "(1) 'Attending physician' means a physician licensed under ORS chapter 15677 who has primary responsibility for the care and treatment of a person 16 diagnosed with a debilitating medical condition. 17 "[(2) 'Authority' means the Oregon Health Authority.] 18 "(2) 'Cannabinoid' means any of the chemical compounds that are 19 the active constituents of marijuana. 20"(3) 'Cannabinoid concentrate' means a substance obtained by sep-21arating cannabinoids from marijuana by: 22

1 "(a) A mechanical extraction process;

"(b) A chemical extraction process using a nonhydrocarbon-based
solvent, such as vegetable glycerin, vegetable oils, animal fats,
isopropyl alcohol or ethanol;

"(C) A chemical extraction process using the hydrocarbon-based
solvent carbon dioxide, provided that the process does not involve the
use of high heat or pressure; or

"(D) Any other process identified by the Oregon Health Authority,
in consultation with the Oregon Liquor Control Commission, by rule.

"(4) 'Cannabinoid edible' means food or potable liquid into which a
 cannabinoid concentrate, cannabinoid extract or dried leaves or flow ers of marijuana have been incorporated.

"(5) 'Cannabinoid extract' means a substance obtained by separat ing cannabinoids from marijuana by:

"(a) A chemical extraction process using a hydrocarbon-based sol vent, such as butane, hexane or propane;

"(b) A chemical extraction process using the hydrocarbon-based
 solvent carbon dioxide, if the process uses high heat or pressure; or

"(c) Any other process identified by the Oregon Health Authority,
 in consultation with the Oregon Liquor Control Commission, by rule.

²¹ "[(3)] (6) 'Debilitating medical condition' means:

"(a) Cancer, glaucoma, agitation incident to Alzheimer's disease, positive
status for human immunodeficiency virus or acquired immune deficiency
syndrome, or a side effect related to the treatment of [*these*] **those** medical
conditions;

26 "(b) A medical condition or treatment for a medical condition that 27 produces, for a specific patient, one or more of the following:

28 "(A) Cachexia;

29 "(B) Severe pain;

30 "(C) Severe nausea;

1 "(D) Seizures, including seizures caused by epilepsy; or

2 "(E) Persistent muscle spasms, including spasms caused by multiple 3 sclerosis;

4 "(c) Post-traumatic stress disorder; or

"(d) Any other medical condition or side effect related to the treatment
of a medical condition adopted by the Oregon Health Authority by rule or
approved by the authority pursuant to a petition [*submitted*] filed under ORS
475.334.

9 "[(4)(a)] (7)(a) 'Delivery' has the meaning given that term in ORS 475.005.
10 "(b) 'Delivery' does not include transfer of[:]

"[(A)] marijuana by a registry identification cardholder to another registry identification cardholder if no consideration is paid for the transfer[;].

"[(B) Usable marijuana or immature marijuana plants from a registry identification cardholder, the designated primary caregiver of a registry identification cardholder or a marijuana grow site to a medical marijuana facility registered under ORS 475.314; or]

17 "[(C) Usable marijuana or immature marijuana plants from a medical 18 marijuana facility registered under ORS 475.314 to a registry identification 19 cardholder or the designated primary caregiver of a registry identification 20 cardholder.]

21 "[(5)] (8)(a) 'Designated primary caregiver' means an individual:

22 "(A) Who is 18 years of age or older;

"(B) Who has significant responsibility for managing the well-being of a
person who has been diagnosed with a debilitating medical condition; and

"(C) Who is designated as [such on that] the person responsible for managing the well-being of a person who has been diagnosed with a debilitating medical condition on that person's application for a registry identification card or in other written notification submitted to the authority.

30 "(b) 'Designated primary caregiver' does not include [the] a person's at-

1 tending physician.

² "[(6) 'Marijuana' has the meaning given that term in ORS 475.005.]

³ "(9) 'High heat' means a temperature exceeding 180 degrees.

4 "(10) 'Immature marijuana plant' meant a marijuana plant that is
5 not flowering.

"(11)(a) 'Marijuana' means the plant Cannabis family Cannabaceae,
any part of the plant Cannabis family Cannabaceae and the seeds of
the plant Cannabis family Cannabaceae.

9 "(b) 'Marijuana' does not include industrial hemp, as defined in
10 ORS 571.300.

"[(7)] (12) 'Marijuana grow site' means a location registered under ORS 475.304 where marijuana is produced for use by a registry identification cardholder.

"(13) 'Marijuana processing site' means a marijuana processing site
 registered under section 10 of this 2015 Act or a site for which an applicant has submitted an application for registration under section 10
 of this 2015 Act.

"(14) 'Mature marijuana plant' means a marijuana plant, whether
 growing or cut and drying, that is not an immature marijuana plant.

"(15)(a) 'Medical cannabinoid product' means a cannabinoid edible
 and any other product intended for human consumption or use that
 contains cannabinoids or dried leaves or flowers of marijuana.

23 "(b) 'Medical cannabinoid product' does not include:

24 "(A) Usable marijuana by itself;

²⁵ "(B) A cannabinoid concentrate by itself;

- ²⁶ "(C) A cannabinoid extract by itself; or
- ²⁷ "(D) Industrial hemp, as defined in ORS 571.300.

"(16) 'Medical marijuana dispensary' means a medical marijuana
 dispensary registered under ORS 475.314 or a site for which an appli cant has submitted an application for registration under ORS 475.314.

"[(8)] (17) 'Medical use of marijuana' means the production, **processing**, possession, delivery[, *distribution*] or administration of marijuana, or **use of** paraphernalia used to administer marijuana, [as necessary for the exclusive *benefit of a person*] to mitigate the symptoms or effects of [the person's] **a** debilitating medical condition.

6 "[(9) 'Production' has the meaning given that term in ORS 475.005.]

"(18) 'Process' means the compounding or conversion of marijuana
into medical cannabinoid products, cannabinoid concentrates or
cannabinoid extracts.

10 "(19) 'Production' means:

"(a) Planting, cultivating, growing, trimming or harvesting
 marijuana; or

13 **"(b) Drying marijuana leaves or flowers.**

"[(10)] (20) 'Registry identification card' means a document issued by the Oregon Health Authority under ORS 475.309 that identifies a person authorized to engage in the medical use of marijuana and, if the person has a designated primary caregiver under ORS 475.312, the person's designated primary caregiver.

"(21) 'Registry identification cardholder' means a person to whom
 a registry identification card has been issued under ORS 475.309.

"[(11)] (22)(a) 'Usable marijuana' means the dried leaves and flowers of [the plant Cannabis family Moraceae, and any mixture or preparation thereof, that are appropriate for medical use as allowed in ORS 475.300 to 475.346] marijuana.

²⁵ "(b) 'Usable marijuana' does not include:

²⁶ "(A) The seeds, stalks and roots of [*the plant*.] marijuana; or

"(B) Waste material that is a by-product of processing marijuana.
"[(12)] (23) 'Written documentation' means a statement signed by the at-

tending physician of a person diagnosed with a debilitating medical condition or copies of the person's relevant medical records. 12

"(Registry Identification Cardholders and Designated Primary Caregivers)

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4

"SECTION 2. ORS 475.309 is amended to read:

⁵ "475.309. [(1) Except as provided in ORS 475.316, 475.320 and 475.342, a ⁶ person engaged in or assisting in the medical use of marijuana is excepted ⁷ from the criminal laws of the state for possession, delivery or production of ⁸ marijuana, aiding and abetting another in the possession, delivery or pro-⁹ duction of marijuana or any other criminal offense in which possession, de-¹⁰ livery or production of marijuana is an element if the following conditions ¹¹ have been satisfied:]

"[(a)(A) The person holds a registry identification card issued pursuant to this section, has applied for a registry identification card pursuant to subsection (9) of this section, is the designated primary caregiver of the cardholder or applicant, or is the person responsible for a marijuana grow site that is producing marijuana for the cardholder and is registered under ORS 475.304; and]

¹⁸ "[(B) The person who has a debilitating medical condition, the person's ¹⁹ primary caregiver and the person responsible for a marijuana grow site that ²⁰ is producing marijuana for the cardholder and is registered under ORS ²¹ 475.304 are collectively in possession of, delivering or producing marijuana for ²² medical use in amounts allowed under ORS 475.320; or]

²³ "[(b) The person is responsible for or employed by a medical marijuana ²⁴ facility registered under ORS 475.314 and does not commit any of the acts ²⁵ described in this subsection anywhere other than at the medical marijuana ²⁶ facility.]

²⁷ "[(2) The Oregon Health Authority shall establish and maintain a program ²⁸ for the issuance of registry identification cards to persons who meet the re-²⁹ quirements of this section. Except as provided in subsection (3) of this section, ³⁰ the authority shall issue a registry identification card to any person who pays a fee in the amount established by the authority and provides the following:]
"[(a) Valid, written documentation from the person's attending physician
stating that the person has been diagnosed with a debilitating medical condition and that the medical use of marijuana may mitigate the symptoms or effects of the person's debilitating medical condition;]

6 "[(b) The name, address and date of birth of the person;]

7 "[(c) The name, address and telephone number of the person's attending
8 physician;]

9 "[(d) The name and address of the person's designated primary caregiver, 10 if the person has designated a primary caregiver at the time of application; 11 and]

"[(e) A written statement that indicates whether the marijuana used by the cardholder will be produced at a location where the cardholder or designated primary caregiver is present or at another location.]

¹⁵ "[(3) The authority shall issue a registry identification card to a person ¹⁶ who is under 18 years of age if the person submits the materials required un-¹⁷ der subsection (2) of this section, and the custodial parent or legal guardian ¹⁸ with responsibility for health care decisions for the person under 18 years of ¹⁹ age signs a written statement that:]

"[(a) The attending physician of the person under 18 years of age has explained to that person and to the custodial parent or legal guardian with responsibility for health care decisions for the person under 18 years of age the possible risks and benefits of the medical use of marijuana;]

"[(b) The custodial parent or legal guardian with responsibility for health care decisions for the person under 18 years of age consents to the use of marijuana by the person under 18 years of age for medical purposes;]

"[(c) The custodial parent or legal guardian with responsibility for health care decisions for the person under 18 years of age agrees to serve as the designated primary caregiver for the person under 18 years of age; and]

30 "[(d) The custodial parent or legal guardian with responsibility for health

care decisions for the person under 18 years of age agrees to control the acquisition of marijuana and the dosage and frequency of use by the person under 18 years of age.]

"[(4) A person applying for a registry identification card pursuant to this 4 section may submit the information required in this section to a county health $\mathbf{5}$ department for transmittal to the authority. A county health department that 6 receives the information pursuant to this subsection shall transmit the infor-7 mation to the authority within five days of receipt of the information. Infor-8 mation received by a county health department pursuant to this subsection 9 shall be confidential and not subject to disclosure, except as required to 10 transmit the information to the authority.] 11

"[(5)(a) The authority shall verify the information contained in an application submitted pursuant to this section and shall approve or deny an application within thirty days of receipt of the application.]

"[(b) In addition to the authority granted to the authority under ORS
 475.316 to deny an application, the authority may deny an application for the
 following reasons:]

¹⁸ "[(A) The applicant did not provide the information required pursuant to ¹⁹ this section to establish the applicant's debilitating medical condition and to ²⁰ document the applicant's consultation with an attending physician regarding ²¹ the medical use of marijuana in connection with such condition, as provided ²² in subsections (2) and (3) of this section;]

23 "[(B) The authority determines that the information provided was falsified; 24 or]

25 "[(C) The applicant has been prohibited by a court order from obtaining a 26 registry identification card.]

²⁷ "[(c) Denial of a registry identification card shall be considered a final ²⁸ authority action, subject to judicial review. Only the person whose application ²⁹ has been denied, or, in the case of a person under the age of 18 years of age ³⁰ whose application has been denied, the person's parent or legal guardian, shall

1 have standing to contest the authority's action.]

2 "[(d) Any person whose application has been denied may not reapply for 3 six months from the date of the denial, unless so authorized by the authority 4 or a court of competent jurisdiction.]

5 "[(6)(a) If the authority has verified the information submitted pursuant to 6 subsections (2) and (3) of this section and none of the reasons for denial listed 7 in subsection (5)(b) of this section is applicable, the authority shall issue a 8 serially numbered registry identification card within five days of verification 9 of the information. The registry identification card shall state:]

10 "[(A) The cardholder's name, address and date of birth;]

11 "[(B) The date of issuance and expiration date of the registry identification 12 card;]

"[(C) The name and address of the person's designated primary caregiver,
if any;]

15 "[(D) Whether the marijuana used by the cardholder will be produced at 16 a location where the cardholder or designated primary caregiver is present or 17 at another location; and]

18 "[(E) Any other information that the authority may specify by rule.]

"[(b) When the person to whom the authority has issued a registry identification card pursuant to this section has specified a designated primary caregiver, the authority shall issue an identification card to the designated primary caregiver. The primary caregiver's registry identification card shall contain the information provided in paragraph (a) of this subsection.]

24 "[(7)(a) A person who possesses a registry identification card shall:]

²⁵ "[(A) Notify the authority of any change in the person's name, address, at-²⁶ tending physician or designated primary caregiver.]

²⁷ "[(B) If applicable, notify the designated primary caregiver of the ²⁸ cardholder, the person responsible for the marijuana grow site that produces ²⁹ marijuana for the cardholder and any person responsible for a medical ³⁰ marijuana facility that transfers usable marijuana or immature marijuana

1 plants to the cardholder under ORS 475.314 of any change in status including,
2 but not limited to:]

"[(i) The assignment of another individual as the designated primary
4 caregiver of the cardholder;]

5 "[(ii) The assignment of another individual as the person responsible for a 6 marijuana grow site producing marijuana for the cardholder; or]

7 "[(iii) The end of the eligibility of the cardholder to hold a valid registry
8 identification card.]

9 "[(C) Annually submit to the authority:]

"[(i) Updated written documentation from the cardholder's attending physician of the person's debilitating medical condition and that the medical use of marijuana may mitigate the symptoms or effects of the person's debilitating medical condition; and]

14 "[(*ii*) The name of the person's designated primary caregiver if a primary 15 caregiver has been designated for the upcoming year.]

"[(b) If a person who possesses a registry identification card fails to comply with this subsection, the card shall be deemed expired. If a registry identification card expires, the identification card of any designated primary caregiver of the cardholder shall also expire.]

"[(8)(a) A person who possesses a registry identification card pursuant to 20this section and who has been diagnosed by the person's attending physician 21as no longer having a debilitating medical condition or whose attending phy-22sician has determined that the medical use of marijuana is contraindicated for 23the person's debilitating medical condition shall return the registry identifi-24cation card and any other associated Oregon Medical Marijuana Program 25cards to the authority within 30 calendar days of notification of the diagnosis 26or notification of the contraindication.] 27

²⁸ "[(b) If, due to circumstances beyond the control of the registry identifica-²⁹ tion cardholder, a cardholder is unable to obtain a second medical opinion ³⁰ about the cardholder's continuing eligibility to use medical marijuana before the 30-day period specified in paragraph (a) of this subsection has expired, the
authority may grant the cardholder additional time to obtain a second opinion
before requiring the cardholder to return the registry identification card and
any associated cards.]

"[(9) A person who has applied for a registry identification card pursuant $\mathbf{5}$ to this section but whose application has not yet been approved or denied, and 6 who is contacted by any law enforcement officer in connection with the person's 7 administration, possession, delivery or production of marijuana for medical use 8 may provide to the law enforcement officer a copy of the written documentation 9 submitted to the authority pursuant to subsection (2) or (3) of this section and 10 proof of the date of mailing or other transmission of the documentation to the 11 authority. This documentation shall have the same legal effect as a registry 12 identification card until such time as the person receives notification that the 13 application has been approved or denied.] 14

¹⁵ "[(10)(a) A registry identification cardholder has the primary responsibility ¹⁶ of notifying the designated primary caregiver, the person responsible for the ¹⁷ marijuana grow site that produces marijuana for the cardholder and any per-¹⁸ son responsible for a medical marijuana facility that transfers usable ¹⁹ marijuana or immature marijuana plants to the cardholder under ORS 475.314 ²⁰ of any change in status of the cardholder.]

"[(b) If the authority is notified by the cardholder that a primary caregiver or person responsible for a marijuana grow site has changed, the authority shall notify the primary caregiver or the person responsible for the marijuana grow site by mail at the address of record confirming the change in status and informing the caregiver or person responsible for the marijuana grow site that their card is no longer valid and must be returned to the authority.]

²⁷ "[(11) The authority shall revoke the registry identification card of a ²⁸ cardholder if a court has issued an order that prohibits the cardholder from ²⁹ participating in the medical use of marijuana or otherwise participating in the ³⁰ Oregon Medical Marijuana Program under ORS 475.300 to 475.346. The cardholder shall return the registry identification card to the authority within
seven calendar days of notification of the revocation. If the cardholder is a
patient, the patient shall return the patient's card and all other associated
Oregon Medical Marijuana Program cards.]

⁵ "[(12) The authority shall revoke the registration of a medical marijuana ⁶ facility registered under ORS 475.314 if a court has issued an order that pro-⁷ hibits the person responsible for the medical marijuana facility from partic-⁸ ipating in the Oregon Medical Marijuana Program under ORS 475.300 to ⁹ 475.346.]

