

# House Bill 2740

Sponsored by Representatives WILSON, SMITH DB; Representatives BARRETO, BONHAM, BOSHART DAVIS, LEIF, LEWIS, RESCHKE, STARK

## SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Establishes Oregon Industrial Hemp Commission. Aligns state definition of "industrial hemp" with federal definition.

Takes effect on 91st day following adjournment sine die.

## A BILL FOR AN ACT

1  
2 Relating to cannabis; creating new provisions; amending ORS 571.300 and 576.062; and prescribing  
3 an effective date.

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

5 **SECTION 1.** ORS 571.300, as amended by section 27, chapter 116, Oregon Laws 2018, is  
6 amended to read:

7 571.300. As used in ORS 571.300 to 571.348:

8 (1) "Agricultural hemp seed" means Cannabis seed:

9 (a) That is sold to or intended to be sold to registered growers for planting; or

10 (b) That remains in an unprocessed or partially processed condition that is capable of  
11 germination.

12 (2) "Crop" means industrial hemp grown under a single registration.

13 (3) "Grower" means a person, joint venture or cooperative that produces industrial hemp.

14 (4) "Handler" means a person, joint venture or cooperative that receives industrial hemp for  
15 processing into commodities, products or agricultural hemp seed.

16 (5) "Industrial hemp":

17 (a) Except as provided in this paragraph, means all nonseed parts and varieties of the Cannabis  
18 plant, whether growing or not, that contain an average **delta-9-tetrahydrocannabinol** concentration  
19 that does not exceed 0.3 percent on a dry weight basis. The State Department of Agriculture, by  
20 rule, may adopt any higher average **delta-9-tetrahydrocannabinol** concentration limit established in  
21 federal law.

22 (b) Means any Cannabis seed:

23 (A) That is part of a crop;

24 (B) That is retained by a grower for future planting;

25 (C) That is agricultural hemp seed;

26 (D) That is for processing into or for use as agricultural hemp seed; or

27 (E) That has been processed in a manner or to an extent that the Cannabis seed is incapable  
28 of germination.

29 (c) Does not mean industrial hemp commodities or products.

30 (6) "Industrial hemp concentrate" means an industrial hemp product obtained by separating

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

1 cannabinoids from industrial hemp by:

2 (a) A mechanical process;

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

5 (c) A chemical extraction process using carbon dioxide, provided that the process does not in-  
6 volve the use of high heat or pressure; or

7 (d) Any other process identified by the department by rule.

8 (7) "Industrial hemp extract" means an industrial hemp product obtained by separating  
9 cannabinoids from industrial hemp by:

10 (a) A chemical extraction process using a hydrocarbon-based solvent, such as butane, hexane  
11 or propane;

12 (b) A chemical extraction process using carbon dioxide, if the process uses high heat or pres-  
13 sure; or

14 (c) Any other process identified by the department by rule.

15 **SECTION 2. (1) The amendments to ORS 571.300 by section 1 of this 2019 Act become**  
16 **operative on January 1, 2020.**

17 **(2) The State Department of Agriculture may take any action before the operative date**  
18 **specified in subsection (1) of this section that is necessary to enable the department to ex-**  
19 **ercise, on and after the operative date specified in subsection (1) of this section, all of the**  
20 **duties, functions and powers conferred on the department by the amendments to ORS 571.300**  
21 **by section 1 of this 2019 Act.**

22 **SECTION 3.** ORS 576.062 is amended to read:

23 576.062. The following commodity commissions are established as state commissions:

- 24 (1) The Oregon Dairy Products Commission.
- 25 (2) The Oregon Hazelnut Commission.
- 26 (3) The Oregon Dungeness Crab Commission.
- 27 (4) The Oregon Salmon Commission.
- 28 (5) The Oregon Albacore Commission.
- 29 (6) The Oregon Sheep Commission.
- 30 (7) The Oregon Potato Commission.
- 31 (8) The Oregon Alfalfa Seed Commission.
- 32 (9) The Oregon Blueberry Commission.
- 33 (10) The Oregon Clover Seed Commission.
- 34 (11) The Oregon Fine Fescue Commission.
- 35 (12) The Oregon Hop Commission.
- 36 (13) The Oregon Mint Commission.
- 37 (14) The Oregon Orchardgrass Seed Producers Commission.
- 38 (15) The Oregon Processed Vegetable Commission.
- 39 (16) The Oregon Raspberry and Blackberry Commission.
- 40 (17) The Oregon Ryegrass Growers Seed Commission.
- 41 (18) The Oregon Strawberry Commission.
- 42 (19) The Oregon Sweet Cherry Commission.
- 43 (20) The Oregon Tall Fescue Commission.
- 44 (21) The Oregon Trawl Commission.
- 45 **(22) The Oregon Industrial Hemp Commission.**

1       **SECTION 4.** Sections 5 and 6 of this 2019 Act are added to and made a part of ORS 576.051  
2 to 576.455.

3       **SECTION 5.** (1) In making appointments under ORS 576.206 (1) for the Oregon Industrial  
4 Hemp Commission, the Director of Agriculture shall appoint, as temporary members of the  
5 commission who must be producers of industrial hemp, individuals who are registered under  
6 ORS 571.305.

7       (2) The director must make appointments under ORS 576.206 (1) for the commission on  
8 or before January 1, 2020.

9       **SECTION 6.** In making appointments under ORS 576.206 (3) for the Oregon Industrial  
10 Hemp Commission, the Director of Agriculture shall appoint, as commissioners who must  
11 be producers of industrial hemp, individuals who are registered under ORS 571.305.

12       **SECTION 7.** Section 5 of this 2019 Act is repealed on January 2, 2020.

13       **SECTION 8.** This 2019 Act takes effect on the 91st day after the date on which the 2019  
14 regular session of the Eightieth Legislative Assembly adjourns sine die.

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