

HB 2098-6  
(LC 558)  
4/8/19 (SCT/ps)

Requested by HOUSE COMMITTEE ON ECONOMIC DEVELOPMENT (at the request of the Oregon Liquor Control Commission)

**PROPOSED AMENDMENTS TO  
HOUSE BILL 2098**

1 On page 1 of the printed bill, line 2, after “ORS” delete the rest of the  
2 line and line 3 and insert “475B.015, 475B.025, 475B.045, 475B.074, 475B.096,  
3 475B.186, 475B.199, 475B.206, 475B.211, 475B.216, 475B.416, 475B.577 and  
4 475B.705; and prescribing an effective date.”.

5 Delete lines 5 through 30 and delete pages 2 through 5 and insert:

6 **“SECTION 1.** ORS 475B.015 is amended to read:

7 “475B.015. As used in ORS 475B.010 to 475B.545:

8 “(1) ‘Cannabinoid’ means any of the chemical compounds that are the  
9 active constituents [*of*] **derived from** marijuana.

10 “(2) ‘Cannabinoid concentrate’ means a substance obtained by separating  
11 cannabinoids from marijuana by:

12 “(a) A mechanical extraction process;

13 “(b) A chemical extraction process using a nonhydrocarbon-based solvent,  
14 such as water, vegetable glycerin, vegetable oils, animal fats, isopropyl al-  
15 cohool or ethanol;

16 “(c) A chemical extraction process using carbon dioxide, provided that the  
17 process does not involve the use of high heat or pressure; or

18 “(d) Any other process identified by the Oregon Liquor Control Commis-  
19 sion, in consultation with the Oregon Health Authority, by rule.

20 “(3) ‘Cannabinoid edible’ means food or potable liquid into which a  
21 cannabinoid concentrate, cannabinoid extract or dried marijuana leaves or

1 flowers have been incorporated.

2 “(4) ‘Cannabinoid extract’ means a substance obtained by separating  
3 cannabinoids from marijuana by:

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

6 “(b) A chemical extraction process using carbon dioxide, if the process  
7 uses high heat or pressure; or

8 “(c) Any other process identified by the commission, in consultation with  
9 the authority, by rule.

10 “(5)(a) ‘Cannabinoid product’ means a cannabinoid edible and any other  
11 product intended for human consumption or use, including a product in-  
12 tended to be applied to the skin or hair, that contains cannabinoids or dried  
13 marijuana leaves or flowers.

14 “(b) ‘Cannabinoid product’ does not include:

15 “(A) Usable marijuana by itself;

16 “(B) A cannabinoid concentrate by itself;

17 “(C) A cannabinoid extract by itself; or

18 “(D) Industrial hemp, as defined in ORS 571.300.

19 “(6) ‘Consumer’ means a person who purchases, acquires, owns, holds or  
20 uses marijuana items other than for the purpose of resale.

21 “(7) ‘Deliver’ means the actual, constructive or attempted transfer from  
22 one person to another of a marijuana item, whether or not there is an agency  
23 relationship.

24 “(8) ‘Designated primary caregiver’ has the meaning given that term in  
25 ORS 475B.791.

26 “(9)(a) ‘Financial consideration’ means value that is given or received ei-  
27 ther directly or indirectly through sales, barter, trade, fees, charges, dues,  
28 contributions or donations.

29 “(b) ‘Financial consideration’ does not include marijuana, cannabinoid  
30 products or cannabinoid concentrates that are delivered within the scope of

1 and in compliance with ORS 475B.301.

2 “(10) ‘Homegrown’ means grown by a person 21 years of age or older for  
3 noncommercial purposes.

4 “(11) ‘Household’ means a housing unit and any place in or around a  
5 housing unit at which the occupants of the housing unit are producing,  
6 processing, possessing or storing homegrown marijuana, cannabinoid pro-  
7 ducts, cannabinoid concentrates or cannabinoid extracts.

8 “(12) ‘Housing unit’ means a house, an apartment or a mobile home, or  
9 a group of rooms or a single room that is occupied as separate living quar-  
10 ters, in which the occupants live and eat separately from any other persons  
11 in the building and that has direct access from the outside of the building  
12 or through a common hall.