"[(13) The authority and employees and agents of the authority acting within the course and scope of their employment are immune from any civil liability that might be incurred or imposed for the performance of or failure to perform duties required by this section.]

"(1) The Oregon Health Authority shall establish a program for the
 issuance of registry identification cards to applicants who meet the
 requirements of this section.

"(2) The authority shall issue a registry identification card to an applicant who is 18 years of age or older if the applicant pays a fee in an amount established by the authority by rule and submits to the authority an application containing the following information:

"(a) Written documentation from the applicant's attending physician stating that the attending physician has diagnosed the applicant
as having a debilitating medical condition and that the medical use
of marijuana may mitigate the symptoms or effects of the applicant's
debilitating medical condition;

²⁶ "(b) The name, address and date of birth of the applicant;

"(c) The name, address and telephone number of the applicant's
attending physician;

"(d) Proof of residency, as required by the authority by rule;
"(e) The name and address of the applicant's designated primary

caregiver, if the applicant is designating a primary caregiver under
 ORS 475.312; and

"(f) The information described in ORS 475.304 (2), if the applicant
is applying to produce marijuana or designate another person under
ORS 475.304 to produce marijuana.

"(3)(a) The authority shall issue a registry identification card to an
applicant who is under 18 years of age if:

"(A) The applicant pays the fee and submits the application described in subsection (2) of this section; and

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

"(i) The applicant's attending physician has explained to the appli cant and to the custodial parent or legal guardian the possible risks
 and benefits of the medical use of marijuana;

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

"(iii) The custodial parent or legal guardian agrees to serve as the
 applicant's designated primary caregiver; and

"(iv) The custodial parent or legal guardian agrees to control the
 acquisition, dosage and frequency of the medical use of marijuana by
 the applicant.

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

"(4) The authority shall approve or deny an application within 30
 days after receiving the application.

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

"(A) The registry identification cardholder's name, address and date
 of birth;

"(B) The issuance date and expiration date of the registry identification card;

"(C) If the registry identification cardholder designated a primary
 caregiver under ORS 475.312, the name and address of the registry
 identification cardholder's designated primary caregiver; and

8 "(D) Any other information required by the authority by rule.

9 "(b) If the registry identification cardholder designated a primary 10 caregiver under ORS 475.312, the authority shall issue an identification 11 card to the designated primary caregiver. The identification card must 12 contain the information required by paragraph (a) of this subsection.

13 **"(6) A registry identification cardholder shall:**

"(a) In a form and manner prescribed by the authority, notify the
 authority of any change concerning the registry identification
 cardholder's:

17 "(A) Name, address or attending physician;

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

"(C) Person responsible for a marijuana grow site, including the designation of a person responsible for a marijuana grow site made at a time other than at the time of applying for or renewing a registry identification card.

"(b) Annually renew the registry identification card by paying a fee
in an amount established by the authority by rule and submitting to
the authority an application that contains the following information:

"(A) Updated written documentation from the registry identifica tion cardholder's attending physician stating that the registry iden tification cardholder still has a debilitating medical condition and that

the medical use of marijuana may mitigate the symptoms or effects 1 of the registry identification cardholder's debilitating medical condi- $\mathbf{2}$ tion; 3

"(B) The information described in subsection (2)(b) to (f) of this 4 section; and $\mathbf{5}$

"(C) If the registry identification cardholder is under 18 years of 6 age, a statement signed by the custodial parent or legal guardian of 7 the registry identification cardholder that meets the requirements of 8 subsection (3) of this section. 9

"(7)(a) If the registry identification cardholder's attending physician 10 determines that the registry identification cardholder no longer has a 11 debilitating medical condition or determines that the medical use of 12 is contraindicated for the registry identification marijuana 13 cardholder's debilitating medical condition, the registry identification 14 cardholder shall return the registry identification card to the author-15ity within 30 calendar days after receiving notice of the determination. 16 "(b) If, because of circumstances beyond the control of the registry 17 identification cardholder, a registry identification cardholder is unable 18 to obtain a second medical opinion about the registry identification 19 cardholder's continuing eligibility for the medical use of marijuana 20before having to return the registry identification card to the author-21ity, the authority may grant the registry identification cardholder ad-22ditional time to obtain a second medical opinion.

(8)(a) The authority may deny an application for a registry iden-24tification card or an application to renew a registry identification card, 25or may suspend or revoke a registry identification card, if: 26

"(A) The applicant or registry identification cardholder does not 27provide the information required by this section; 28

"(B) The authority determines that the applicant or registry iden-29 tification cardholder provided false information; or 30

23

"(C) The authority determines that the applicant or registry iden tification cardholder violated a provision of ORS 475.300 to 475.346 or
 a rule adopted under ORS 475.300 to 475.346.

"(b) If a registry identification card is revoked, any associated
identification card issued under subsection (5)(b) of this section, or
marijuana grow site registration card issued under ORS 475.304 (6),
shall also be revoked.

"(c) A person whose application is denied, or whose registry identification card is revoked, under this subsection may not reapply for a registry identification card for six months from the date of the denial or revocation unless otherwise authorized by the authority.

"(9)(a) The authority may deny a designation of a primary caregiver made under ORS 475.312, or suspend or revoke an associated identification card issued under subsection (5)(b) of this section, if the authority determines that the designee or the registry identification cardholder violated a provision of ORS 475.300 to 475.346 or a rule adopted under ORS 475.300 to 475.346.

18 "(b) A person whose designation has been denied, or whose iden-19 tification card has been revoked, under this subsection may not be 20 designated as a primary caregiver under ORS 475.312 for six months 21 from the date of the denial or revocation unless otherwise authorized 22 by the authority.

²³ "SECTION 3. ORS 475.312 is amended to read:

"475.312. (1) If a person who [possesses a registry identification card issued pursuant to ORS 475.309] is applying for a registry identification card under ORS 475.309, or who is a registry identification cardholder, chooses to [have a designated] designate, or to change the designation of, a primary caregiver, the person must [designate the primary caregiver by including] include the primary caregiver's name and address:

30 "(a) On the person's application for a registry identification card;

¹ "[(b) In the annual updated information required under ORS 475.309; or]

"(b) On the person's application to renew a registry identification
card; or

"(c) In a [written,] form and manner prescribed by the authority, in
a signed statement [submitted to] notifying the Oregon Health Authority
of the designation.

"(2) A [person described in this section] registry identification
cardholder may have only one designated primary caregiver at any given
time.

"(3) If a registry identification cardholder who previously designated
 a primary caregiver chooses to designate a different primary caregiver,
 the authority shall notify the previous designee of the new designation
 and issue an identification card to the newly designated primary
 caregiver.

¹⁵ "<u>SECTION 4.</u> The amendments to ORS 475.309 and 475.312 by ¹⁶ sections 2 and 3 of this 2015 Act apply to:

"(1) Applications received by the Oregon Health Authority for a
registry identification card on or after the operative date specified in
section 70 of this 2015 Act;

"(2) Applications received by the authority to renew a registry
 identification card on or after the operative date specified in section
 70 of this 2015 Act; and

"(3) Registry identification cards updated by the authority on or
 after the operative date specified in section 70 of this 2015 Act.

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"(Medical Marijuana Producers)

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²⁸ "SECTION 5. ORS 475.304 is amended to read:

"475.304. [(1) The Oregon Health Authority shall establish by rule a
 marijuana grow site registration system to authorize production of marijuana

by a registry identification cardholder, a designated primary caregiver who
grows marijuana for the cardholder or a person who is responsible for a
marijuana grow site. The marijuana grow site registration system adopted
must require a registry identification cardholder to submit an application to
the authority that includes:]

6 "[(a) The name of the person responsible for the marijuana grow site;]

7 "[(b) The address of the marijuana grow site;]

8 "[(c) The registry identification card number of the registry cardholder for
9 whom the marijuana is being produced; and]

10 "[(d) Any other information the authority considers necessary.]

"[(2) The authority shall issue a marijuana grow site registration card to a registry identification cardholder who has met the requirements of subsection (1) of this section.]

"[(3) A person who has been issued a marijuana grow site registration card under this section must display the registration card at the marijuana grow site at all times when marijuana is being produced.]

"[(4) A marijuana grow site registration card must be obtained and posted
for each registry identification cardholder for whom marijuana is being
produced at a marijuana grow site.]

²⁰ "[(5) All usable marijuana, plants, seedlings and seeds associated with the ²¹ production of marijuana for a registry identification cardholder by a person ²² responsible for a marijuana grow site are the property of the registry identifi-²³ cation cardholder and must be provided to the registry identification ²⁴ cardholder, or, if the marijuana is usable marijuana or an immature ²⁵ marijuana plant, transferred to a medical marijuana facility registered under ²⁶ ORS 475.314, upon request.]

"[(6)(a) The authority shall conduct a criminal records check under ORS
181.534 of any person whose name is submitted as a person responsible for a
marijuana grow site.]

³⁰ "[(b) A person convicted of a Class A or Class B felony under ORS 475.752

to 475.920 for the manufacture or delivery of a controlled substance in Schedule
I or Schedule II may not be issued a marijuana grow site registration card
or produce marijuana for a registry identification cardholder for five years
from the date of conviction.]

5 "[(c) A person convicted more than once of a Class A or Class B felony 6 under ORS 475.752 to 475.920 for the manufacture or delivery of a controlled 7 substance in Schedule I or Schedule II may not be issued a marijuana grow 8 site registration card or produce marijuana for a registry identification 9 cardholder.]

"[(7) A registry identification cardholder or the designated primary caregiver of the cardholder may reimburse the person responsible for a marijuana grow site for the costs of supplies and utilities associated with the production of marijuana for the registry identification cardholder. No other costs associated with the production of marijuana for the registry identification cardholder, including the cost of labor, may be reimbursed.]

"[(8) The authority may adopt rules imposing a fee in an amount established by the authority for registration of a marijuana grow site under this section.]

"(1)(a) The Oregon Health Authority shall establish by rule a marijuana grow site registration system to track and regulate the production of marijuana by a registry identification cardholder or a person designated by the registry identification cardholder to produce marijuana for the registry identification cardholder.

"(b) Except as provided in paragraph (c) of this subsection, a person
may not produce marijuana unless the person is registered under this
section.

"(c) Paragraph (b) of this subsection does not apply to a the production of marijuana as provided in sections 3 to 70, chapter 1, Oregon
Laws 2015, or as otherwise provided for by the statutory laws of this
state.

"(2) Rules adopted under this section must require an applicant for 1 a registry identification card, or a registry identification cardholder $\mathbf{2}$ who produces marijuana or who designates another person to produce 3 marijuana, to submit an application to the authority containing the 4 following information at the time of making an application under ORS $\mathbf{5}$ 475.309 (2), renewing a registry identification card under ORS 475.309 6 (6)(b), or notifying the authority of a change under ORS 475.309 (6)(a): 7 "(a) The name of the person responsible for the marijuana grow 8 9 site;

"(b) Proof that the person responsible for the marijuana grow site
has been a resident of this state for 4 or more years and is 21 years
of age or older;

13 "(c) The address of the marijuana grow site; and

"(d) Any other information that the authority considers necessary
 to track the production of marijuana under ORS 475.300 to 475.346.

"(3)(a) The authority shall conduct a criminal records check under
 ORS 181.534 of any person whose name is submitted under this section
 as the person responsible for a marijuana grow site.

"(b) A person convicted of a Class A or Class B felony under ORS 475.752 to 475.920 for the manufacture or delivery of a controlled substance in Schedule I or Schedule II may not act as or be designated a person responsible for a marijuana grow site for five years from the date of conviction.

"(c) A person convicted more than once of a Class A or Class B
felony under ORS 475.752 to 475.920 for the manufacture or delivery of
a controlled substance in Schedule I or Schedule II may not act as or
be designated a person responsible for a marijuana grow site.

"(4) Subject to subsection (11) of this section, the authority shall
issue a marijuana grow site registration card if the requirements of
subsections (2) and (3) of this section are met.

1 "(5) A person who holds a marijuana grow site registration card 2 under this section must display the card at the marijuana grow site 3 at all times.

4 "(6) A marijuana grow site registration card must be obtained and
5 posted for each registry identification cardholder for whom marijuana
6 is being produced at a marijuana grow site.

"(7)(a) All seeds, immature marijuana plants, mature marijuana plants and usable marijuana associated with the production of marijuana for a registry identification cardholder by a person responsible for a marijuana grow site are the property of the registry identification cardholder.

"(b) All seeds, immature marijuana plants, mature marijuana plants and usable marijuana associated with the production of marijuana for a registry identification cardholder by a person responsible for a marijuana grow site must be transferred to the registry identification cardholder upon the request of the registry identification cardholder.

"(c) All usable marijuana associated with the production of marijuana for a registry identification cardholder by a person responsible for a marijuana grow site must be transferred to a marijuana processing site upon the request of the registry identification cardholder. For purposes of this paragraph, a request to transfer usable marijuana constitutes an assignment of the right to possess the usable marijuana.

"(d) All seeds, immature marijuana plants and usable marijuana associated with the production of marijuana for a registry identification cardholder by a person responsible for a marijuana grow site must be transferred to a medical marijuana dispensary upon request of the registry identification cardholder. For purposes of this paragraph, a request to transfer seeds, immature marijuana plants or usable marijuana constitutes an assignment of the right to possess the seeds,
immature marijuana plants or usable marijuana.

"(e) Information related to transfers made under this subsection
must be submitted to the authority in the manner required by section
6 of this 2015 Act.

6 "(8) A registry identification cardholder, or the designated caregiver 7 of a registry identification cardholder, may reimburse a person re-8 sponsible for a marijuana grow site for all costs associated with the 9 production of marijuana for the registry identification cardholder.

10 "(9) The authority may inspect:

"(a) A marijuana grow site to ensure compliance with this section and section 6 of this 2015 Act and ORS 475.320 and any rule adopted under this section and section 6 of this 2015 Act and ORS 475.320; and "(b) The records of a marijuana grow site to ensure compliance with this section and section 6 of this 2015 Act and any rule adopted under this section and section 6 of this 2015 Act and any rule adopted under this section and section 6 of this 2015 Act.

"(10) The authority may refuse to register a registry identification cardholder or a designee under this section or may suspend or revoke the registration of a person responsible for a marijuana grow site if the authority determines that the applicant or the person responsible for a marijuana grow site violated a provision of ORS 475.300 to 475.346, a rule adopted under ORS 475.300 to 475.346 or an ordinance adopted pursuant to section 2, chapter 79, Oregon Laws 2014.

"(11) The authority may require a person responsible for a marijuana grow site, prior to issuing a marijuana grow site registration card under subsection (4) of this section, to pay a fee reasonably calculated to pay costs incurred under this section and sections 6 and 14 of this 2015 Act.

²⁹ "<u>SECTION 6.</u> (1) A person designated to produce marijuana for a ³⁰ registry identification cardholder under ORS 475.304 must submit to the Oregon Health Authority, in a form and manner established by the
authority by rule, the following information related to the production
of marijuana:

"(a) The number of mature marijuana plants and immature
marijuana plants, the amount of marijuana leaves and flowers being
dried, and the amount of usable marijuana, in the person's possession;
"(b) The number of mature marijuana plants and immature
marijuana plants, and the amount of usable marijuana, that the person transfers to each registry identification cardholder for whom the
person produces marijuana;

"(c) The amount of usable marijuana that the person transfers to
 each marijuana processing site; and

"(d) The number of immature marijuana plants, and the amount
 of usable marijuana, that the person transfers to each medical
 marijuana dispensary.

"(2) The authority shall by rule require a person designated to
 produce marijuana for a registry identification cardholder under ORS
 475.304 to submit the information described in subsection (1) of this
 section once each month.

"(3) In addition to submitting the information as required by subsection (1) of this section, a person designated to produce marijuana for a registry identification cardholder under ORS 475.304 must keep a record of the information described in subsection (1) of this section for at least seven years after the date on which the person submits the information to the authority.

26 "SECTION 6a. (1) Except as provided in subsection (2) of this sec-27 tion, section 6 of this 2015 Act and the amendments to ORS 475.304 by 28 section 5 of this 2015 Act apply to persons who have registered with 29 the Oregon Health Authority under ORS 475.304 before, on or after the 30 operative date specified in section 70 of this 2015 Act. "(2) The amendments to ORS 475.304 by section 5 of this 2015 Act pertaining to the submission of information necessary to register a person as a person responsible for a marijuana grow site apply to applications for registry identification cards, applications to renew registry identification cards, and designations made under ORS 475.304, on or after the operative date specified in section 70 of this 2015 Act.

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"(Grow Site Possession Limits)

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"SECTION 7. ORS 475.320 is amended to read:

"475.320. [(1)(a) A registry identification cardholder or the designated primary caregiver of the cardholder may possess up to six mature marijuana plants and 24 ounces of usable marijuana.]

"[(b) Notwithstanding paragraph (a) of this subsection, if a registry identification cardholder has been convicted of a Class A or Class B felony under ORS 475.752 to 475.920 for the manufacture or delivery of a controlled substance in Schedule I or Schedule II, the registry identification cardholder or the designated primary caregiver of the cardholder may possess one ounce of usable marijuana at any given time for a period of five years from the date of the conviction.]

