

Summary of HB 2098-6
April 4, 2019

The dash 6 amendments to HB 2098 are mostly technical in nature, I have prepared a short summary to explain the changes and I am happy to answer any questions you may have.

Section 1 clarifies the cannabinoids subject to regulation in 475B.010 to .545 are derived from marijuana. You may have heard in the news recently that researchers have been able to derive cannabinoids from baking yeast, tree bark and other substances. As interest and research around cannabinoids continues to unfold this change makes it clear the OLCC is regulating derivatives from marijuana, not other plants or substances.

Section 2 allows the Oregon Liquor Control Commission to conduct pilot programs intended to improve access to medical marijuana for Oregon Medical Marijuana Program registration card holders.

The legislature has passed many bills over the past 4 years allowing for cardholder access in the recreational system. This allowance will give the Oregon Liquor Control Commission the ability to explore the viability of different proposals and work with stakeholders to expand cardholder access.

Section 3, 6, 8 and 12 includes laboratory licensees in areas of statute they had been omitted or where there were citation issues. These changes clarify a licensee must be 21 years of age or older, that the OLCC may restrict and suspend a laboratory license and the allowance for a laboratory to transfer marijuana to other licensees.

Section 4 provides clarifying language that in order to waive the requirement for a land use compatibility statement, an applicant is required to have had at least one person responsible for the grow site continuously registered at the address since January 1, 2015.

Section 5 defines kief and allows a marijuana producer to possess and transfer it. Under current law kief is considered a concentrate and can only be made by processors. When a producer trims marijuana they produce kief as a byproduct. It has been very difficult for the industry and the agency to not allow producers to possess and transfer a product that is naturally part of the trimming process.

Section 7 Corrects the original citation in 475B, this section is related to worker permits, not licenses.

Section 8 allows marijuana grow sites to transfer marijuana products in accordance with commission rules, currently a 20 pound transfer from a medical grower to the recreational system is allowed, this clarifies the allowance in this section of statute.

Section 9 allows the delivery of marijuana items to Oregon Medical Marijuana Program registry cardholders over 18 years in age. Cardholders over the age of 18 are already allowed to purchase marijuana from OLCC licensed retailers, this change allows retailers to deliver to them and streamlines their access.

Section 10 clarifies passports issued from the US or foreign government can be used as verification of age.

Section 11 raises the upper limit of fines that can be assessed for violations of ORS 475B to \$10,000. Currently the maximum amount the OLCC can fine a licensee is \$5,000 per violation, because of this many violations are at the maximum level and the license may be canceled. By allowing the OLCC to have more latitude in our sanction schedule, only the most egregious violations would be at the maximum fine level with the possibility of cancelation. Rulemaking will be required to make any changes to the sanction schedule.

Section 13 combines marijuana leaves and flower as “usable marijuana” for the purpose of taxation. 475B already defines usable marijuana as the dried leaves and flowers of marijuana. This change provides unity between the tax categories and the definitions in statute.