13 “(13) ‘Immature marijuana plant’ means a marijuana plant that is not  
14 flowering.

15 “(14) ‘Licensee’ means a person that holds a license issued under ORS  
16 475B.070, 475B.090, 475B.100 or 475B.105.

17 “(15) ‘Licensee representative’ means an owner, director, officer, manager,  
18 employee, agent or other representative of a licensee, to the extent that the  
19 person acts in a representative capacity.

20 “(16)(a) ‘Manufacture’ means producing, propagating, preparing, com-  
21 pounding, converting or processing a marijuana item, either directly or in-  
22 directly, by extracting from substances of natural origin.

23 “(b) ‘Manufacture’ includes any packaging or repackaging of a marijuana  
24 item or the labeling or relabeling of a container containing a marijuana  
25 item.

26 “(17)(a) ‘Marijuana’ means the plant Cannabis family Cannabaceae, any  
27 part of the plant Cannabis family Cannabaceae and marijuana seeds.

28 “(b) ‘Marijuana’ does not include industrial hemp, as defined in ORS  
29 571.300.

30 “(18) ‘Marijuana flowers’ means the flowers of the plant genus Cannabis

1 within the plant family Cannabaceae.

2 “(19) ‘Marijuana items’ means marijuana, cannabinoid products,  
3 cannabinoid concentrates and cannabinoid extracts.

4 “(20) ‘Marijuana leaves’ means the leaves of the plant genus Cannabis  
5 within the plant family Cannabaceae.

6 “(21) ‘Marijuana processor’ means a person that processes marijuana  
7 items in this state.

8 “(22) ‘Marijuana producer’ means a person that produces marijuana in  
9 this state.

10 “(23) ‘Marijuana retailer’ means a person that sells marijuana items to a  
11 consumer in this state.

12 “(24)(a) ‘Marijuana seeds’ means the seeds of the plant Cannabis family  
13 Cannabaceae.

14 “(b) ‘Marijuana seeds’ does not include the seeds of industrial hemp, as  
15 defined in ORS 571.300.

16 “(25) ‘Marijuana wholesaler’ means a person that purchases marijuana  
17 items in this state for resale to a person other than a consumer.

18 “(26) ‘Mature marijuana plant’ means a marijuana plant that is not an  
19 immature marijuana plant.

20 “(27) ‘Medical grade cannabinoid product, cannabinoid concentrate or  
21 cannabinoid extract’ means a cannabinoid product, cannabinoid concentrate  
22 or cannabinoid extract that has a concentration of tetrahydrocannabinol that  
23 is permitted under ORS 475B.625 in a single serving of the cannabinoid  
24 product, cannabinoid concentrate or cannabinoid extract for consumers who  
25 hold a valid registry identification card issued under ORS 475B.797.

26 “(28) ‘Medical purpose’ means a purpose related to using usable  
27 marijuana, cannabinoid products, cannabinoid concentrates or cannabinoid  
28 extracts to mitigate the symptoms or effects of a debilitating medical condi-  
29 tion, as defined in ORS 475B.791.

30 “(29) ‘Noncommercial’ means not dependent or conditioned upon the pro-

1 vision or receipt of financial consideration.

2 “(30)(a) ‘Premises’ includes the following areas of a location licensed un-  
3 der ORS 475B.010 to 475B.545:

4 “(A) All public and private enclosed areas at the location that are used  
5 in the business operated at the location, including offices, kitchens, rest  
6 rooms and storerooms;

7 “(B) All areas outside a building that the commission has specifically li-  
8 censed for the processing, wholesale sale or retail sale of marijuana items;  
9 and

10 “(C) For a location that the commission has specifically licensed for the  
11 production of marijuana outside a building, that portion of the location used  
12 to produce marijuana.

13 “(b) ‘Premises’ does not include a primary residence.

14 “(31)(a) ‘Processes’ means the processing, compounding or conversion of  
15 marijuana into cannabinoid products, cannabinoid concentrates or  
16 cannabinoid extracts.

17 “(b) ‘Processes’ does not include packaging or labeling.