21 "[(2) A person authorized under ORS 475.304 to produce marijuana at a 22 marijuana grow site:]

23 "[(a) May produce marijuana for and provide marijuana:]

²⁴ "[(A) To a registry identification cardholder or a cardholder's designated ²⁵ primary caregiver as authorized under this section; or]

²⁶ "[(B) If the marijuana is usable marijuana or an immature marijuana plant ²⁷ and the registry identification cardholder authorizes the person responsible for ²⁸ the marijuana grow site to transfer the usable marijuana or immature ²⁹ marijuana plant to a medical marijuana facility registered under ORS 475.314, ³⁰ to the medical marijuana facility.] 1 "[(b) May possess up to six mature plants and up to 24 ounces of usable 2 marijuana for each cardholder or caregiver for whom marijuana is being 3 produced.]

4 "[(c) May produce marijuana for no more than four registry identification
5 cardholders or designated primary caregivers concurrently.]

6 "[(d) Must obtain and display a marijuana grow site registration card is-7 sued under ORS 475.304 for each registry identification cardholder or desig-8 nated primary caregiver for whom marijuana is being produced.]

9 "[(e) Must provide all marijuana produced for a registry identification 10 cardholder or designated primary caregiver to the cardholder or caregiver at 11 the time the person responsible for a marijuana grow site ceases producing 12 marijuana for the cardholder or caregiver.]

"[(f) Must return the marijuana grow site registration card to the registry identification cardholder to whom the card was issued when requested to do so by the cardholder or when the person responsible for a marijuana grow site ceases producing marijuana for the cardholder or caregiver.]

¹⁷ "[(3) Except as provided in subsections (1) and (2) of this section, a registry ¹⁸ identification cardholder, the designated primary caregiver of the cardholder ¹⁹ and the person responsible for a marijuana grow site producing marijuana for ²⁰ the registry identification cardholder may possess a combined total of up to six ²¹ mature plants and 24 ounces of usable marijuana for that registry identifica-²² tion cardholder.]</sup>

"[(4)(a) A registry identification cardholder and the designated primary
 caregiver of the cardholder may possess a combined total of up to 18 marijuana
 seedlings or starts as defined by rule of the Oregon Health Authority.]

²⁶ "[(b) A person responsible for a marijuana grow site may possess up to 18 ²⁷ marijuana seedlings or starts as defined by rule of the authority for each ²⁸ registry identification cardholder for whom the person responsible for the ²⁹ marijuana grow site is producing marijuana.]

30 "(1) Subject to subsection (2) of this section, a registry identifica-

tion cardholder and the designated primary caregiver of the registry
identification cardholder may jointly possess six or fewer mature
marijuana plants.

4 "(2)(a) A person may be designated to produce marijuana under
5 ORS 475.304 by no more than four registry identification cardholders.

6 "(b) A person who is a person designated to produce marijuana 7 under ORS 475.304 may produce no more than six mature marijuana 8 plants per registry identification cardholder.

"(3) If the address of a person responsible for a marijuana grow site
 under ORS 475.304 is located within city limits in an area zoned for
 residential use:

"(a) Except as provided in paragraph (b) of this subsection, no more
 than 12 mature marijuana plants may be produced at the address; or

"(b) Subject to subsection (5) of this section, if each person responsible for a marijuana grow site located at the address first registered with the Oregon Health Authority under ORS 475.304 before January 1, 2015, no more than the amount of mature marijuana plants first reported to the authority under section 6 of this 2015 Act in excess of 12 mature marijuana plants, not to exceed 24 mature marijuana plants, may be produced at the address.

"(4) If the address of a person responsible for a marijuana grow site
 under ORS 475.304 is located in an area other than an area described
 in subsection (3) of this section:

"(a) Except as provided in paragraph (b) of this subsection, no more
 than 48 mature marijuana plants may be produced at the address; or

"(b) Subject to subsections (5) and (6) of this section, if each person responsible for a marijuana grow site located at the address first registered with the authority under ORS 475.304 before January 1, 2015, no more than the amount of mature marijuana plants first reported to the authority under section 6 of this 2015 Act in excess of 48 mature marijuana plants, not to exceed 96 mature marijuana plants, may be
produced at the address.

"(5)(a) If the authority suspends or revokes the registration of a person responsible for a marijuana grow site that is located at an address described in subsection (3)(b) of this section, no more than 12 mature marijuana plants may be subsequently produced at any address at which the person responsible for that marijuana grow site produces marijuana.

9 "(b) If the authority suspends or revokes the registration of a per-10 son responsible for a marijuana grow site that is located at an address 11 described in subsection (4)(b) of this section, no more than 48 mature 12 marijuana plants may be subsequently produced at any address at 13 which the person responsible for that marijuana grow site produces 14 marijuana.

"(6) If a registry identification cardholder who designated a person 15 to produce marijuana for the registry identification cardholder pursu-16 ant to ORS 475.304 terminates the designation, the person responsible 17 for the marijuana grow site whose designation has been terminated 18 may not be designated to produce marijuana by another registry 19 identification cardholder, except that the person may be designated 20by another registry identification cardholder if no more than 48 ma-21ture marijuana plants are produced at the address for the marijuana 22grow site at which the person produces marijuana. 23

"(7) If a law enforcement officer determines that a registry identification cardholder, the designated primary caregiver of a registry identification cardholder, or a person responsible for a marijuana grow site under ORS 475.304 who grows marijuana for a registry identification cardholder, possesses a number of mature marijuana plants in excess of the quantities specified in this section, the law enforcement officer may confiscate only the excess number of mature marijuana 1 plants.

<u>"SECTION 8.</u> The amendments to ORS 475.320 by section 7 of this
2015 Act apply to persons who registered with the Oregon Health Authority under ORS 475.320 before, on or after the operative date specified in section 70 of this 2015 Act.

"(Personal Agreements)

9 "SECTION 9. Notwithstanding ORS 475.304 (7), a person responsible 10 for a marijuana grow site may enter into an agreement with a registry 11 identification cardholder under which the registry identification 12 cardholder assigns to the person responsible for the marijuana grow 13 site, a portion of the right to possess the seeds, immature marijuana 14 plants and usable marijuana that are the property of the registry 15 identification cardholder.

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"(Proof of Issuance)

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"SECTION 9a. ORS 475.306 is amended to read:

²⁰ "475.306. [(1) A person who possesses a registry identification card issued ²¹ pursuant to ORS 475.309 may engage in, and a designated primary caregiver ²² of such a person may assist in, the medical use of marijuana only as justified ²³ to mitigate the symptoms or effects of the person's debilitating medical condi-²⁴ tion.]

²⁵ "[(2) A person who is a registry identification cardholder must possess the ²⁶ registry identification card when using or transporting marijuana in a location ²⁷ other than the residence of the cardholder.]

²⁸ "[(3) The Oregon Health Authority shall define by rule when a marijuana ²⁹ plant is mature and when it is immature. The rule shall provide that a plant ³⁰ that has no flowers and that is less than 12 inches in height and less than 12

1 inches in diameter is a seedling or a start and is not a mature plant.]

² "A person to whom a registry identification card has been issued ³ under ORS 475.309 (5)(a), an identification card has been issued under ⁴ ORS 475.309 (5)(b), or a marijuana grow site registration card has been ⁵ issued under ORS 475.304, may not possess marijuana, usable ⁶ marijuana, medical cannabinoid products, cannabinoid concentrates ⁷ or cannabinoid extracts in a location other than the address identified ⁸ on the card unless the person is carrying the card.

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"(Medical Marijuana Processors)

12 "<u>SECTION 10.</u> (1)(a) The Oregon Health Authority shall establish 13 by rule a marijuana processing site registration system to track and 14 regulate the processing of marijuana by a person responsible for a 15 marijuana processing site.

"(b) Except as provided in paragraph (c) of this subsection, a person
 may not process marijuana unless the person is registered under this
 section.

"(c) Paragraph (b) of this section does not apply to the processing
 of marijuana as provided in sections 3 to 70, chapter 1, Oregon Laws
 2015 or as otherwise provided for by the statutory laws of this state.

"(2) The registration system established under subsection (1) of this
section must require an applicant for a marijuana processing site to
submit an application to the authority that includes:

"(a) The name of the individual who owns the marijuana processing
site or, if a business entity owns the marijuana processing site, the
name of each individual who has a financial interest in the marijuana
processing site;

29 "(b) The name of the individual or individuals responsible for the 30 marijuana processing site, if different from the name of the individual 1 who owns the marijuana processing site;

2 "(c) The address of the marijuana processing site;

"(d) Proof that each individual responsible for the marijuana processing site has been a resident of this state for four or more years;

"(e) Documentation, as required by the authority by rule, that
demonstrates the marijuana processing site meets the requirements
of subsection (3) of this section; and

"(f) Any other information that the authority considers necessary.
"(3) To qualify for registration under this section, a marijuana
processing site:

"(a) May not be located in an area that is zoned for residential use;
"(b) May not be located at the same address as a marijuana grow
site;

"(c) Must be registered as a business, or have filed an application
to register as a business, with the office of the Secretary of State; and
"(d) Must meet the requirements of any rule adopted by the authority under subsection (10) of this section.

"(4)(a) The authority shall conduct a criminal records check under
 ORS 181.534 for each individual named in an application under sub section (2) of this section.

"(b) An individual convicted for the manufacture or delivery of a controlled substance in Schedule I or Schedule II may not own or be responsible for a marijuana processing site for five years from the date the individual is convicted.

"(c) An individual convicted more than once for the manufacture
or delivery of a controlled substance in Schedule I or Schedule II may
not own or be responsible for a marijuana processing site.

"(5) If a person submits the application required under subsection
 (2) of this section, if the marijuana processing site identified in the
 application meets the requirements of this section and any rules

adopted under this section and if each individual named in the application passes the criminal records check required under subsection (4) of this section, the authority shall register the marijuana processing site and issue proof of registration. Proof of registration must be displayed on the premises of the marijuana processing site at all times.

"(6) A marijuana processing site that is registered under this section is not required to register with the State Board of Pharmacy under ORS 475.125.

9 "(7) The individual or individuals responsible for a marijuana pro-10 cessing site shall maintain documentation of each transfer of usable 11 marijuana, medical cannabinoid products, cannabinoid concentrates 12 and cannabinoid extracts.

13 **"(8) The authority may inspect:**

"(a) The premises of a proposed marijuana processing site or a registered marijuana processing site to ensure compliance with this section and sections 11 and 12 of this 2015 Act and any rules adopted under this section and sections 11 and 12 of this 2015 Act; and

"(b) The records of a registered marijuana processing site to ensure
 compliance with subsection (7) of this section.

"(9) Subject to the provisions of ORS chapter 183, the authority may 20refuse to register an applicant under this section or may suspend or 21revoke the registration of a marijuana processing site if the authority 22determines that the applicant, the owner of the marijuana processing 23site, a person responsible for the marijuana processing site, or an 24employee of the marijuana processing site, violated a provision of ORS 25475.300 to 475.346, a rule adopted under ORS 475.300 to 475.346 or an 26ordinance adopted pursuant to section 2, chapter 79, Oregon Laws 2014. 27"(10) The authority shall adopt rules to implement this section, in-28cluding rules that: 29

³⁰ "(a) Require a registered marijuana processing site to annually re-

1 new the registration for that site;

"(b) Establish fees for registering, and renewing the registration of,
a marijuana processing site;

4 "(c) Require installation at each marijuana processing site of a
5 minimum security system that includes video surveillance, an alarm
6 system and a safe;

"(d) Require that medical cannabinoid products, cannabinoid concentrates and cannabinoid extracts transferred by a marijuana processing site be tested to ensure the public health and safety; and

"(e) Impose any other standard on the operation of a marijuana
 processing site to ensure the public health and safety.

"<u>SECTION 11.</u> (1) A marijuana processing site must meet any public
 health and safety standards established by the Oregon Health Au thority by rule related to:

"(a) Cannabinoid edibles, if the marijuana processing site processes
 marijuana into cannabinoid edibles;

"(b) Cannabinoid concentrates, if the marijuana processing site
 processes marijuana into cannabinoid concentrates;

"(c) Cannabinoid extracts, if the marijuana processing site pro cesses marijuana into cannabinoid extracts; or

"(d) Any other type of medical cannabinoid product identified by
 the authority by rule, if the marijuana processing site processes
 marijuana into that type of medical cannabinoid product.

"(2) A marijuana processing site that processes marijuana into cannabinoid edibles must be licensed by the State Department of Agriculture in accordance with ORS 616.695 to 616.755. In licensing a marijuana processing site under this subsection, the department may not:

"(a) Establish standards prescribing cannabinoid concentrates,
 cannabinoid extracts or the dried leaves or flowers of marijuana to be

1 a food additive, as defined in ORS 616.205; or

"(b) Consider cannabinoid concentrates, cannabinoid extracts or the
dried leaves or flowers of marijuana to be an adulterant, except as
provided by the authority by rule.

5 **"(3)** The authority shall adopt rules to implement this section.

6 "<u>SECTION 12.</u> (1) The authority may require by rule a marijuana 7 processing site to submit to the authority for inclusion in the database 8 developed and maintained pursuant to section 15 of this 2015 Act the 9 following information:

"(a) The amount of usable marijuana transferred to the marijuana
 processing site;

"(b) The amount and type of medical cannabinoid products trans ferred by the marijuana processing site;

"(c) The amount and type of cannabinoid concentrates transferred
 by the marijuana processing site; and

"(d) The amount and type of cannabinoid extracts transferred by
 the marijuana processing site.

"(2) The authority by rule may require a marijuana processing site to submit to the authority for inclusion in the database developed and maintained pursuant to section 15 of this 2015 Act information that is in addition to the information described in subsection (1) of this section as the authority considers necessary to fulfill the authority's duties under section 10 (1) of this 2015 Act.

²⁴ "<u>SECTION 13.</u> (1) A marijuana processing site may not transfer ²⁵ medical cannabinoid products, cannabinoid concentrates or ²⁶ cannabinoid extracts to a person other than a registry identification ²⁷ cardholder, a designated primary caregiver or a medical marijuana ²⁸ dispensary.

29 "(2) A person other than a marijuana processing site may not 30 transfer medical cannabinoid products, cannabinoid concentrates or 1 cannabinoid extracts to a medical marijuana dispensary.

"<u>SECTION 14.</u> Section 10 of this 2015 Act does not apply to:

"(1) A medical cannabinoid product processed by a registry identification cardholder or the designated primary caregiver of a registry identification cardholder who processes marijuana for the registry identification cardholder's personal use, provided that the medical cannabinoid product is not transferred to a person other than the registry identification cardholder; or

9 "(2) A cannabinoid concentrate processed by a registry identifica-10 tion cardholder for the registry identification cardholder's personal 11 use, provided that the cannabinoid concentrate is not transferred to 12 a person other than the registry identification cardholder.

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"(Database)

"SECTION 15. (1) The Oregon Health Authority shall develop and maintain a database of information related to the production of marijuana by persons responsible for a marijuana grow site under ORS 475.304 and the processing of marijuana by persons responsible for a marijuana processing site under section 10 of this 2015 Act. At a minimum, the database must include all information submitted to the authority under sections 6 and 12 of this 2015 Act.

"(2)(a) Subject to paragraph (b) of this subsection, if the authority 23determines after conducting an investigation of a marijuana grow site, 24marijuana processing site or medical marijuana dispensary, or after 25receiving a complaint about a marijuana grow site, marijuana pro-26cessing site or medical marijuana dispensary, that the marijuana grow 27site, marijuana processing site or medical marijuana dispensary is not 28in compliance with the provisions of ORS 475.300 to 475.346 or a rule 29 adopted under ORS 475.300 to 475.346, the authority may provide in-30

formation that is stored in the database developed and maintained
 under this section to a law enforcement agency.

"(b) Except for the address where a marijuana grow site is located, or where a marijuana processing site is located, the authority may not provide to the commission or a law enforcement agency any personally identifiable information stored in the database developed and maintained under this section.

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"(Medical Marijuana Dispensaries)

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"SECTION 16. ORS 475.314, as amended by section 5, chapter 79, Oregon
 Laws 2014, is amended to read:

"475.314. [(1) The Oregon Health Authority shall establish by rule a med ical marijuana facility registration system to authorize the transfer of usable
 marijuana and immature marijuana plants from:]

"[(a) A registry identification cardholder, the designated primary caregiver
 of a registry identification cardholder, or a person responsible for a marijuana
 grow site to the medical marijuana facility; or]

19 "[(b) A medical marijuana facility to a registry identification cardholder 20 or the designated primary caregiver of a registry identification cardholder.]

"(1)(a) The Oregon Health Authority shall establish by rule a med ical marijuana dispensary registration system for the purpose of
 tracking and regulating the transfer of:

"(A) Usable marijuana, immature marijuana plants and seeds from
 registry identification cardholders, designated primary caregivers and
 persons responsible for marijuana grow sites to medical marijuana
 dispensaries;

"(B) Medical cannabinoid products, cannabinoid concentrates and
 cannabinoid extracts from persons responsible for marijuana process ing sites to medical marijuana dispensaries; and

"(C) Usable marijuana, immature marijuana plants, seeds, medical
 cannabinoid products, cannabinoid concentrates and cannabinoid ex tracts from medical marijuana dispensaries to registry identification
 cardholders and designated primary caregivers.

"(b) A person may not operate an establishment for the purpose of
providing the services described in paragraph (a) of this subsection
unless the person is registered under this section.

"(2) The registration system established under subsection (1) of this section must require an applicant for a medical marijuana [facility]
dispensary to submit an application to the authority that includes:

"(a) The name of the individual who owns the medical marijuana
dispensary or, if a business entity owns the medical marijuana
dispensary, the name of each individual who has a financial interest
in the medical marijuana dispensary;

"[(a)] (b) The name of the [person] individual or individuals responsible
for the medical marijuana [facility] dispensary, if different from the name
of the individual who owns the medical marijuana dispensary;

¹⁸ "[(b)] (c) The address of the medical marijuana [facility] dispensary;

"[(c)] (d) Proof that [the person] each individual responsible for the medical marijuana [facility is a resident of Oregon] has been a resident of this state for four or more years;

²² "[(d)] (e) Documentation, as required by the authority by rule, that dem-²³ onstrates the medical marijuana [facility] **dispensary** meets the [qualifica-²⁴ tions for a medical marijuana facility as described in] **requirements of** ²⁵ subsection (3) of this section; and

(e) (f) Any other information that the authority considers necessary.

"(3) To qualify for registration under this section, a medical marijuana
[facility] dispensary:

29 "[(a) Must be located in an area that is zoned for commercial, industrial 30 or mixed use or as agricultural land;]
"(a) May not be located in an area that is zoned for residential use; 1

"(b) May not be located at the same address as a marijuana grow site; $\mathbf{2}$ "(c) Must be registered as a business, or have filed [a pending] an appli-3 cation to register as a business, with the office of the Secretary of State;

"[(d) Must not be located within 1,000 feet of the real property comprising $\mathbf{5}$ a public or private elementary, secondary or career school attended primarily 6 by minors;] 7

"(d) May not be located within 1,000 feet of: 8

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

"(B) A private or parochial elementary or secondary school, teach-11 ing children as described in ORS 339.030 (1)(a); 12

"(e) Must not be located within 1,000 feet of another medical marijuana 13 [*facility*] **dispensary**; and 14

"[(f) Must comport with rules adopted by the authority related to:] 15

"[(A) Installing a minimum security system, including a video surveillance 16 system, alarm system and safe; and] 17

"[(B) Testing for pesticides, mold and mildew and the processes by which 18 usable marijuana and immature marijuana plants that test positive for pesti-19 cides, mold or mildew must be returned to the registry identification 20cardholder, the cardholder's designated primary caregiver or the cardholder's 21registered grower.] 22

"(f) Must meet the requirements of any rule adopted by the au-23thority under subsection (10) of this section. 24

"(4)(a) The authority shall conduct a criminal records check under ORS 25181.534 [of a person whose name is submitted as the person responsible for a 26medical marijuana facility] for each individual named in an application 27submitted under subsection (2) of this section. 28

"(b) [A person] An individual convicted for the manufacture or delivery 29 of a controlled substance in Schedule I or Schedule II may not [be the 30

person] own or be responsible for a medical marijuana [*facility*] dispensary
 for five years from the date the [*person*] individual is convicted.

"(c) [A person] An individual convicted more than once for the manufacture or delivery of a controlled substance in Schedule I or Schedule II may not [be the person] own or be responsible for a medical marijuana [facility] dispensary.

"(5) If a person submits the application required under subsection (2) of 7 this section, if the medical marijuana [facility] dispensary identified in the 8 application meets the [qualifications for a medical marijuana facility de-9 scribed in subsection (3) of this section and the person responsible for the 10 medical marijuana facility] requirements of this section and any rules 11 adopted under this section and if each individual named in the appli-12**cation** passes the criminal records check required under subsection (4) of 13 this section, the authority shall register the medical marijuana [facility] 14 **dispensary** and issue [the person responsible for the medical marijuana fa-15cility] proof of registration. [The person responsible for the medical marijuana 16 facility shall display the Proof of registration must be displayed on the 17 premises of the medical marijuana [facility at all times when usable 18 marijuana or immature marijuana plants are being transferred as described 19 in subsection (1) of this section] dispensary at all times. 20

"(6) A medical marijuana dispensary that is registered under this
 section is not required to register with the State Board of Pharmacy
 under ORS 475.125.

²⁴ "[(6)(a) A registered medical marijuana facility may receive usable ²⁵ marijuana or immature marijuana plants only from a registry identification ²⁶ cardholder, designated primary caregiver or person responsible for a ²⁷ marijuana grow site if the registered medical marijuana facility obtains au-²⁸ thorization, on a form prescribed by the authority by rule and signed by a ²⁹ registry identification cardholder, to receive the usable marijuana or immature ³⁰ marijuana plants.]

1 "[(b) A registered medical marijuana facility shall maintain:]

2 "[(A) A copy of each authorization form described in paragraph (a) of this
3 subsection; and]

4 "[(B) Documentation of each transfer of usable marijuana or immature 5 marijuana plants.]

6 "(7) The individual or individuals responsible for a medical 7 marijuana dispensary shall maintain documentation of each transfer 8 of usable marijuana, medical cannabinoid products, cannabinoid con-9 centrates, cannabinoid extracts, immature marijuana plants and 10 seeds.

"[(7) A medical marijuana facility registered under this section may possess usable marijuana and immature marijuana plants in excess of the limits imposed on registry identification cardholders and designated primary caregivers under ORS 475.320.]

¹⁵ "[(8)(a) A registered medical marijuana facility may not transfer any ¹⁶ tetrahydrocannabinol-infused product that is meant to be swallowed or ¹⁷ inhaled, unless the product is packaged in child-resistant safety packaging that ¹⁸ meets standards established by the authority by rule.]

19 "[(b) A registered medical marijuana facility may not transfer any 20 tetrahydrocannabinol-infused product that is manufactured or packaged in a 21 manner that is attractive to minors, as determined by the authority by rule.]

²² "[(9)] (8) The authority may inspect:

²³ "[(a) The premises of an applicant for a medical marijuana facility or a ²⁴ registered medical marijuana facility to ensure compliance with the qualifica-²⁵ tions for a medical marijuana facility described in subsection (3) of this sec-²⁶ tion; and]

"(a) The premises of a proposed medical marijuana dispensary or a
registered medical marijuana dispensary to ensure compliance with
this section and section 18 of this 2015 Act and any rules adopted under
this section or section 18 of this 2015 Act; and

"(b) The records of a registered medical marijuana [facility] dispensary
to ensure compliance with subsection [(6)(b)] (7) of this section.

³ "[(10)(a) A registry identification cardholder or the designated primary ⁴ caregiver of a registry identification cardholder may reimburse a medical ⁵ marijuana facility registered under this section for the normal and customary ⁶ costs of doing business, including costs related to transferring, handling, se-⁷ curing, insuring, testing, packaging and processing usable marijuana and im-⁸ mature marijuana plants and the cost of supplies, utilities and rent or ⁹ mortgage.]

10 "[(b) A medical marijuana facility may reimburse a person responsible for 11 a marijuana grow site under this section for the normal and customary costs 12 of doing business, including costs related to transferring, handling, securing, 13 insuring, testing, packaging and processing usable marijuana and immature 14 marijuana plants and the cost of supplies, utilities and rent or mortgage.]

¹⁵ "[(11) the authority may revoke the registration of a medical marijuana fa-¹⁶ cility registered under this section for failure to comply with ORS 475.300 to ¹⁷ 475.346, rules adopted under ORS 475.300 to 475.346 or ordinances adopted ¹⁸ pursuant to section 2, chapter 79, Oregon Laws 2014. The authority may release ¹⁹ to the public a final order revoking a medical marijuana facility ²⁰ registration.]

"(9) Subject to the provisions of ORS chapter 183, the authority may 21refuse to register an applicant under this section or may suspend or 22revoke the registration of a medical marijuana dispensary if the au-23thority determines that the applicant, the owner of the medical 24marijuana dispensary, a person responsible for the medical marijuana 25dispensary, or an employee of the medical marijuana dispensary, vio-26lated a provision of ORS 475.300 to 475.346, a rule adopted under ORS 27475.300 to 475.346 or an ordinance adopted pursuant to section 2, chap-28ter 79, Oregon Laws 2014. 29

³⁰ "[(12)] (10) The authority shall adopt rules to implement this section, in-

1 cluding rules that:

"(a) Require a registered medical marijuana [facility registered under this
section] dispensary to annually renew [that registration; and] the registration for that dispensary;

"(b) Establish fees for registering, and renewing the registration [for] of,
a medical marijuana [facility under this section.] dispensary;

"(c) Require that each medical marijuana dispensary install and
maintain a minimum security system that includes video surveillance,
an alarm system and a safe;

"(d) Require that usable marijuana, medical cannabinoid products,
 cannabinoid concentrates, cannabinoid extracts and immature
 marijuana plants transferred by a medical marijuana dispensary be
 tested to ensure the public health and safety; and

"(e) Impose any other standard on the operation of a medical
 marijuana dispensary to ensure the public health and safety.

16 "<u>SECTION 17.</u> If a school described in ORS 475.314 (3)(d) is estab-17 lished within 1,000 feet of a medical marijuana dispensary, the medical 18 marijuana dispensary may remain at its current location unless the 19 authority revokes the registration of the medical marijuana 20 dispensary.

21 "<u>SECTION 18.</u> (1) The authority may require by rule a medical 22 marijuana dispensary to submit to the authority for inclusion in the 23 database developed and maintained pursuant to section 15 of this 2015 24 Act the following information:

"(a) The amount of usable marijuana transferred to and by the
 medical marijuana dispensary;

"(b) The amount and type of medical cannabinoid products transferred to and by the medical marijuana dispensary;

"(c) The amount and type of cannabinoid concentrates transferred
to and by the medical marijuana dispensary;

"(d) The amount and type of cannabinoid extracts transferred to
 and by the medical marijuana dispensary; and

"(e) The quantity of immature marijuana plants transferred to and
by the medical marijuana dispensary.

5 "(2) The authority by rule may require a medical marijuana 6 dispensary to submit to the authority for inclusion in the database 7 developed and maintained pursuant to section 15 of this 2015 Act in-8 formation that is in addition to the information described in sub-9 section (1) of this section as the authority considers necessary to fulfill 10 the authority's duties under ORS 475.314 (1).

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12

"(Designation, Assignment and Foreclosure)

13

"<u>SECTION 19.</u> (1) A person responsible for a marijuana processing
 site, or a person responsible for a medical marijuana dispensary, may
 designate that responsibility to another person.

"(2) If a designation is made under this section, the designee must
 submit to the Oregon Health Authority proof that the designee meets
 the requirements and restrictions set forth in:

20 "(a) For marijuana processing sites, section 10 (2)(d) and (4); or

21 "(b) For medical marijuana dispensaries, ORS 475.314 (2)(d) and (4).

"(3) The authority may prescribe the form and manner of submitting proof under subsection (2) of this section.

"<u>SECTION 20.</u> (1) A person responsible for a marijuana processing
 site, or a person responsible for a medical marijuana dispensary, may
 assign that responsibility to another person.

"(2) If an assignment is made under this section, the assignee must
submit to the Oregon Health Authority proof that the assignee meets
the requirements and restrictions set forth in:

30 "(a) For marijuana processing sites, section 10 (2)(d) and (4); or

"(b) For medical marijuana dispensaries, ORS 475.314 (2)(d) and (4). 1 "(3) The authority may prescribe the form and manner of submit- $\mathbf{2}$ ting proof under subsection (2) of this section. 3

"SECTION 21. (1) In the event that a marijuana processing site or 4 a medical marijuana dispensary is foreclosed or otherwise ceases op- $\mathbf{5}$ erations as described in ORS chapter 79, a secured party, as defined in 6 ORS 79.0102, may continue operations at the marijuana processing site 7 or medical marijuana dispensary upon submitting to the Oregon 8 Health Authority proof that the secured party or, if the secured party 9 is a business entity, any individual who has a financial interest in the 10 secured party, meets the requirements and restrictions set forth in: 11 "(a) For marijuana processing sites, section 10 (2)(d) and (4); or 12 "(b) For medical marijuana dispensaries, ORS 475.314 (2)(d) and (4). 13 "(2) The authority may prescribe the form and manner of submit-14 ting proof under subsection (1) of this section. 15 16

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18

"(Exemptions from Criminal Liability and Affirmative Defense)

19

"SECTION 22. Except as provided in ORS 475.316, a person engaged 20in or assisting in the medical use of marijuana is exempt from the 21criminal laws of this state for possession, delivery or manufacture of 22marijuana, aiding and abetting another in the possession, delivery or 23manufacture of marijuana, or any other criminal offense in which 24possession, delivery or manufacture of marijuana is an element if: 25

"(1) The person holds a registry identification card. 26

"(2) The person has applied for a registry identification card under 27ORS 475.309 and the person has proof of written documentation de-28scribed in ORS 475.309 (2)(a) and proof of the date on which the person 29 submitted the application to the Oregon Health Authority. An ex-30

emption under this subsection applies only until the authority ap proves or denies the application.

"(3) The person is designated as a primary caregiver under ORS
4 475.312.

5 "(4) The person is responsible for or is employed by a marijuana 6 grow site registered under ORS 475.304.

7 "(5) The person owns, is responsible for, or is employed by, a
8 marijuana processing site.

9 "(6) The person owns, is responsible for, or is employed by, a med10 ical marijuana dispensary.

11 **"SECTION 23.** ORS 475.319 is amended to read:

¹² "475.319. (1) Except as provided in ORS 475.316 [and 475.342, it is], **a** ¹³ **person has** an affirmative defense to a criminal charge of possession [or ¹⁴ production], **delivery or manufacture** of marijuana, or any other criminal ¹⁵ offense in which possession [or production], **delivery or manufacture** of ¹⁶ marijuana is an element, [that] **if** the person charged with the offense [is a ¹⁷ person who]:

"(a) [*Has been*] **Was** diagnosed with a debilitating medical condition within 12 months [*prior to arrest and been*] of the date on which the person was arrested and was advised by the person's attending physician that the medical use of marijuana may mitigate the symptoms or effects of that debilitating medical condition;

23 "(b) Is engaged in the medical use of marijuana; and

"(c) Possesses [or produces], delivers or manufactures marijuana only
in [amounts] quantities permitted under ORS 475.320.

"(2) [It is not necessary for a person asserting an affirmative defense pursuant to this section to have received] A person does not need to lawfully possess a registry identification card [in order] to assert the affirmative defense established in this section.

30 "(3) [No] A person engaged in the medical use of marijuana who claims

that marijuana provides medically necessary benefits and who is charged with a crime pertaining to [*such*] **the** use of marijuana [*shall be*] **is not** precluded from presenting a defense of choice of evils, as set forth in ORS 161.200, or from presenting evidence supporting the necessity of marijuana for treatment of a specific disease or medical condition, provided that [*the amount of marijuana at issue is no greater than permitted under ORS* 475.320 and the patient]:

8 "(a) The person possesses, delivers or manufactures marijuana only
9 as permitted under ORS 475.320 (1); and

"(b) The person has taken a substantial step [to comply] toward complying with the provisions of ORS 475.300 to 475.346.

"(4) [Any] A defendant proposing to use the affirmative defense [provided 12 for by] established in this section in a criminal action shall, not less than 13 five days before the trial of the cause, file and serve upon the district at-14 torney a written notice of the intention to [offer such a] assert the affir-15 mative defense [that]. The notice must specifically [states] state the 16 reasons why the defendant is entitled to assert the affirmative defense and 17 the factual basis for [such] the affirmative defense. If the defendant fails 18 to file and serve [such] the notice, the defendant is not permitted to assert 19 the affirmative defense at the trial of the cause unless the court [for good 20cause] orders, for good cause, otherwise. 21

²² "SECTION 24. ORS 475.316 is amended to read:

"475.316. [(1) No person authorized to possess, deliver or produce marijuana 23for medical use pursuant to ORS 475.300 to 475.346 shall be excepted from the 24criminal laws of this state or shall be deemed to have established an affirma-25tive defense to criminal charges of which possession, delivery or production of 26marijuana is an element if the person, in connection with the facts giving rise 27to such charges:] A person is not exempt from the criminal laws of this 28state for possession, delivery or manufacture of marijuana, aiding and 29 abetting another in the possession, delivery or manufacture of 30

marijuana, or any other criminal offense in which possession, delivery
or manufacture of marijuana is an element, and the person may not
assert the affirmative defense established in ORS 475.319, if the person,
in connection with conduct constituting an element of the offense:

5 "[(a)] (1) Drives under the influence of marijuana as provided in ORS
6 813.010;

"[(b)] (2) Engages in the medical use of marijuana in a public place, as
[that term is] defined in ORS 161.015, [or] in public view or in a correctional
facility, as defined in ORS 162.135 (2), or a youth correction facility, as defined in ORS 162.135 (6); or

"[(c)] (3) Delivers marijuana to any individual who the person knows is not in possession of a registry identification card[;] or to any individual or entity that the person knows has not been designated to receive marijuana or assigned a possessory interest in marijuana by an individual in possession of a registry identification card.