18 “(32)(a) ‘Produces’ means the manufacture, planting, cultivation, growing  
19 or harvesting of marijuana.

20 “(b) ‘Produces’ does not include:

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

23 “(B) The cultivation and growing of an immature marijuana plant by a  
24 marijuana processor, marijuana wholesaler or marijuana retailer if the  
25 marijuana processor, marijuana wholesaler or marijuana retailer purchased  
26 or otherwise received the plant from a licensed marijuana producer.

27 “(33) ‘Propagate’ means to grow immature marijuana plants or to breed  
28 or produce marijuana seeds.

29 “(34) ‘Public place’ means a place to which the general public has access  
30 and includes, but is not limited to, hallways, lobbies and other parts of

1 apartment houses and hotels not constituting rooms or apartments designed  
2 for actual residence, and highways, streets, schools, places of amusement,  
3 parks, playgrounds and areas used in connection with public passenger  
4 transportation.

5 “(35) ‘Registry identification cardholder’ has the meaning given that term  
6 in ORS 475B.791.

7 “(36)(a) ‘Usable marijuana’ means the dried leaves and flowers of  
8 marijuana.

9 “(b) ‘Usable marijuana’ does not include:

10 “(A) Marijuana seeds;

11 “(B) The stalks and roots of marijuana; or

12 “(C) Waste material that is a by-product of producing or processing  
13 marijuana.

14 **“SECTION 2.** ORS 475B.025 is amended to read:

15 “475B.025. (1) The Oregon Liquor Control Commission has the duties,  
16 functions and powers specified in ORS 475B.010 to 475B.545 and the powers  
17 necessary or proper to enable the commission to carry out the commission’s  
18 duties, functions and powers under ORS 475B.010 to 475B.545. The jurisdic-  
19 tion, supervision, duties, functions and powers of the commission extend to  
20 any person that produces, processes, transports, delivers, sells or purchases  
21 a marijuana item in this state. The commission may sue and be sued.

22 “(2) The duties, functions and powers of the commission specified in ORS  
23 475B.010 to 475B.545 include the following:

24 “(a) To regulate the production, processing, transportation, delivery, sale  
25 and purchase of marijuana items in accordance with the provisions of ORS  
26 475B.010 to 475B.545.

27 “(b) To issue, renew, suspend, revoke or refuse to issue or renew licenses  
28 for the production, processing or sale of marijuana items, or other licenses  
29 related to the consumption of marijuana items, and to permit, in the  
30 commission’s discretion, the transfer of a license between persons.

1       “(c) To adopt, amend or repeal rules as necessary to carry out the intent  
2 and provisions of ORS 475B.010 to 475B.545, including rules that the com-  
3 mission considers necessary to protect the public health and safety.

4       “(d) To exercise all powers incidental, convenient or necessary to enable  
5 the commission to administer or carry out the provisions of ORS 475B.010  
6 to 475B.545 or any other law of this state that charges the commission with  
7 a duty, function or power related to marijuana. Powers described in this  
8 paragraph include, but are not limited to:

9       “(A) Issuing subpoenas;

10       “(B) Compelling the attendance of witnesses;

11       “(C) Administering oaths;

12       “(D) Certifying official acts;

13       “(E) Taking depositions as provided by law;

14       “(F) Compelling the production of books, payrolls, accounts, papers, re-  
15 cords, documents and testimony; and

16       “(G) Establishing fees in addition to the application, licensing and re-  
17 newal fees described in ORS 475B.070, 475B.090, 475B.100 and 475B.105, pro-  
18 vided that any fee established by the commission is reasonably calculated  
19 not to exceed the cost of the activity for which the fee is charged.

20       “(e) To adopt rules regulating and prohibiting advertising marijuana  
21 items in a manner:

22       “(A) That is appealing to minors;

23       “(B) That promotes excessive use;

24       “(C) That promotes illegal activity; or

25       “(D) That otherwise presents a significant risk to public health and  
26 safety.

27       “(f) To regulate the use of marijuana items for other purposes as deemed  
28 necessary or appropriate by the commission.