16 "[(d) Delivers marijuana for consideration to any individual, even if the 17 individual is in possession of a registry identification card;]

"[(e) Manufactures or produces marijuana at a place other than a
 marijuana grow site authorized under ORS 475.304; or]

20 "[(f) Manufactures or produces marijuana at more than one address.]

"[(2) In addition to any other penalty allowed by law, a person who the Oregon Health Authority finds has willfully violated the provisions of ORS 475.300 to 475.346, or rules adopted under ORS 475.300 to 475.346, may be precluded from obtaining or using a registry identification card for the medical use of marijuana for a period of up to six months, at the discretion of the authority.]

27

28

"(General Powers)

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³⁰ "<u>SECTION 25.</u> (1) In addition to any other liability or penalty pro-

vided by law, the Oregon Health Authority may impose for each violation of a provision of ORS 475.300 to 475.346, or for each violation of
a rule adopted under a provision of ORS 475.300 to 475.346, a civil penalty that does not exceed \$500 for each day that the violation occurs.
"(2) The authority shall impose civil penalties under this section in
the manner provided by ORS 183.745.

"(3) All moneys collected pursuant to this section shall be deposited
in the Oregon Health Authority Fund established under ORS 413.101
and are continuously appropriated to the authority for the purpose of
carrying out the duties, functions and powers of the authority under
ORS 475.300 to 475.346.

"<u>NOTE:</u> Section 26 was deleted by amendment. Subsequent sections were
 not renumbered.

¹⁴ "<u>SECTION 27.</u> Upon request the State Department of Agriculture ¹⁵ and the Oregon Liquor Control Commission, pursuant to an agreement ¹⁶ or otherwise, shall assist the Oregon Health Authority in implement-¹⁷ ing and enforcing the provisions of ORS 475.300 to 475.346 and rules ¹⁸ adopted under the provisions of ORS 475.300 to 475.346.

"SECTION 28. The Oregon Health Authority, the State Department of Agriculture and the Oregon Liquor Control Commission may possess, seize or dispose of marijuana, usable marijuana, medical cannabinoid products, cannabinoid concentrates and cannabinoid extracts as is necessary for the authority to ensure compliance with and enforce the provisions of ORS 475.300 to 475.346 and any rule adopted under ORS 475.300 to 475.346.

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"(Exemption from Civil Liability)

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²⁹ "<u>SECTION 29.</u> The Oregon Health Authority, the State Department ³⁰ of Agriculture and the Oregon Liquor Control Commission, and the officers, employees and agents of the authority, department and commission, are immune from any cause of action for the performance
of, or the failure to perform, duties required by ORS 475.300 to 475.346.

"(Confidentiality)

"SECTION 30. (1) Any personally identifiable information, as de-7 fined in ORS 432.005, other than a name of an individual or an address 8 submitted with an application under ORS 475.314 or section 10 of this 9 2015 Act, that the Oregon Health Authority collects and maintains for 10 purposes of registering a marijuana grow site under ORS 475.304, a 11 marijuana processing site under section 10 of this 2015 Act, or a med-12 ical marijuana dispensary under ORS 475.314, is confidential and not 13 subject to public disclosure under ORS 192.410 to 192.505, except that 14 the authority may provide personally identifiable information to a 15 person registered under ORS 475.300 to 475.346 if the registrant re-16 quests the information and the information is related to a designation 17 made under ORS 475.300 to 475.346. 18

"(2) Except as provided in section 15 (2)(b) of this 2015 Act, any personally identifiable information, as defined in ORS 432.005, submitted to the authority under section 6, 12 or 18 of this 2015 Act or pursuant to section 15 of this 2015 Act is confidential and not subject to public disclosure under ORS 192.410 to 192.505.

"(3) Any record that the authority keeps or maintains for purposes related to the installation or maintenance of a security system by a marijuana processing site pursuant to rules adopted under section 10 (10) of this 2015 Act, or by a medical marijuana dispensary pursuant to rules adopted under ORS 475.314 (10), is confidential and not subject to public disclosure under ORS 192.410 to 192.505.

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1	"(Seeds)
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3	"SECTION 31. (1) For purposes of ORS 475.300 to 475.346, seeds of
4	the plant Cannabis family Cannabaceae are a propagant of nursery
5	stock as defined in ORS 571.005.
6	"(2) Notwithstanding subsection (1) of this section, the production
7	and processing of seeds under ORS 475.300 to 475.346 is not subject to
8	the labeling or other requirements of ORS 576.715 to 576.744 or 633.511
9	to 633.750.
10	
11	"(Preemption and Local Government Power)
12	
13	"SECTION 32. (1) Except as expressly authorized by statutory laws
14	of this state, the authority to regulate the medical use of marijuana,
15	the production, processing or transfer of marijuana, usable marijuana,
16	medical cannabinoid products, cannabinoid concentrates and
17	cannabinoid extracts under ORS 475.300 to 475.346, and the authority
18	to impose a tax or fee on the production, processing or transfer of
19	marijuana, usable marijuana, medical cannabinoid products,
20	cannabinoid concentrates and cannabinoid extracts under ORS 475.300
21	to 475.346, is vested solely in the Legislative Assembly.
22	"(2) Except as expressly authorized by statutory laws of this state,
23	a county, city or other municipal corporation or district may not enact
24	ordinances regulating the medical use of marijuana, the production,
25	processing or transfer of marijuana, usable marijuana, medical
26	cannabinoid products, cannabinoid concentrates and cannabinoid ex-
27	tracts under ORS 475.300 to 475.346, or ordinances imposing a tax or
28	fee on the production, processing or transfer of marijuana, usable
29	marijuana, medical cannabinoid products, cannabinoid concentrates
30	and cannabinoid extracts under ORS 475.300 to 475.346.

1 "SECTION 33. Section 2, chapter 79, Oregon Laws 2014, is amended to 2 read:

"Sec. 2. [Notwithstanding ORS 633.738, the governing body of a city or 3 county may adopt ordinances that impose reasonable regulations on the oper-4 ation of medical marijuana facilities registered, or applying for registration, $\mathbf{5}$ under ORS 475.314 that are located in the area subject to the jurisdiction of 6 the city or county. For purposes of this section, 'reasonable regulations' in-7 cludes reasonable limitations on the hours during which a medical marijuana 8 facility may be operated, reasonable limitations on where a medical marijuana 9 facility may be located within a zone described in ORS 475.314 (3)(a) and 10 reasonable conditions on the manner in which a medical marijuana facility 11 *may dispense medical marijuana.*] 12

13 "(1) For purposes of this section:

14 "(a) 'Reasonable regulations' includes:

"(A) Reasonable limitations on the hours during which a medical
 marijuana dispensary may operate;

"(B) Reasonable conditions on the manner in which a medical
marijuana dispensary may transfer usable marijuana, medical
cannabinoid products, cannabinoid concentrates, cannabinoid extracts,
immature marijuana plants and seeds;

"(C) Reasonable requirements related to the public's access to a
 marijuana grow site, marijuana processing site or medical marijuana
 dispensary; and

"(D) Reasonable limitations on where a marijuana grow site,
 marijuana processing site or medical marijuana dispensary may be
 located.

"(b) 'Reasonable regulations' does not include limitations on where a marijuana grow site, marijuana processing site or medical marijuana dispensary may be located that prevent or significantly restrict the marijuana grow site, marijuana processing site or medical marijuana dispensary from being located in a zone in which the marijuana grow
site, marijuana processing site or medical marijuana dispensary is not
expressly prohibited from being located under the statutory laws of
this state.

"(2) Notwithstanding ORS 633.738:

"(a) The governing body of a city or county may adopt ordinances
that impose reasonable regulations on the operation of medical
marijuana dispensaries and marijuana processing sites that are located
in the area subject to the jurisdiction of the city or county; and

"(b) The governing body of a city may adopt ordinances that impose
 reasonable regulations on the operation of marijuana grow sites that
 are located within the area subject to the jurisdiction of the city.

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"(Other Amendments)

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¹⁶ **"SECTION 34.** ORS 475.300 is amended to read:

¹⁷ "475.300. The people of the State of Oregon [*hereby*] find that:

"(1) Patients and doctors have found marijuana to be an effective treatment for suffering caused by debilitating medical conditions[,] and, therefore,
marijuana [*should*] **must** be treated like other medicines;

"(2) Oregonians suffering from debilitating medical conditions should be allowed to use [*small amounts of*] marijuana without fear of civil or criminal penalties when [*their doctors advise that such use*] **a doctor advises that using marijuana** may provide a medical benefit [*to them*] and when other reasonable restrictions are met regarding that use;

"(3) ORS 475.300 to 475.346 are intended to allow Oregonians with debilitating medical conditions who may benefit from the medical use of marijuana to be able to [discuss freely with their] freely discuss with doctors the possible risks and benefits [of] associated with the medical use of marijuana [use] and to have the benefit of [their doctor's] professional medical advice; 1 and

2 "(4) ORS 475.300 to 475.346 are intended [to make only those changes to 3 existing Oregon laws that are necessary] to protect patients and [their] doc-4 tors from criminal and civil penalties[,] and are not intended to change cur-5 rent civil and criminal laws governing the use of marijuana for nonmedical 6 purposes.

7

"SECTION 35. ORS 475.303 is amended to read:

"475.303. (1) There is [created] established within the Oregon Health
Authority the Advisory Committee on Medical Marijuana [in the Oregon
Health Authority], consisting of 11 members appointed by the Director of the
Oregon Health Authority.

"(2) The director shall appoint members of the committee from *[persons*] 12 who possess registry identification cards, designated primary caregivers of 13 persons who possess registry identification cards and advocates of the Oregon 14 Medical Marijuana Act.] persons who are knowledgeable about 15 marijuana or who are registered with the authority under ORS 475.300 16 to 475.346 and who are advocates for the medical use of marijuana, 17 provided that a majority of the members of the committee are regis-18 tered with the authority under ORS 475.300 to 475.346 and are advocates 19 for the medical use of marijuana. 20

"(3) The committee shall advise the director on the administrative aspects
of [the Oregon Medical Marijuana Program, review current and proposed administrative rules of the program and provide annual input on the fee structure
of the program.] ORS 475.300 to 475.346, including rules and fees adopted,
and proposed for adoption, under ORS 475.300 to 475.346.

26 "(4) The committee shall meet at least four times per year, at times and 27 places specified by the director.

²⁸ "(5) The authority shall provide staff support to the committee.

"(6) All agencies of state government, as defined in ORS 174.111, are directed to assist the committee in the performance of its duties and, to the extent permitted by laws relating to confidentiality, to furnish information
and advice that the members of the committee consider necessary to perform
their duties.

4 **"SECTION 36.** ORS 475.323 is amended to read:

"475.323. (1) [Possession of a registry identification card, designated pri- $\mathbf{5}$ mary caregiver identification card pursuant to ORS 475.309 or proof of regis-6 tration as a medical marijuana facility under ORS 475.314] Registration 7 under ORS 475.300 to 475.346 or possession of proof of registration un-8 der ORS 475.300 to 475.346 does not [alone] constitute probable cause to 9 search the person or property of the [cardholder] registrant or otherwise 10 subject the person or property of the [cardholder] registrant to inspection 11 by [any governmental] a government agency. However, the Oregon Health 12Authority may inspect a *medical marijuana facility registered under ORS* 13 475.314] marijuana grow site registered under ORS 475.304, a marijuana 14 processing site registered under section 10 of this 2015 Act, or a med-15ical marijuana dispensary registered under ORS 475.314, at any reason-16 able time to determine whether [the facility] the person responsible for the 17 marijuana grow site, the person responsible for the marijuana pro-18 cessing site, or the person responsible for the medical marijuana 19 dispensary, is in compliance with ORS 475.300 to 475.346 and rules adopted 20under ORS 475.300 to 475.346. 21

"(2) Any property interest possessed, owned or used in connection with 22the medical use of marijuana or acts incidental to the medical use of 23marijuana that has been seized by state or local law enforcement officers 24may not be harmed, neglected, injured or destroyed while in the possession 25of [any] **a** law enforcement agency[.], **except that** a law enforcement agency 26has no responsibility to maintain live marijuana plants lawfully seized. 27[No] Such property interest may **not** be forfeited under any provision of law 28providing for the forfeiture of property [other than as], except pursuant to 29 a sentence imposed after conviction of a criminal offense. [Usable] Marijuana 30

and equipment or paraphernalia used to produce, process or administer 1 marijuana that was seized by [any] a law enforcement [office] officer shall $\mathbf{2}$ be returned immediately [upon a determination by] if the district attorney in 3 whose county the property was seized, or the district attorney's designee, 4 determines that the person from whom the marijuana, equipment or par- $\mathbf{5}$ aphernalia [used to administer marijuana] was seized is entitled to the pro-6 tections [contained in] provided by ORS 475.300 to 475.346. The 7 determination may be evidenced[, for example,] by a decision not to prose-8 cute, the dismissal of charges or acquittal. 9

10

"SECTION 37. ORS 475.326 is amended to read:

"475.326. [No attending physician may be subjected to civil penalty or dis-11 cipline by the Oregon Medical Board for:] The Oregon Medical Board may 12 not impose a civil penalty or take other disciplinary action against an 13 attending physician for: 14

"(1) Advising a person [whom the attending physician has] diagnosed as 15 having a debilitating medical condition[, or a person who the attending phy-16 sician knows has been so diagnosed] by the attending physician or another 17 physician licensed under ORS chapter 677[,] about the risks and benefits 18 [of] associated with the medical use of marijuana or that the medical use 19 of marijuana may mitigate the symptoms or effects of the person's debilitat-20ing medical condition, provided that the advice is based on the attending 21physician's personal assessment of the person's medical history and current 22medical condition; or 23

"(2) Providing the written documentation necessary for issuance or re-24**newal** of a registry identification card under ORS 475.309, [*if*] provided that 25the written documentation is based on the attending physician's personal 26assessment of the [applicant's] **person's** medical history and current medical 27condition and the attending physician has discussed with the person the 28potential [medical] risks and benefits [of] associated with the medical use 29 of marijuana [with the applicant]. 30

1 **"SECTION 38.** ORS 475.328 is amended to read:

² "475.328. (1) [No] **A** professional licensing board may **not** impose a civil ³ penalty or take other disciplinary action against a licensee based on the ⁴ licensee's medical use of marijuana [*in accordance with*] **under** the provisions ⁵ of ORS 475.300 to 475.346 or actions taken by the licensee [*that are necessary* ⁶ *to carry out the licensee's role as a designated primary caregiver to a person* ⁷ *who possesses a lawful registry identification card*] **pursuant to the** ⁸ **licensee's designation as a primary caregiver under ORS 475.312**.

"(2)(a) A licensed health care professional may administer medical 9 marijuana to a person who possesses a registry identification card and re-10 sides in a licensed health care facility if the administration of pharmaceu-11 ticals is within the scope of practice of the licensed health care professional. 12Administration of medical marijuana under this subsection may not take 13 place in a public place as defined in ORS 161.015 or in the presence of a 14 person under 18 years of age. If the medical marijuana administered under 15this subsection is smoked, adequate ventilation must be provided. 16

17 "(b) Nothing in this subsection requires:

"(A) A licensed health care professional to administer medical marijuana;
 or

"(B) A licensed health care facility to make accommodations for the ad ministration of medical marijuana.

²² "SECTION 39. ORS 475.331 is amended to read:

²³ "475.331. (1)(a) The Oregon Health Authority shall [create] **establish** and ²⁴ maintain a list of [the persons to whom the authority has issued registry ²⁵ identification cards, the names of any designated primary caregivers, the ²⁶ names of persons responsible for a medical marijuana facility registered under ²⁷ ORS 475.314, the addresses of authorized marijuana grow sites and the ad-²⁸ dresses of registered medical marijuana facilities.]:

"(A) The names of persons to whom a registry identification card
 has been issued under ORS 475.309;

"(B) The names of persons designated as primary caregivers under
 ORS 475.312; and

"(C) The addresses of marijuana grow sites registered under ORS
4 475.304.

"(b) Except as provided in subsection (2) of this section, the list [shall
be] is confidential and not subject to public disclosure under ORS 192.410
to 192.505.

8 "[(b)] (c) The authority shall develop a system by which authorized em-9 ployees of state and local law enforcement agencies may verify [at all 10 times] that:

11 "(A) A person [*is a lawful possessor of*] **lawfully possesses** a registry 12 identification card;

"(B) A person is the designated primary caregiver of a lawful possessor
of a registry identification card; or

¹⁵ "(C) A location is [an authorized] a registered marijuana grow site[;].

16 "[(D) A location is a registered medical marijuana facility; or]

"[(E) A person is the person listed as the person responsible for a registered
 medical marijuana facility.]

"(2) Names, **addresses** and other identifying information from the list established **and maintained** pursuant to subsection (1) of this section may be released to:

"(a) Authorized employees of the authority as necessary to perform offi cial duties of the authority.