29       **“(g) To establish pilot programs, of not more than three years in  
30 duration, to expand access to marijuana for medical use for registry**

1 **identification cardholders and designated primary caregivers, as de-**  
2 **fin ed in ORS 475B.791.**

3 “(3) Fees collected pursuant to subsection (2)(d)(G) of this section shall  
4 be deposited in the Marijuana Control and Regulation Fund established un-  
5 der ORS 475B.296.

6 **“SECTION 3.** ORS 475B.045 is amended to read:

7 “475B.045. (1) The Oregon Liquor Control Commission may not license an  
8 applicant under the provisions of ORS 475B.010 to 475B.545 **or 475B.560** if  
9 the applicant is under 21 years of age.

10 “(2) The commission may refuse to issue a license or may issue a re-  
11 stricted license to an applicant under the provisions of ORS 475B.010 to  
12 475B.545 if the commission makes a finding that the applicant:

13 “(a) Is in the habit of using alcoholic beverages, habit-forming drugs,  
14 marijuana or controlled substances to excess.

15 “(b) Has made false statements to the commission.

16 “(c) Is incompetent or physically unable to carry on the management of  
17 the establishment proposed to be licensed.

18 “(d) Has been convicted of violating a federal law, state law or local or-  
19 dinance if the conviction is substantially related to the fitness and ability  
20 of the applicant to lawfully carry out activities under the license.

21 “(e) Is not of good repute and moral character.

22 “(f) Does not have a good record of compliance with ORS 475B.010 to  
23 475B.545 or any rule adopted under ORS 475B.010 to 475B.545.

24 “(g) Is not the legitimate owner of the premises proposed to be licensed,  
25 or has not disclosed that other persons have ownership interests in the  
26 premises proposed to be licensed.

27 “(h) Has not demonstrated financial responsibility sufficient to adequately  
28 meet the requirements of the premises proposed to be licensed.

29 “(i) Is unable to understand the laws of this state relating to marijuana  
30 items or the rules adopted under ORS 475B.010 to 475B.545.



1 “(3) Notwithstanding subsection (2)(d) of this section, in determining  
2 whether to issue a license or a restricted license to an applicant, the com-  
3 mission may not consider the prior conviction of the applicant or any owner,  
4 director, officer, manager, employee, agent or other representative of the  
5 applicant for:

6 “(a) The manufacture of marijuana, if:

7 “(A) The date of the conviction is two or more years before the date of  
8 the application; and

9 “(B) The person has not been convicted more than once for the manufac-  
10 ture or delivery of marijuana;

11 “(b) The delivery of marijuana to a person 21 years of age or older, if:

12 “(A) The date of the conviction is two or more years before the date of  
13 the application; and

14 “(B) The person has not been convicted more than once for the manufac-  
15 ture or delivery of marijuana; or

16 “(c) The possession of marijuana.

17 **“SECTION 4.** ORS 475B.074 is amended to read:

18 “475B.074. The requirement under ORS 475B.063 to obtain a land use  
19 compatibility statement as a condition of receiving a license under ORS  
20 475B.070 does not apply to an applicant if:

21 “(1) The applicant is applying for a license at an address where a  
22 marijuana grow site registered under ORS 475B.810 is located;

23 “(2) The address is outside of city limits;

24 “(3) At least one person responsible for a marijuana grow site located at  
25 the address first registered with the Oregon Health Authority under ORS  
26 475B.810 before, **and has been continuously registered since**, January 1,  
27 2015;

28 “(4) Each person responsible for a marijuana grow site located at the  
29 address first registered with the Oregon Health Authority under ORS  
30 475B.810 before February 1, 2016; and

1 “(5) The applicant is applying for a mature marijuana plant grow canopy  
2 of:

3 “(a) 5,000 square feet or less, if the marijuana is produced outdoors; or

4 “(b) 1,250 square feet or less, if the marijuana is produced indoors.