"(b) Authorized employees of state or local law enforcement agencies[,] who provide to the authority adequate identification, [*such as a badge number or similar authentication of authority*,] **but** only as necessary to verify that:

"(A) A person [*is a lawful possessor of*] lawfully possesses a registry
 identification card;

30 "(B) A person is the designated primary caregiver of a lawful possessor

1 of a registry identification card; or

2 "(C) A location is [an authorized] a registered marijuana grow site[;].

3 "[(D) A location is a registered medical marijuana facility; or]

4 "[(E) A person is the person listed as the person responsible for a registered
5 medical marijuana facility.]

6 "(3) Authorized employees of state or local law enforcement agencies 7 [*that*] who obtain identifying information [*from the list*] as authorized 8 [*under*] by this section may not release or use the information for any pur-9 pose other than [*verification*] to verify that:

"(a) A person [*is a lawful possessor of*] **lawfully possesses** a registry
 identification card;

"(b) A person is the designated primary caregiver of a lawful possessor
 of a registry identification card; or

14 "(c) A location is [an authorized] a registered marijuana grow site[;].

¹⁵ "[(d) A location is a registered medical marijuana facility; or]

"[(e) A person is the person listed as the person responsible for a registered
 medical marijuana facility.]

(4) In addition to releasing information to authorized employees of 18 state or local law enforcement agencies for purposes of verifying in-19 formation under subsection (2)(b) of this section, the authority may 20release to authorized employees of state or local law enforcement 21agencies the minimum amount of information necessary to enable an 22employee to determine whether an individual or location is in compli-23ance with a provision of ORS 475.300 to 475.346 or a rule adopted under 24ORS 475.300 to 475.346. 25

(5) If the authority determines after conducting an investigation
or receiving a complaint of an alleged violation of a provision of ORS
475.300 to 475.346 or a rule adopted under ORS 475.300 to 475.346, the
authority may provide information obtained by the authority, except
for information related to a registry identification cardholder's debili-

tating condition, to authorized employees of state or local law
 enforcement agencies, or to another state or local government agency
 with jurisdiction over the matter.

4 **"SECTION 40.** ORS 475.334 is amended to read:

"475.334. Any person may [submit a petition to] petition the Oregon $\mathbf{5}$ Health Authority [requesting] to request that a [particular] disease or con-6 dition be included among the diseases and conditions that qualify as debili-7 tating medical conditions under ORS [475.302] 475.300 to 475.346. The 8 authority shall adopt rules establishing [the manner in which the authority 9 will evaluate petitions submitted under this section] the procedure for filing 10 a petition under this section and the manner by which the authority 11 evaluates a request made under this section. [Any] Rules adopted [pur-12 suant to] under this section [shall] must require the authority to approve 13 or deny a petition within 180 days of [receipt of] receiving the petition [by 14 the authority]. Denial of a petition [shall be considered] is a final 15 [*authority*] **agency** action subject to judicial review. 16

17 **"SECTION 41.** ORS 475.338 is amended to read:

"475.338. (1) The Oregon Health Authority shall adopt [all] rules necessary for the implementation, [and] administration and enforcement of ORS
475.300 to 475.346.

"(2) The authority may adopt rules as the authority considers necessary to protect the public health and safety.

²³ "SECTION 42. ORS 475.340 is amended to read:

²⁴ "475.340. Nothing in ORS 475.300 to 475.346 [shall be construed to ²⁵ require] **requires**:

"(1) A government medical assistance program or private health insurer
 to reimburse a person for costs associated with the medical use of marijuana;
 or

"(2) An employer to accommodate the medical use of marijuana in [any]
the workplace.

1	"SECTION 43. ORS 475.342 is amended to read:
2	"475.342. [Nothing in] The provisions of ORS 475.300 to 475.346 [shall
3	protect] do not protect a person from a criminal cause of action based on
4	possession, [production, or] delivery or manufacture of marijuana that is
5	not [authorized by] described in ORS 475.300 to 475.346.
6	
7	"TESTING
8	
9	"SECTION 44. As used in sections 44 to 55 of this 2015 Act:
10	"(1) 'Cannabinoid' means any of the chemical compounds that are
11	the active constituents of marijuana.
12	"(2) 'Cannabinoid concentrate or extract' means a substance ob-
13	tained by separating cannabinoids from marijuana by a mechanical,
14	chemical or other process.
15	"(3) 'Cannabinoid edible' means food or potable liquid into which a
16	cannabinoid concentrate or extract or the dried leaves or flowers of
17	marijuana have been incorporated.
18	"(4)(a) 'Cannabinoid product' means a cannabinoid edible or any
19	other product intended for human consumption or use that contains
20	cannabinoids or the dried leaves or flowers of marijuana.
21	"(b) 'Cannabinoid product' does not include:
22	"(A) Usable marijuana by itself;
23	"(B) A cannabinoid concentrate or extract by itself; or
24	"(C) Industrial hemp, as defined in ORS 571.300.
25	"(5)(a) 'Marijuana' means the plant Cannabis family Cannabaceae,
26	any part of the plant Cannabis family Cannabaceae and the seeds of
27	the plant Cannabis family Cannabaceae.
28	"(b) 'Marijuana' does not include industrial hemp, as defined in
29	ORS 571.300.
30	"(6) 'Marijuana item" means marijuana, usable marijuana, a

1 cannabinoid product or a cannabinoid concentrate or extract.

2 "(7) 'Processing' means the compounding or conversion of 3 marijuana into cannabinoid products or cannabinoid concentrates or 4 extracts.

5 **"(8) 'Production' means:**

6 "(a) Planting, cultivating, growing, trimming or harvesting 7 marijuana; or

8 **"(b) Drying marijuana leaves and flowers.**

9 "(9)(a) 'Usable marijuana' means the dried leaves and flowers of
10 marijuana.

11 **"(b) 'Usable marijuana' does not include:**

12 "(A) The seeds, stalks and roots of marijuana; or

13 "(B) Waste material that is a by-product of processing marijuana.

"SECTION 45. (1) Sections 44 to 55 of this 2015 Act and rules adopted
under sections 44 to 55 of this 2015 Act shall serve as the basis for establishing the minimum standards for testing marijuana items in this
state as required under ORS 475.300 to 475.346 and section 50, chapter
1, Oregon Laws 2015.

"(2) Sections 44 to 55 of this 2015 Act do not prevent the Oregon 19 Health Authority or the Oregon Liquor Control Commission from es-20tablishing additional minimum standards for testing marijuana items, 21or from establishing minimum standards for producing or processing 22marijuana items, if the authority or commission is otherwise author-23ized under the statutory laws of this state to establish those standards. 24"SECTION 46. (1) The Oregon Health Authority shall require all 25marijuana items transferred by a medical marijuana dispensary regis-26tered under ORS 475.314, and the Oregon Liquor Control Commission 27shall require all marijuana items sold by a marijuana retailer that 28holds a license under section 22, chapter 1, Oregon Laws 2015, to be 29 tested to ensure the public health and safety. 30

"(2)(a) In adopting rules to implement sections 44 to 55 of this 2015
Act, the authority may require:

"(A) A person responsible for a marijuana grow site under ORS
4 475.304, a marijuana producer that holds a license under section 19,
5 chapter 1, Oregon Laws 2015, or a marijuana wholesaler that holds a
6 license under section 21, chapter 1, Oregon Laws 2015, to test usable
7 marijuana before selling or transferring the usable marijuana; and

"(B) A marijuana processing site registered under section 10 of this 2015 Act, a marijuana processor that holds a license under section 20, chapter 1, Oregon Laws 2015, or a marijuana wholesaler that holds a license under section 21, chapter 1, Oregon Laws 2015, to test cannabinoid products or cannabinoid concentrates or extracts before selling or transferring the cannabinoid products or cannabinoid concentrates or extracts.

"(b) In adopting rules to implement sections 44 to 55 of this 2015
 Act, the authority may not require a marijuana item to be tested more
 than once unless the marijuana item is processed into a different type
 of marijuana item.

"(3) The testing of marijuana items as required by this section must
be conducted by a laboratory licensed by the authority under section
47 of this 2015 Act and accredited by the authority as described in
section 48 of this 2015 Act.

"SECTION 47. (1) A laboratory that conducts testing of marijuana
 items as required by section 46 of this 2015 Act must have a license to
 operate at the premises at which the marijuana items are tested.

"(2) For purposes of this section, the Oregon Health Authority shall
 adopt rules establishing:

"(a) Qualifications to be licensed under this section, including that
an applicant for licensure under this section must be accredited by the
authority as described in section 48 of this 2015 Act;

1 "(b) Processes for applying for and renewing a license under this 2 section; and

"(c) Fees for applying for, receiving and renewing a license under
this section.

5 **"(3)** A license issued under this section must be renewed annually.

"(4) Fees adopted under subsection (2)(c) of this section must be
reasonably calculated to pay the expenses incurred by the commission
under sections 44 to 55 of this 2015 Act.

9 "(5) Fee moneys collected under this section shall be deposited in 10 the Oregon Health Authority Fund established under ORS 413.101 and 11 are continuously appropriated to the authority for the purpose of 12 carrying out the duties, functions and powers of the authority under 13 sections 44 to 55 of this 2015 Act.

¹⁴ "<u>SECTION 48.</u> (1) A laboratory that conducts testing of marijuana ¹⁵ items as required by section 46 of this 2015 Act must be accredited ¹⁶ under ORS 438.605 to 438.620 and meet other qualifications as estab-¹⁷ lished by the Oregon Health Authority under this section.

"(2) In addition to other qualifications required pursuant to ORS
 438.605 to 438.620, the authority shall require an applicant for accredi tation under ORS 438.605 to 438.620 for purposes related to the testing
 of marijuana items to:

22 **"(a) Complete an online application;**

23 **"(b) Undergo an onsite inspection; and**

"(c) Meet other applicable requirements, specifications and guide lines for testing marijuana items, as determined to be appropriate by
 the authority by rule.

"(3) In establishing fees under ORS 438.620 for laboratories that test marijuana items, the authority shall establish fees that are reasonably calculated to pay the expenses incurred by the authority under this section and ORS 438.605 to 439.620 in accrediting laboratories that test 1 marijuana items.

<u>"SECTION 49.</u> (1) The Oregon Health Authority, in consultation
with the Oregon Liquor Control Commission and the State Department
of Agriculture, shall adopt rules establishing minimum standards for
testing marijuana items. At a minimum, rules adopted under this
section shall:

7 "(a) Establish procedures for tracking usable marijuana,
8 cannabinoid products and cannabinoid concentrates or extracts to be
9 tested;

"(b) Establish procedures for determining batch sizes and for sam pling usable marijuana, cannabinoid products and cannabinoid con centrates or extracts;

"(c) Establish procedures for documenting and reporting test re sults;

"(d) Establish procedures for disposing of samples of usable
 marijuana, cannabinoid products and cannabinoid concentrates or ex tracts that have been tested;

"(e) Establish procedures for testing usable marijuana, cannabinoid
 products and cannabinoid concentrates or extracts for
 tetrahydrocannabinol and cannabidiol concentration;

"(f) Establish procedures for testing usable marijuana for microbi-21ological contaminants, pesticides and other contaminants as the au-22thority determines is necessary to protect the public health and safety; 23"(g) Establish procedures for testing cannabinoid concentrates or 24extracts made by separating cannabinoids from marijuana by an ex-25traction process other than the extraction process described in para-26graph (h) of this subsection for microbiological contaminants, 27pesticides and other contaminants as the authority determines is 28necessary to protect the public health and safety; 29

30 "(h) Establish procedures for testing cannabinoid concentrates or

extracts made by separating cannabinoids from marijuana by a chemical extraction process using a hydrocarbon-based solvent for residual solvents, chemical contaminants, pesticides and other contaminants as the authority determines is necessary to protect the public health and safety;

"(i) Require cannabinoid edibles to be tested in accordance with any
applicable law of this state, or any applicable rule adopted under a law
of this state, related to the production and processing of food products
or commodities; and

"(j) Require cannabinoid products that are meant to be applied to
the surfaces of the skin to be tested for residual solvents as the authority determines is necessary to protect the public health and safety.
"(2) The authority may establish additional procedures for testing
usable marijuana, cannabinoid products and cannabinoid concentrates
and extracts as the authority determines is necessary to protect the

"(3) In adopting rules under subsections (1) and (2) of this section,
 the authority:

"(a) May establish different minimum standards for different vari eties of usable marijuana and different types of cannabinoid products
 and cannabinoid concentrates or extracts;

"(b) May establish different procedures for persons registered under
 ORS 475.300 to 475.346 and persons licensed under sections 3 to 70,
 chapter 1, Oregon Laws 2015;

"(c) Shall consider the cost of a potential procedure and the feasibility that a person registered under ORS 475.300 to 475.346 or a persons
licensed under sections 3 to 70, chapter 1, Oregon Laws 2015, will be
able to pay for the procedure; and

"(d) May not adopt rules that are more restrictive than is necessary
to protect the public health and safety.

"SECTION 50. Sections 44 to 55 of this 2015 Act do not apply to a person responsible for a marijuana grow site under ORS 475.304, or a person who has been designated as a primary caregiver under ORS 475.312, who transfers marijuana, usable marijuana, a cannabinoid product or a cannabinoid concentrate or extract to a person who holds a registry identification card issued under ORS 475.309 or a person who has been designated as a primary caregiver.

<u>SECTION 51.</u> (1) The Oregon Health Authority may inspect premises licensed under section 47 of this 2015 Act to ensure compliance
with sections 44 to 55 of this 2015 Act and rules adopted under sections
44 to 55 of this 2015 Act.

"(2) The authority may enter into an agreement with the Oregon 12Liquor Control Commission for the purpose of conducting investi-13 gations under this section. If the authority enters into an agreement 14 with the commission under this section, the commission shall have the 15power to conduct investigations under sections 44 to 55 of this 2015 Act 16 in the same manner that the commission is authorized to conduct in-17 vestigations under sections 3 to 70, chapter 1, Oregon Laws 2015, with 18 respect to premises for which persons hold a license under section 19, 19 20, 21 or 22, chapter 1, Oregon Laws 2015. 20

"<u>SECTION 52.</u> Subject to the provisions of ORS chapter 183, the
 authority may refuse to issue or renew, or may suspend or revoke, a
 license issued under section 47 of this 2015 Act, for violation of:

"(1) A provision of sections 44 to 55 of this 2015 Act or a rule adopted
under sections 44 to 55 of this 2015 Act;

26 "(2) A provision of ORS 475.300 to 475.346 or a rule adopted under
 27 ORS 475.300 to 475.346; or

"(3) A provision of sections 3 to 70, chapter 1, Oregon Laws 2015,
or a rule adopted under a provision of sections 3 to 70, chapter 1,
Oregon Laws 2015.

"SECTION 53. (1) In addition to any other liability or penalty provided by law, the Oregon Health Authority may impose for each violation of a provision of sections 44 to 55 of this 2015 Act, or a rule adopted under a provision of sections 44 to 55 of this 2015 Act, a civil penalty that does not exceed \$500 for each day that the violation occurs.

7 (2) The authority shall impose civil penalties under this section in
8 the manner provided by ORS 183.745.

9 (3) Moneys collected under this section shall be deposited in the 10 Oregon Health Authority Fund established under ORS 413.101 and are 11 continuously appropriated to the authority for the purpose of carrying 12 out the duties, functions and powers of the authority under sections 13 44 to 55 of this 2015 Act.

"SECTION 54. Subject to the applicable provisions of ORS chapter
 183:

16 "(1) The Oregon Health Authority may refuse to register a person 17 under ORS 475.304 or 475.314, may suspend activities conducted by a 18 registrant pursuant to ORS 475.304 or 475.314, or may remove a regis-19 trant from a registry kept pursuant to ORS 475.304 or 475.314, if the 20 person violates section 46 of this 2015 Act or a rule adopted under 21 section 46 of this 2015 Act.

"(2) The Oregon Liquor Control Commission may refuse to issue or
renew, or may suspend or revoke, a license issued under section 19,
20, 21 or 22, chapter 1, Oregon Laws 2015, if the applicant or licensee
violates section 46 of this 2015 Act or a rule adopted under section 46
of this 2015 Act.

27 "SECTION 55. A person who holds a license under section 47 of this
28 2015 Act, and an employee or other person who performs work for a
29 person who holds a license under section 47 of this 2015 Act, are ex30 empt from the criminal laws of this state for possession, delivery or

manufacture of marijuana, aiding and abetting another in the possession, delivery or manufacture of marijuana, or any other criminal
offense in which possession, delivery or manufacture of marijuana is
an element.

"PACKAGING AND LABELING

8 "SECTION 56. As used in sections 56 to 63 of this 2015 Act:

9 "(1) 'Cannabinoid' means any of the chemical compounds that are
10 the active constituents of marijuana.

"(2) 'Cannabinoid concentrate or extract' means a substance ob tained by separating cannabinoids from marijuana by a mechanical,
 chemical or other process.

"(3) 'Cannabinoid edible' means food or potable liquid into which a
 cannabinoid concentrate or extract or the dried leaves or flowers of
 marijuana have been incorporated.

"(4)(a) 'Cannabinoid product' means a cannabinoid edible or any
 other product intended for human consumption or use that contains
 cannabinoids or the dried leaves or flowers of marijuana.