5 **“SECTION 5.** ORS 475B.096 is amended to read:

6 “475B.096. (1) Notwithstanding ORS 475B.090, a marijuana producer that  
7 holds a license issued under ORS 475B.070 and has a mature marijuana plant  
8 grow canopy described in subsection (2) of this section may process  
9 marijuana into a cannabinoid concentrate if the process involves separating  
10 cannabinoids from marijuana by:

11 “(a) A mechanical process; or

12 “(b) An extraction process using water as the solvent.

13 “(2) To be eligible to process marijuana into a cannabinoid concentrate  
14 under this section, a marijuana producer must have a mature marijuana  
15 plant grow canopy, as restricted by the Oregon Liquor Control Commission  
16 under ORS 475B.085, that does not exceed:

17 “(a) For marijuana grown outdoors, 5,000 square feet; or

18 “(b) For marijuana grown indoors, 1,250 square feet.

19 **“(3)(a) A marijuana producer that holds a license issued under ORS**  
20 **475B.070 and that has a plant grow canopy determined by rule by the**  
21 **commission, may produce and transfer kief.**

22 **“(b) For purposes of this subsection, ‘kief’ means the resinous**  
23 **trichomes of marijuana that accumulate or fall off when marijuana**  
24 **flower is sifted through a mesh screen or sieve.**

25 “[3] (4) The processing of marijuana under this section must comport  
26 with any reasonable condition adopted under ORS 475B.486 that is imposed  
27 on the manner in which a marijuana processor licensed under ORS 475B.090  
28 may process marijuana.

29 **“SECTION 6.** ORS 475B.186 is amended to read:

30 “475B.186. (1) The Legislative Assembly finds and declares that the un-

1 regulated commerce of marijuana items constitutes a serious danger to public  
2 health and safety.

3 “(2) In addition to any other disciplinary action available to the Oregon  
4 Liquor Control Commission under ORS 475B.010 to 475B.545, the commission  
5 may immediately restrict, suspend or refuse to renew a license issued under  
6 ORS 475B.010 to 475B.545 **or 475B.560** if circumstances create probable cause  
7 for the commission to conclude that a licensee has purchased or received a  
8 marijuana item from an unlicensed source or that a licensee has sold, stored  
9 or transferred a marijuana item in a manner that is not permitted by the  
10 licensee’s license.

11 **“SECTION 7.** ORS 475B.199 is amended to read:

12 “475B.199. (1) Notwithstanding the lapse, suspension or revocation of a  
13 permit issued under ORS 475B.266, the Oregon Liquor Control Commission  
14 may:

15 “(a) Proceed with any investigation of, or any action or disciplinary pro-  
16 ceeding against, the person who held the permit; or

17 “(b) Revise or render void an order suspending or revoking the permit.

18 “(2) In cases involving the proposed denial of a [*license issued under ORS*  
19 *475B.010 to 475B.545, the applicant for licensure*] **permit issued under ORS**  
20 **475B.266, the applicant for the permit** may not withdraw the applicant’s  
21 application.

22 **“SECTION 8.** ORS 475B.206 is amended to read:

23 “475B.206. (1) Except as provided in ORS 475B.136 and 475B.873, a  
24 marijuana producer that holds a license issued under ORS 475B.070,  
25 marijuana processor that holds a license issued under ORS 475B.090 or  
26 marijuana wholesaler that holds a license issued under ORS 475B.100 may  
27 deliver marijuana items only to or on a premises for which a license has been  
28 issued under ORS 475B.070, 475B.090, 475B.100 or 475B.105, or to a registry  
29 identification cardholder or designated primary caregiver as allowed under  
30 ORS 475B.010 to 475B.545.

1 “(2) A licensee to which marijuana items may be delivered under sub-  
2 section (1) of this section may receive marijuana items only from:

3 “(a) A marijuana producer that holds a license issued under ORS  
4 475B.070, marijuana processor that holds a license issued under ORS  
5 475B.090, marijuana wholesaler that holds a license issued under ORS  
6 475B.100 [or], marijuana retailer that holds a license issued under ORS  
7 475B.105 **or a laboratory licensed under ORS 475B.560;**

8 “(b) A researcher of cannabis that holds a certificate issued under ORS  
9 475B.286 and that transfers limited amounts of marijuana, usable marijuana,  
10 cannabinoid products, cannabinoid concentrates and cannabinoid extracts in  
11 accordance with procedures adopted under ORS 475B.286 (3)(d) and (e); [or]