20 "(b) 'Cannabinoid product' does not include:

21 "(A) Usable marijuana by itself;

 $\mathbf{5}$

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²² "(B) A cannabinoid concentrate or extract by itself; or

²³ "(C) Industrial hemp, as defined in ORS 571.300.

"(5)(a) 'Marijuana' means the plant Cannabis family Cannabaceae,
 any part of the plant Cannabis family Cannabaceae and the seeds of
 the plant Cannabis family Cannabaceae.

"(b) 'Marijuana' does not include industrial hemp, as defined in
ORS 571.300.

"(6) 'Marijuana item" means marijuana, usable marijuana, a
 cannabinoid product or a cannabinoid concentrate or extract.

1 "(7) 'Processing' means the compounding or conversion of 2 marijuana into cannabinoid products or cannabinoid concentrates or 3 extracts.

4 **"(8) 'Production' means:**

5 "(a) Planting, cultivating, growing, trimming or harvesting 6 marijuana; or

7 **"(b) Drying marijuana leaves and flowers.**

8 "(9)(a) 'Usable marijuana' means the dried leaves and flowers of
9 marijuana.

10 **"(b) 'Usable marijuana' does not include:**

11 "(A) The seeds, stalks and roots of marijuana; or

12 "(B) Waste material that is a by-product of processing marijuana.

"SECTION 57. (1) Sections 56 to 63 of this 2015 Act and rules adopted under sections 56 to 63 of this 2015 Act shall serve as the basis for establishing the minimum standards for packaging and labeling usable marijuana, cannabinoid products and cannabinoid concentrates or extracts in this state as required under ORS 475.300 to 475.346 and section 50, chapter 1, Oregon Laws 2015.

"(2) Sections 56 to 63 of this 2015 Act do not prevent the Oregon 19 Health Authority or the Oregon Liquor Control Commission from es-20tablishing additional minimum standards for packaging and labeling 21usable marijuana, cannabinoid products and cannabinoid concentrates 22or extracts, or from establishing minimum standards for producing or 23processing marijuana items, if the authority or commission is other-24wise authorized under the statutory laws of this state to establish 25those standards. 26

"<u>SECTION 58.</u> The Oregon Health Authority shall require all usable
 marijuana, cannabinoid products and cannabinoid concentrates or ex tracts transferred by a medical marijuana dispensary registered under
 ORS 475.314, and the Oregon Liquor Control Commission shall require

all usable marijuana, cannabinoid products and cannabinoid concentrates or extracts sold by a marijuana retailer that holds a license under section 22, chapter 1, Oregon Laws 2015, to be packaged and labeled in a manner that ensures the public health and safety. Packaging and labeling usable marijuana, cannabinoid products and cannabinoid concentrates or extracts as required by this section must be done in accordance with section 59 of this 2015 Act.

8 "SECTION 59. (1) The Oregon Health Authority, in consultation 9 with the Oregon Liquor Control Commission and the State Department 10 of Agriculture, shall adopt rules establishing minimum standards for 11 packaging and labeling usable marijuana, cannabinoid products and 12 cannabinoid concentrates or extracts. At a minimum, rules adopted 13 under this section shall:

"(a) Ensure that usable marijuana, cannabinoid edibles,
 cannabinoid concentrates or extracts and other cannabinoid products,
 as determined necessary by the authority, are packaged in child resistant safety packaging;

"(b) Ensure usable marijuana, cannabinoid that edibles. 18 cannabinoid concentrates or extracts and other cannabinoid products, 19 as determined necessary by the commission, are not marketed in a 20manner that is untruthful or misleading, or that otherwise creates a 21significant risk to public health and safety; 22

"(c) Ensure that cannabinoid edibles and other cannabinoid pro ducts, as determined necessary by the authority, are not packaged or
 presented in a manner that is attractive to minors;

"(d) Ensure that cannabinoid edibles and other cannabinoid products, as determined necessary by the authority, are not marketed in
a manner that is attractive to minors;

"(e) Ensure that cannabinoid edibles, cannabinoid concentrates or
 extracts and other cannabinoid products, as determined necessary by

the authority, are labeled to include the percentage by weight of
 delta-9-tetrahydrocannabinol, delta-9-tetrahydrocannabinol acid,
 cannabidiol and cannabidiolic acid; and

4 "(f) Ensure that cannabinoid edibles are labeled in accordance with 5 any state or federal law, rule or regulation prescribing a labeling re-6 quirement for the same type of food product or potable liquid when the 7 food product or potable liquid does not contain marijuana or 8 cannabinoids.

9 "(2) In adopting rules under subsection (1) of this section, the au-10 thority:

"(a) May establish different minimum standards for different vari eties of usable marijuana and for different types of cannabinoid pro ducts and cannabinoid concentrates or extracts;

"(b) May establish different minimum standards for persons regis tered under ORS 475.300 to 475.346 and persons licensed under sections
 3 to 70, chapter 1, Oregon Laws 2015;

"(c) Shall consider the cost of a potential requirement and the feasibility that a person registered under ORS 475.300 to 475.346 or a persons licensed under sections 3 to 70, chapter 1, Oregon Laws 2015, can
afford to comply with the requirement; and

"(d) May not adopt rules that are more restrictive than is necessary
to protect the public health and safety.

23 "SECTION 60. Sections 56 to 63 of this 2015 Act do not apply to a 24 person responsible for a marijuana grow site under ORS 475.304, or a 25 person who has been designated as a primary caregiver under ORS 26 475.312, who transfers usable marijuana, a cannabinoid product or a 27 cannabinoid concentrate or extract to a person who holds a registry 28 identification card issued under ORS 475.309 or a person who has been 29 designated as a primary caregiver.

30 "SECTION 61. (1) The Oregon Health Authority may inspect the

premises of a medical marijuana dispensary registered under ORS 475.314, or the premises of a person who holds a license under section 19, 20, 21 or 22, chapter 1, Oregon Laws 2015, to ensure compliance with sections 56 to 63 of this 2015 Act and any rule adopted under sections 56 to 63 of this 2015 Act.

"(2) The authority may enter into an agreement with the Oregon 6 Liquor Control Commission for the purpose of conducting investi-7 gations under this section. If the authority enters into an agreement 8 with the commission under this section, the commission shall have the 9 power to conduct investigations under sections 56 to 63 of this 2015 Act 10 in the same manner that the commission is authorized to conduct in-11 vestigations under sections 3 to 70, chapter 1, Oregon Laws 2015, with 12respect to premises for which persons hold a license under section 19, 13 20, 21 or 22, chapter 1, Oregon Laws 2015. 14

"SECTION 62. Subject to the applicable provisions of ORS chapter
 183:

"(1) The Oregon Health Authority may refuse to register a person under ORS 475.304 or 475.314, may suspend activities conducted by a registrant pursuant to ORS 475.304 or 475.314, or may remove a registrant from a registry kept pursuant to ORS 475.304 or 475.314, if the person violates any provision of sections 56 to 63 of this 2015 Act or any rule adopted under sections 56 to 63 of this 2015 Act.

"(2) The Oregon Liquor Control Commission may refuse to issue or
renew, or may suspend or revoke, a license issued under section 19,
20, 21 or 22, chapter 1, Oregon Laws 2015, if the applicant or licensee
violates a provision of sections 56 to 63 of this 2015 Act or any rule
adopted under sections 56 to 63 of this 2015 Act.

"<u>SECTION 63.</u> (1) In addition to any other liability or penalty pro vided by law, the Oregon Health Authority may impose for each vio lation of a provision of sections 56 to 63 of this 2015 Act, or a rule

adopted under a provision of sections 56 to 63 of this 2015 Act, a civil
penalty that does not exceed \$500 for each day that the violation occurs.

4 (2) The authority shall impose civil penalties under this subsection
5 in the manner provided by ORS 183.745.

6 (3) Moneys collected under this section shall be deposited in the 7 Oregon Health Authority Fund established under ORS 413.101 and are 8 continuously appropriated to authority for the purpose of carrying out 9 the duties, functions and powers of the authority under sections 56 to 10 63 of this 2015 Act.

"SECTION 64. The rules of the Oregon Health Authority adopted under ORS 475.314 (8) as that statute was in effect before the operative date specified in section 70 of this 2015 Act continue in effect until superseded or repealed by rules of the authority adopted under section 59 of this 2015 Act.

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17

"CONFORMING AMENDMENTS

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19 "<u>SECTION 65.</u> ORS 181.534 is amended to read:

²⁰ "181.534. (1) As used in this section:

"(a) 'Authorized agency' means state government as defined in ORS
174.111 and the Oregon State Bar. 'Authorized agency' does not include:

"(A) The Oregon State Lottery Commission or the Oregon State Lottery;
 or

"(B) A criminal justice agency, as defined in ORS 181.010, that is authorized by federal law to receive fingerprint-based criminal records checks
from the Federal Bureau of Investigation.

"(b) 'Subject individual' means a person from whom an authorized agency
may require fingerprints pursuant to statute for the purpose of enabling the
authorized agency to request a state or nationwide criminal records check.
"(2) An authorized agency may request that the Department of State Police conduct a criminal records check on a subject individual for noncriminal justice purposes. If a nationwide criminal records check of a subject individual is necessary, the authorized agency may request that the Department of State Police conduct the check, including fingerprint identification, through the Federal Bureau of Investigation.

"(3) The Department of State Police shall provide the results of a criminal
records check conducted pursuant to subsection (2) of this section to the
authorized agency requesting the check.

"(4) The Federal Bureau of Investigation shall return or destroy the fingerprint cards used to conduct the criminal records check and may not keep any record of the fingerprints. If the federal bureau policy authorizing return or destruction of the fingerprint cards is changed, the Department of State Police shall cease to send the cards to the federal bureau but shall continue to process the information through other available resources.

"(5) If the Federal Bureau of Investigation returns the fingerprint cards
to the Department of State Police, the department shall destroy the fingerprint cards and shall retain no facsimiles or other material from which a
fingerprint can be reproduced.

"(6) If only a state criminal records check is conducted, the Department of State Police shall destroy the fingerprint cards after the criminal records check is completed and the results of the criminal records check provided to the authorized agency and shall retain no facsimiles or other material from which a fingerprint can be reproduced.

²⁵ "(7) An authorized agency may conduct criminal records checks on sub-²⁶ ject individuals through the Law Enforcement Data System maintained by ²⁷ the Department of State Police in accordance with rules adopted, and pro-²⁸ cedures established, by the Department of State Police.

29 "(8) An authorized agency and the Department of State Police shall per-30 mit a subject individual for whom a fingerprint-based criminal records check 1 was conducted to inspect the individual's own state and national criminal 2 offender records and, if requested by the subject individual, provide the in-3 dividual with a copy of the individual's own state and national criminal 4 offender records.

"(9) Each authorized agency, in consultation with the Department of State
Police, shall adopt rules to implement this section and other statutes relating
to criminal offender information obtained through fingerprint-based criminal
records checks. The rules shall include but need not be limited to:

9 "(a) Identifying applicable categories of subject individuals as specified 10 by the Oregon Department of Administrative Services under ORS 181.547 who 11 are subject to criminal records checks by the authorized agency.

"(b) Identifying applicable information that may be required from a subject individual to permit a criminal records check as specified by the Oregon
Department of Administrative Services under ORS 181.547.

¹⁵ "(c) Specifying which programs or services are subject to this section.

"(d) If the authorized agency uses criminal records checks for agencyemployment purposes:

"(A) Determining when and under what conditions a subject individual
 may be hired on a preliminary basis pending a criminal records check; and
 "(B) Defining the conditions under which a subject individual may par ticipate in training, orientation and work activities pending completion of
 a criminal records check.

"(e) Establishing fees in an amount not to exceed the actual cost of acquiring and furnishing criminal offender information.

25 "(10) The Department of State Police shall verify that an authorized 26 agency has adopted the rules required by subsection (9) of this section.

"(11)(a) Except as otherwise provided in ORS 181.612, 342.143, 342.223,
443.735 and [475.304] 475.300 to 475.346 and paragraph (b) of this subsection,
an authorized agency, using the rules adopted by the authorized agency under subsection (9) of this section and the rules adopted by the Oregon De-

partment of Administrative Services under ORS 181.547, shall determine 1 whether a subject individual is fit to hold a position, provide services, be $\mathbf{2}$ employed or be granted a license, certification, registration or permit, based 3 on the criminal records check obtained pursuant to this section, on any false 4 statements made by the individual regarding the criminal history of the in- $\mathbf{5}$ dividual and on any refusal to submit or consent to a criminal records check 6 including fingerprint identification. If a subject individual is determined to 7 be unfit, then the individual may not hold the position, provide services, be 8 9 employed or be granted a license, certification, registration or permit.

"(b) An individual prohibited from receiving public funds for employment under ORS 443.004 (3) is not entitled to a determination of fitness as a subject individual under paragraph (a) of this subsection.

"(c)(A) Subject to subparagraph (B) of this paragraph, an authorized agency making a fitness determination of an individual under this subsection may request results of a previously made fitness determination from an authorized agency that has already made a fitness determination for the individual. An authorized agency that receives a request under this paragraph shall provide the requested information.

"(B) An authorized agency may make a request under this paragraph onlyfor individuals:

"(i) Who are applying to hold a position, provide services, be employed
or be granted a license, certification, registration or permit;

"(ii) Who are in a category of individuals as specified by the Oregon De partment of Administrative Services under ORS 181.547; and

²⁵ "(iii) For whom a fitness determination has already been made.

"(12) Except as otherwise provided in ORS 181.612, in making the fitness
 determination under subsection (11) of this section, the authorized agency
 shall consider:

29 "(a) The nature of the crime;

30 "(b) The facts that support the conviction or pending indictment or that

1 indicate the making of the false statement;

"(c) The relevancy, if any, of the crime or the false statement to the specific requirements of the subject individual's present or proposed position,
services, employment, license, certification or registration; and

5 "(d) Intervening circumstances relevant to the responsibilities and cir-6 cumstances of the position, services, employment, license, certification, reg-7 istration or permit. Intervening circumstances include but are not limited 8 to:

9 "(A) The passage of time since the commission of the crime;

10 "(B) The age of the subject individual at the time of the crime;

11 "(C) The likelihood of a repetition of offenses or of the commission of 12 another crime;

13 "(D) The subsequent commission of another relevant crime;

"(E) Whether the conviction was set aside and the legal effect of setting
 aside the conviction; and

16 "(F) A recommendation of an employer.

"(13) An authorized agency and an employee of an authorized agency 17 acting within the course and scope of employment are immune from any civil 18 liability that might otherwise be incurred or imposed for determining, pur-19 suant to subsection (11) of this section, that a subject individual is fit or not 20fit to hold a position, provide services, be employed or be granted a license, 21certification, registration or permit. An authorized agency and an employee 22of an authorized agency acting within the course and scope of employment 23who in good faith comply with this section are not liable for employment-24related decisions based on determinations made under subsection (11) of this 25section. An authorized agency or an employee of an authorized agency acting 26within the course and scope of employment is not liable for defamation or 27invasion of privacy in connection with the lawful dissemination of informa-28tion lawfully obtained under this section. 29

³⁰ "(14)(a) Each authorized agency shall establish by rule a contested case

process by which a subject individual may appeal the determination that the 1 individual is fit or not fit to hold a position, provide services, be employed $\mathbf{2}$ or be granted a license, certification, registration or permit on the basis of 3 information obtained as the result of a criminal records check conducted 4 pursuant to this section. Challenges to the accuracy or completeness of in- $\mathbf{5}$ formation provided by the Department of State Police, the Federal Bureau 6 of Investigation and agencies reporting information to the Department of 7 State Police or Federal Bureau of Investigation must be made through the 8 Department of State Police, Federal Bureau of Investigation or reporting 9 agency and not through the contested case process required by this para-10 graph. 11

"(b) A subject individual who is employed by an authorized agency and 12who is determined not to be fit for a position on the basis of information 13 obtained as the result of a criminal records check conducted pursuant to this 14 section may appeal the determination through the contested case process 15adopted under this subsection or applicable personnel rules, policies and 16 collective bargaining provisions. An individual's decision to appeal a deter-17 mination through personnel rules, policies and collective bargaining pro-18 visions is an election of remedies as to the rights of the individual with 19 respect to the fitness determination and is a waiver of the contested case 2021process.

"(c) An individual prohibited from receiving public funds for employment
under ORS 443.004 (3) is not entitled to appeal a determination under paragraph (a) or (b) of this subsection.

²⁵ "(15) Criminal offender information is confidential. Authorized agencies ²⁶ and the Department of State Police shall adopt rules to restrict dissem-²⁷ ination of information received under this section to persons with a demon-²⁸ strated and legitimate need to know the information.

29 "(16) If a subject individual refuses to consent to the criminal records 30 check or refuses to be fingerprinted, the authorized agency shall deny the employment of the individual, or revoke or deny any applicable position,
 authority to provide services, license, certification, registration or permit.

"(17) If an authorized agency requires a criminal records check of employees, prospective employees, contractors, vendors or volunteers or applicants for a license, certification, registration or permit, the application forms of the authorized agency must contain a notice that the person is subject to fingerprinting and a criminal records check.

8 "SECTION 66. ORS 181.537 is amended to read:

9 "181.537. (1) As used in this section:

"(a) 'Care' means the provision of care, treatment, education, training,
 instruction, supervision, placement services, recreation or support to chil dren, the elderly or persons with disabilities.

"(b) 'Native American tribe' has the meaning given that term in ORS
181.538 (4).

"(c) 'Qualified entity' means a community mental health program, a community developmental disabilities program, a local health department, the government of a Native American tribe or an agency of a Native American tribe responsible for child welfare or an individual or business or organization, whether public, private, for-profit, nonprofit or voluntary, that provides care, including a business or organization that licenses, certifies or registers others to provide care.

"(2) For the purpose of requesting a state or nationwide criminal records
check under ORS 181.534, the Department of Human Services, the Oregon
Health Authority and the Employment Department may require the fingerprints of a person:

"(a) Who is employed by or is applying for employment with either de partment or the authority;

"(b) Who provides or seeks to provide services to either department or the
authority as a contractor, subcontractor, vendor or volunteer who:

30 "(A) May have contact with recipients of care;

"(B) Has access to personal information about employees of either department or the authority, recipients of care from either department or the authority or members of the public, including Social Security numbers, dates of birth, driver license numbers, medical information, personal financial information or criminal background information;

6 "(C) Has access to information the disclosure of which is prohibited by 7 state or federal laws, rules or regulations, or information that is defined as 8 confidential under state or federal laws, rules or regulations;

9 "(D) Has access to property held in trust or to private property in the 10 temporary custody of the state;

11 "(E) Has payroll or fiscal functions or responsibility for:

"(i) Receiving, receipting or depositing money or negotiable instruments;
 "(ii) Billing, collections, setting up financial accounts or other financial

14 transactions; or

¹⁵ "(iii) Purchasing or selling property;

"(F) Provides security, design or construction services for government
 buildings, grounds or facilities;

"(G) Has access to critical infrastructure or secure facilities information;
 or

20 "(H) Is providing information technology services and has control over 21 or access to information technology systems;

"(c) For the purposes of licensing, certifying, registering or otherwise
 regulating or administering programs, persons or qualified entities that pro vide care;

"(d) For the purposes of employment decisions by or for qualified entities
that are regulated or otherwise subject to oversight by the Department of
Human Services or the Oregon Health Authority and that provide care;

(e) For the purposes of employment decisions made by a mass transit district or transportation district for qualified entities that, under contracts with the district or the Oregon Health Authority, employ persons to operate motor vehicles for the transportation of medical assistance program clients;
or

"(f) For the purposes of licensure, certification or registration of foster
homes by the government of a Native American tribe or an agency of a Native American tribe responsible for child welfare.

6 "(3) The Department of Human Services and the Oregon Health Authority 7 may conduct criminal records checks on a person through the Law Enforce-8 ment Data System maintained by the Department of State Police, if deemed 9 necessary by the Department of Human Services or the Oregon Health Au-10 thority to protect children, elderly persons, persons with disabilities or other 11 vulnerable persons.

"(4) The Department of Human Services and the Oregon Health Authority 12may furnish to qualified entities, in accordance with the rules of the De-13 partment of Human Services or the Oregon Health Authority and the rules 14 of the Department of State Police, information received from the Law 15Enforcement Data System. However, any criminal offender records and in-16 formation furnished to the Department of Human Services or the Oregon 17 Health Authority by the Federal Bureau of Investigation through the De-18 partment of State Police may not be disseminated to qualified entities. 19

"(5)(a) Except as otherwise provided in ORS 443.735 and [475.304] 475.300 20to 475.346, a qualified entity, using rules adopted by the Department of Hu-21man Services or the Oregon Health Authority under ORS 181.534 (9) and 22rules adopted by the Oregon Department of Administrative Services under 23ORS 181.547, shall determine under this section whether a person is fit to 24hold a position, provide services, be employed or, if the qualified entity has 25authority to make such a determination, be licensed, certified or registered, 26based on the criminal records check obtained pursuant to ORS 181.534, any 27false statements made by the person regarding the criminal history of the 28person and any refusal to submit or consent to a criminal records check in-29 cluding fingerprint identification. If a person is determined to be unfit, then 30

that person may not hold the position, provide services or be employed, licensed, certified or registered.

"(b) A person prohibited from receiving public funds for employment under ORS 443.004 (3) is not entitled to a determination of fitness under paragraph (a) of this subsection.

6 "(6) In making the fitness determination under subsection (5) of this sec-7 tion, the qualified entity shall consider:

8 "(a) The nature of the crime;

9 "(b) The facts that support the conviction or pending indictment or indi-10 cate the making of the false statement;

"(c) The relevancy, if any, of the crime or the false statement to the specific requirements of the person's present or proposed position, services, employment, license, certification or registration; and

"(d) Intervening circumstances relevant to the responsibilities and circumstances of the position, services, employment, license, certification or registration. Intervening circumstances include but are not limited to the passage of time since the commission of the crime, the age of the person at the time of the crime, the likelihood of a repetition of offenses, the subsequent commission of another relevant crime and a recommendation of an employer.

"(7) The Department of Human Services, the Oregon Health Authority and the Employment Department may make fitness determinations based on criminal offender records and information furnished by the Federal Bureau of Investigation through the Department of State Police only as described in ORS 181.534.

"(8) A qualified entity and an employee of a qualified entity acting within the course and scope of employment are immune from any civil liability that might otherwise be incurred or imposed for determining pursuant to subsection (5) of this section that a person is fit or not fit to hold a position, provide services or be employed, licensed, certified or registered. A qualified

entity, employee of a qualified entity acting within the course and scope of 1 employment and an employer or employer's agent who in good faith comply $\mathbf{2}$ with this section and the decision of the qualified entity or employee of the 3 qualified entity acting within the course and scope of employment are not 4 liable for the failure to hire a prospective employee or the decision to dis- $\mathbf{5}$ charge an employee on the basis of the qualified entity's decision. An em-6 ployee of the state acting within the course and scope of employment is not 7 liable for defamation or invasion of privacy in connection with the lawful 8 dissemination of information lawfully obtained under this section. 9

"(9) The Department of Human Services and the Oregon Health Author-10 ity, subject to rules adopted by the Oregon Department of Administrative 11 Services under ORS 181.547, shall develop systems that maintain information 12 regarding criminal records checks in order to minimize the administrative 13 burden imposed by this section and ORS 181.534. Records maintained under 14 this subsection are confidential and may not be disseminated except for the 15 purposes of this section and in accordance with the rules of the Department 16 of Human Services, the Oregon Health Authority and the Department of 17 State Police. Nothing in this subsection permits the Department of Human 18 Services to retain fingerprint cards obtained pursuant to this section. 19

"(10) In addition to the rules required by ORS 181.534, the Department
of Human Services and the Oregon Health Authority, in consultation with
the Department of State Police, shall adopt rules:

²³ "(a) Specifying which qualified entities are subject to this section;

"(b) Specifying which qualified entities may request criminal offender in-formation;

"(c) Specifying which qualified entities are responsible for deciding, subject to rules adopted by the Oregon Department of Administrative Services
under ORS 181.547, whether a subject individual is not fit for a position,
service, license, certification, registration or employment; and

³⁰ "(d) Specifying when a qualified entity, in lieu of conducting a completely

new criminal records check, may proceed to make a fitness determination
under subsection (5) of this section using the information maintained by the
Department of Human Services and the Oregon Health Authority pursuant
to subsection (9) of this section.

"(11) If a person refuses to consent to the criminal records check or re- $\mathbf{5}$ fuses to be fingerprinted, the qualified entity shall deny or terminate the 6 employment of the person, or revoke or deny any applicable position, au-7 thority to provide services, employment, license, certification or registration. 8 "(12) If the qualified entity requires a criminal records check of employees 9 or other persons, the application forms of the qualified entity must contain 10 a notice that employment is subject to fingerprinting and a criminal records 11 check. 12

"SECTION 67. Section 5, chapter 1, Oregon Laws 2015, is amended to
 read:

"Sec. 5. As used in sections 3 to 70, chapter 1, Oregon Laws 2015 [of
this Act]:

17 "(1) 'Authority' means the Oregon Health Authority.

18 "(2) 'Commission' means the Oregon Liquor Control Commission.

"(3) 'Consumer' means a person who purchases, acquires, owns, holds[,]
or uses marijuana items other than for the purpose of resale.

²¹ "(4) 'Department' means the State Department of Agriculture.

"(5)(a) ['Financial consideration,' except as provided in paragraph (b) of this subsection,] **'Financial consideration'** means value that is given or received directly or indirectly through sales, barter, trade, fees, charges, dues, contributions or donations.

²⁶ "(b) 'Financial consideration' does not mean any of the following:

²⁷ "(A) Homegrown marijuana made by another person.

²⁸ "(B) Homemade marijuana products made by another person.

"(6) 'Homegrown' or 'homemade' means grown or made by a person 21
years of age or older for noncommercial purposes.

"(7) 'Household' means a housing unit[,] and [*includes*] any place in or around the housing unit at which the occupants of the housing unit are producing, processing, keeping[,] or storing homegrown marijuana or homemade marijuana products.

5 "(8) 'Housing unit' means a house, an apartment[,] or a mobile home, or 6 a group of rooms[,] or a single room that is occupied as separate living 7 quarters, in which the occupants live and eat separately from any other 8 persons in the building and [*which have*] **that has** direct access from the 9 outside of the building or through a common hall.

10 "(9) 'Immature marijuana plant' means a marijuana plant with no ob-11 servable flowers or buds.

"(10) 'Licensee' means any person holding a license issued under sections
3 to 70, chapter 1, Oregon Laws 2015 [this Act], or any person holding a
license or permit issued under any [regulation promulgated] rule adopted
under section 7 (2)(e), chapter 1, Oregon Laws 2015 [paragraph (e) of
subsection (2) of section 7 of this Act].

"(11) 'Licensee representative' means an owner, director, officer, manager,
employee, agent[,] or other representative of a licensee, to the extent [such]
the person acts in [such] a representative capacity.

"(12)(a) 'Marijuana' means all parts of the plant Cannabis family
Moraceae, whether growing or not, other than marijuana extracts.

"(b) 'Marijuana' does not include industrial hemp, as defined in ORS
 571.300, or industrial hemp commodities or products.

"(13) 'Marijuana extract' means a product obtained by separating resins from marijuana by solvent extraction, using solvents other than vegetable glycerin, such as butane, hexane, isopropyl alcohol, ethanol[,] and carbon dioxide.

"(14)(a) 'Marijuana flowers' means the flowers of the plant Cannabis
 family Moraceae.

30 "(b) 'Marijuana flowers' does not include any part of the plant other than

1 the flowers.

2 "(15) 'Marijuana items' means marijuana, marijuana products[,] and 3 marijuana extracts.

4 "(16)(a) 'Marijuana leaves' means the leaves of the plant Cannabis family
5 Moraceae.

6 "(b) 'Marijuana leaves' does not include any part of the plant other than 7 the leaves.

"(17) 'Marijuana processor' means a person who processes marijuana
items in this state.

10 "(18) 'Marijuana producer' means a person who produces marijuana in 11 this state.

"(19)(a) 'Marijuana products' means products that contain marijuana or
 marijuana extracts and are intended for human consumption.

14 "(b) 'Marijuana products' does not mean:

15 "(A) Marijuana, by itself; or

16 "(B) A marijuana extract, by itself.

"(20) 'Marijuana retailer' means a person who sells marijuana items to a
 consumer in this state.

"(21) 'Marijuana wholesaler' means a person who purchases marijuana items in this state for resale to a person other than a consumer in this state.

"(22) 'Mature marijuana plant' means any marijuana plant that is not an
 immature marijuana plant.

"(23) 'Noncommercial' means not dependent or conditioned upon the provision or receipt of financial consideration.

"(24) 'Person' means any natural person, corporation, professional corporation, nonprofit corporation, cooperative corporation, profit or nonprofit unincorporated association, business trust, limited liability company, general or limited partnership, joint venture[,] or any other legal entity.

"(25) 'Premises' or 'licensed premises' means a location licensed under
sections 3 to 70, chapter 1, Oregon Laws 2015, [of this Act] and includes:

"(a) All enclosed areas at the location that are used in the business operated at the location, including offices, kitchens, rest rooms and storerooms, including all public and private areas;

"(b) All areas outside [of] a building that the Oregon Liquor Control
Commission has specifically licensed for the production, processing, wholesale sale[,] or retail sale of marijuana items; and

"(c) For a location that the commission has specifically licensed for the
production of marijuana outside [of] a building, the entire lot or parcel, as
defined in ORS 92.010, that the licensee owns, leases[,] or has a right to occupy.

11 "(26)(a) 'Processes' means:

"(A) The processing, compounding[,] or conversion of marijuana into
 marijuana products or marijuana extracts; or

"(B) The processing, compounding[,] or conversion of marijuana, either directly or indirectly by extraction from substances of natural origin, or independently by means of chemical synthesis, or by a combination of extraction and chemical synthesis[;].

18 "[(C) The packaging or repackaging of marijuana items; or]

19 "[(D) The labeling or relabeling of any package or container of marijuana 20 items.]

21 "(b) 'Processes' does not include[:]

"[(A)] the drying of marijuana by a marijuana producer, if the marijuana
 producer is not otherwise processing marijuana; or

²⁴ "[(B) The packaging and labeling of marijuana by a marijuana producer ²⁵ in preparation for delivery to a marijuana processor.]

26 "(27)(a) 'Produces' means the manufacture, planting, cultivation, 27 growing[,] or harvesting of marijuana.

28 "(b) 'Produces' does not include:

"(A) The drying of marijuana by a marijuana processor, if the marijuana
 processor is not otherwise producing marijuana; or

"(B) The cultivation and growing of an immature marijuana plant by a marijuana processor, marijuana wholesaler[,] or marijuana retailer if the marijuana processor, marijuana wholesaler[,] or marijuana retailer purchased or otherwise received the plant from a licensed marijuana producer.

5 "(28) 'Public place' means a place to which the general public has access 6 and includes, but is not limited to, hallways, lobbies and other parts of 7 apartment houses and hotels not constituting rooms or apartments designed 8 for actual residence, and highways, streets, schools, places of amusement, 9 parks, playgrounds and [*premises*] **areas** used in connection with public 10 passenger transportation.

"(29) 'Usable marijuana' means dried marijuana flowers and dried
 marijuana leaves, and any mixture or preparation [*thereof*] of the flowers
 or leaves.

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"TEMPORARY RESIDENCY PROVISION

"SECTION 67a. The Oregon Health Authority, in addition to the 17 information required under ORS 475.304 for registering as a marijuana 18 grow site or renewing a marijuana grow site registration, and in ad-19 dition to information required under ORS 475.314 for registering as a 20medical marijuana dispensary or renewing a medical marijuana 21dispensary registration, shall require all applications for registering 22or renewing registration under ORS 475.304 and 475.314 to contain proof 23that any person whose name is included in the application has been a 24resident of this state for: 25

"(1) Except as provided in subsection (2) of this section, four or
 more years; or

"(2) If the person first registered with the authority on or before
January 1, 2015, one year.

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1	"SERIES PLACEMENT
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3	" <u>SECTION 68.</u> Sections 6, 9, 10 to 15, 17 to 22 and 25 to 32 of this 2015
4	Act are added to and made a part of ORS 475.300 to 475.346.
5	
6	"REPEALS
7	
8	" <u>SECTION 69.</u> ORS 475.324 is repealed.
9	"SECTION 69a. Section 67a of this 2015 Act is repealed on January
10	1, 2019.
11	
12	"OPERATIVE DATE
13	
14	"SECTION 70. (1) Sections 6, 9, 10 to 15, 17 to 22, 25 to 32 and 44 to
15	64 of this 2015 Act and the amendments to statutes and session law
16	by sections 1 to 3, 5, 7, 9a, 16, 23, 24, 33 to 43 and 65 to 67 of this 2015
17	Act and the repeal of ORS 475.324 by section 69 of this 2015 Act become
18	operative on March 1, 2016.
19	"(2) The Oregon Health Authority, the Oregon Liquor Control
20	Commission and the State Department of Agriculture may take any
21	action before the operative date specified in subsection (1) of this sec-
22	tion that is necessary to enable the authority and the commission to
23	exercise, on and after the operative date specified in subsection (1) of
24	this section, all the duties, powers and functions conferred on the au-
25	thority, commission and department by sections 6, 9, 10 to 15, 17 to 22,
26	25 to 32 and 44 to 64 of this 2015 Act and the amendments to statutes
27	and session law by sections 1 to 3, 5, 7, 9a, 16, 23, 24, 33 to 43 and 65
28	to 67 of this 2015 Act.
29	
30	"UNIT CAPTIONS

"SECTION 71. The unit captions used in this 2015 Act are provided only for the convenience of the reader and do not become part of the statutory law of this state or express any legislative intent in the enactment of this 2015 Act.

"EMERGENCY CLAUSE

8 "SECTION 72. This 2015 Act being necessary for the immediate 9 preservation of the public peace, health and safety, an emergency is 10 declared to exist, and this 2015 Act takes effect on its passage.". /

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