12 “(c) A marijuana grow site registered under ORS 475B.810, marijuana  
13 processing site registered under ORS 475B.840, or a medical marijuana  
14 dispensary registered under ORS 475B.858, acting in accordance with proce-  
15 dures adopted by the Oregon Liquor Control Commission under ORS  
16 475B.167[.]; **or**

17 “(d) **A marijuana grow site registered under ORS 475B.810, acting**  
18 **in accordance with ORS 475B.825 and any procedures adopted by rule**  
19 **by the commission.**

20 “(3) The sale of marijuana items by a marijuana retailer that holds a li-  
21 cense issued under ORS 475B.105 must be restricted to the premises for  
22 which the license has been issued, but deliveries may be made by a  
23 marijuana retailer to consumers pursuant to a bona fide order received at  
24 the premises prior to delivery.

25 “(4) The commission may by order waive the requirements of subsections  
26 (1) and (2) of this section to ensure compliance with ORS 475B.010 to  
27 475B.545 or a rule adopted under ORS 475B.010 to 475B.545. An order issued  
28 under this subsection does not constitute a waiver of any other requirement  
29 of ORS 475B.010 to 475B.545 or any other rule adopted under ORS 475B.010  
30 to 475B.545.

1        **SECTION 9.** ORS 475B.211 is amended to read:

2        “475B.211. **Except for a marijuana retailer registered under ORS**  
3 **475B.146 to sell or deliver marijuana items to a registry identification**  
4 **cardholder who is 18 years of age or older,** a licensee or licensee repre-  
5 sentative may not sell or deliver a marijuana item to a person under 21 years  
6 of age.

7        **SECTION 10.** ORS 475B.216 is amended to read:

8        “475B.216. (1) Subject to subsection (2) of this section, a licensee or  
9 licensee representative, before selling or providing a marijuana item to an-  
10 other person, must require the person to produce one of the following pieces  
11 of identification:

12        “(a) The person’s passport, **issued by the United States or a foreign**  
13 **government.**

14        “(b) The person’s driver license, issued by the State of Oregon or another  
15 state of the United States.

16        “(c) An identification card issued under ORS 807.400.

17        “(d) A United States military identification card.

18        “(e) An identification card issued by a federally recognized Indian tribe.

19        “(f) Any other identification card issued by a state or territory of the  
20 United States that bears a picture of the person, the name of the person, the  
21 person’s date of birth and a physical description of the person.

22        “(2) The Oregon Liquor Control Commission may adopt rules exempting  
23 a licensee or licensee representative from this section.

24        **SECTION 11.** ORS 475B.416, as amended by section 8, chapter 98,  
25 Oregon Laws 2018, is amended to read:

26        “475B.416. In addition to any other liability or penalty provided by law,  
27 the Oregon Liquor Control Commission may impose for each violation of a  
28 provision of ORS 475B.010 to 475B.545 or a rule adopted under ORS 475B.010  
29 to 475B.545 a civil penalty that does not exceed [~~\$5,000~~] **\$10,000** for each vi-  
30 olation. The commission shall impose civil penalties under this section in the

1 manner provided by ORS 183.745. Moneys collected under this section shall  
2 be deposited in the General Fund.

3 **“SECTION 12.** ORS 475B.577 is amended to read:

4 “475B.577. (1) Notwithstanding the lapse, suspension or revocation of a  
5 license issued under ORS 475B.560, the Oregon Liquor Control Commission  
6 may:

7 “(a) Proceed with any investigation of, or any action or disciplinary pro-  
8 ceeding against, the person who held the license; or

9 “(b) Revise or render void an order suspending or revoking the license.

10 “(2) In cases involving the proposed denial of a license issued under ORS  
11 [475B.010 to 475B.545] **475B.560**, the applicant for licensure may not with-  
12 draw the applicant’s application.

13 **“SECTION 13.** ORS 475B.705 is amended to read:

14 “475B.705. (1) A tax is hereby imposed upon the retail sale of marijuana  
15 items in this state. The tax imposed by this section is a direct tax on the  
16 consumer, for which payment upon retail sale is required. The tax shall be  
17 collected at the point of sale of a marijuana item by a marijuana retailer at  
18 the time at which the retail sale occurs.

19 “(2) The tax imposed under this section shall be imposed at the rate of:

20 “(a) 17 percent of the retail sales price of [*marijuana leaves*] **usable**  
21 **marijuana;**

22 “[*(b) 17 percent of the retail sales price of marijuana flowers;*]

23 “[*(c)*] **(b)** 17 percent of the retail sales price of immature marijuana plants;

24 “[*(d)*] **(c)** 17 percent of the retail sales price of a cannabinoid edible;

25 “[*(e)*] **(d)** 17 percent of the retail sales price of a cannabinoid concentrate;

26 “[*(f)*] **(e)** 17 percent of the retail sales price of a cannabinoid extract;

27 “[*(g)*] **(f)** 17 percent of the retail sales price of a cannabinoid product that  
28 is intended to be used by applying the cannabinoid product to the skin or  
29 hair; and

30 “[*(h)*] **(g)** 17 percent of the retail sales price of cannabinoid products other

1 than those described in paragraph [(g)] (f) of this subsection.

2 “(3) If the tax imposed under this section does not equal an amount cal-  
3 culable to a whole cent, the tax shall be equal to the next higher whole cent.

4 “(4) Except as otherwise provided by the Department of Revenue by rule,  
5 the amount of the tax shall be separately stated on an invoice, receipt or  
6 other similar document that the marijuana retailer provides to the consumer  
7 at the time at which the retail sale occurs.

8 “(5) A person may not knowingly sell, purchase, install, transfer or pos-  
9 sess electronic devices or software programs for the purposes of:

10 “(a) Hiding or removing records of retail sales of marijuana items; or

11 “(b) Falsifying records of retail sales of marijuana items.

12 “(6)(a) A marijuana retailer may not discount a marijuana item or offer  
13 a marijuana item for free if the retail sale of the marijuana item is made in  
14 conjunction with the retail sale of any other item.

15 “(b) Paragraph (a) of this subsection does not affect any provision of ORS  
16 475B.010 to 475B.545 or any rule adopted by the Oregon Liquor Control  
17 Commission pursuant to ORS 475B.010 to 475B.545 that is related to the re-  
18 tail sale of marijuana items.

19 **“SECTION 14. The amendments to ORS 475B.074 by section 4 of this**  
20 **2019 Act apply to applications for licenses under ORS 475B.070 submit-**  
21 **ted before, on or after the operative date specified in section 16 of this**  
22 **2019 Act.**

23 **“SECTION 15. The amendments to ORS 475B.705 by section 13 of**  
24 **this 2019 Act apply to the retail sale of marijuana items occurring on**  
25 **and after the operative date specified in section 16 of this 2019 Act.**

26 **“SECTION 16. (1) The amendments to ORS 475B.015, 475B.025,**  
27 **475B.045, 475B.074, 475B.096, 475B.186, 475B.199, 475B.206, 475B.211,**  
28 **475B.216, 475B.416, 475B.577 and 475B.705 by sections 1 to 13 of this 2019**  
29 **Act become operative on January 1, 2020.**

30 **“(2) The Department of Revenue and the Oregon Liquor Control**

1 Commission may take any action before the operative date specified  
2 in subsection (1) of this section that is necessary to enable the de-  
3 partment and the commission to exercise, on and after the operative  
4 date specified in subsection (1) of this section, all of the duties, func-  
5 tions and powers conferred on the department and the commission by  
6 the amendments to ORS 475B.015, 475B.025, 475B.045, 475B.074, 475B.096,  
7 475B.186, 475B.199, 475B.206, 475B.211, 475B.216, 475B.416, 475B.577 and  
8 475B.705 by sections 1 to 13 of this 2019 Act.

9 “SECTION 17. This 2019 Act takes effect on the 91st day after the  
10 date on which the 2019 regular session of the Eightieth Legislative  
11 Assembly adjourns sine die.”.

12

---