

Senate Bill 1561

Sponsored by Senator PROZANSKI, Representative HELM (Pre-session filed.)

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**.

Directs State Department of Agriculture to develop Oregon Hemp Plan for establishment of Oregon Hemp Program for commercial production and sale of hemp. Changes term "industrial hemp" to "hemp." Becomes operative on date on which United States Department of Agriculture approves Oregon Hemp Plan.

Merges determinations of guilt for certain offenses related to marijuana into single conviction. Removes from commercial marijuana offense possession of certain items.

Directs Oregon Cannabis Commission to determine framework for future governance of Oregon Medical Marijuana Program.

Specifies health care providers who may recommend medical use of marijuana to registry identification cardholder.

Directs Oregon Liquor Control Commission to establish by rule process to register medical marijuana grow sites. Defines "medical marijuana grow sites." Allows medical marijuana grow sites to apply for registration not later than September 1, 2020. Establishes plant production limits for medical marijuana grow sites registered by commission. Becomes operative June 1, 2020.

Declares emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to cannabis; creating new provisions; amending ORS 161.067, 475B.015, 475B.206, 475B.227,
3 475B.253, 475B.254, 475B.311, 475B.354, 475B.526, 475B.550, 475B.600, 475B.791, 475B.797,
4 475B.831, 475B.913, 475B.916, 475B.952, 475B.961, 561.144, 571.260, 571.263, 571.269, 571.272,
5 571.275, 571.278, 571.281, 571.285, 571.288, 571.291, 571.294, 571.302, 571.327, 571.330, 571.336,
6 571.337, 571.345 and 571.348; repealing ORS 571.266, 571.333, 571.339 and 571.341; and declaring
7 an emergency.

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

OREGON HEMP PROGRAM

10
11
12 **SECTION 1. Sections 2 and 3 of this 2020 Act are added to and made a part of ORS 571.260**
13 **to 571.348.**

14 **SECTION 2. (1) The State Department of Agriculture shall develop an Oregon Hemp Plan**
15 **for the establishment of an Oregon Hemp Program. At a minimum, the plan must certify**
16 **that the department has the resources to administer and enforce ORS 571.260 to 571.348, and**
17 **must establish:**

18 (a) **Qualifications for receiving a license to grow or handle hemp;**

19 (b) **Standards for growers and handlers of hemp and procedures for suspending or re-**
20 **voking the license of growers or handlers who violate those standards;**

21 (c) **Procedures for identifying land where hemp is produced;**

22 (d) **Procedures for sampling and testing hemp for tetrahydrocannabinol concentration**
23 **levels;**

24 (e) **Procedures for disposing of identified marijuana plants;**

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 (f) Standards and processes for ensuring compliance with ORS 571.260 to 571.348; and
 2 (g) Processes for sharing information with state and federal agencies as required by state
 3 and federal law, rules and regulations.

4 (2)(a) In developing the Oregon Hemp Plan under subsection (1) of this section and
 5 adopting rules to implement ORS 571.260 to 571.348, the department shall, subject to para-
 6 graph (b) of this subsection, develop the plan and adopt the rules in accordance with any
 7 applicable federal law or regulation.

8 (b) The department may not adopt a rule that imposes more stringent standards on
 9 persons licensed under ORS 571.281 than any standards required by applicable federal law or
 10 regulation unless the department first appoints, and receives recommendations from, an
 11 advisory committee convened pursuant to ORS 183.333.

12 **SECTION 3.** The State Department of Agriculture shall adopt rules to define the term
 13 “hemp.” Rules adopted under this section must comply with the Agriculture Improvement
 14 Act of 2018 (P.L. 115-334) and subsequent federal law, and with any federal regulations
 15 adopted pursuant to the Agriculture Improvement Act of 2018 and subsequent federal law.

16 **SECTION 4.** ORS 571.260 is amended to read:

17 571.260. ORS 571.260 to 571.348 shall be known and may be cited as the [*Oregon Industrial Hemp*
 18 *Agricultural Pilot Program and Research Act*] **Oregon Hemp Act.**

19 **SECTION 5.** ORS 571.263 is amended to read:

20 571.263. The State Department of Agriculture shall administer [*an Oregon Industrial Hemp Ag-*
 21 *ricultural Pilot Program*] **the Oregon Hemp Program** for the purpose of [*studying the growth, cul-*
 22 *tivation and marketing of industrial hemp in this state*] **the commercial production and sale of**
 23 **hemp.** In carrying out the program, the department:

24 (1) Shall administer ORS 571.260 to 571.348;

25 (2) **Shall develop a state hemp plan to regulate hemp as an agricultural commodity in**
 26 **compliance with the Agriculture Improvement Act of 2018 (P.L. 115-334) and subsequent**
 27 **federal law;**

28 [(2)] (3) Shall adopt by rule any **enforcement, licensing, registration,** record keeping and re-
 29 porting requirements necessary to administer the program **in compliance with the Agriculture**
 30 **Improvement Act of 2018 (P.L. 115-334) and subsequent federal law;**

31 [(3)] (4) May purchase, possess, seize or dispose of [*industrial*] hemp **or** products or commodities
 32 **produced from hemp** as the department deems necessary to enforce and ensure compliance with
 33 ORS 571.260 to 571.348 or department rules **or orders** relating to ORS 571.260 to 571.348; and

34 [(4)] (5) May exercise any other power or perform any other function necessary to administer
 35 the program.

36 **SECTION 6.** ORS 571.269 is amended to read:

37 571.269. As used in ORS 571.260 to 571.348:

38 (1) “Agricultural hemp seed” means Cannabis seed:

39 (a) That is sold to or intended to be sold to [*registered*] **licensed** growers for planting; or

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

42 (2) “Crop” means [*industrial*] hemp grown under a single [*registration*] **license.**

43 (3) “Grower” means a person, joint venture or cooperative that produces [*industrial*] hemp.

44 (4) “Handler” means a person, joint venture or cooperative that receives [*industrial*] hemp for
 45 processing into commodities, products or agricultural hemp seed.

1 [(5) “Industrial hemp”:]

2 [(a) Except as provided in this paragraph, means all nonseed parts and varieties of the Cannabis
3 plant, whether growing or not, that contain an average tetrahydrocannabinol concentration that does
4 not exceed 0.3 percent on a dry weight basis. The State Department of Agriculture, by rule, may adopt
5 any higher average tetrahydrocannabinol concentration limit established in federal law.]

6 **(5)(a) “Hemp” has the meaning given that term in rules adopted by the State Department
7 of Agriculture.**

8 [(b) Means any Cannabis seed:]

9 [(A) That is part of a crop;]

10 [(B) That is retained by a grower for future planting;]

11 [(C) That is agricultural hemp seed;]

12 [(D) That is for processing into or for use as agricultural hemp seed; or]

13 [(E) That has been processed in a manner or to an extent that the Cannabis seed is incapable of
14 germination.]

15 [(c) (b) [Does not mean industrial] **“Hemp” includes** hemp commodities [or] **and** products.

16 (6) “[Industrial] Hemp concentrate” means [an industrial] a hemp product obtained by separating
17 cannabinoids from [industrial] hemp by:

18 (a) A mechanical process;

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

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

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

24 (7) “[Industrial] Hemp extract” means [an industrial] a hemp product obtained by separating
25 cannabinoids from [industrial] hemp by:

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

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

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

31 **SECTION 7.** ORS 571.272 is amended to read:

32 571.272. (1) [Industrial] Hemp is an agricultural product that is subject to regulation by the
33 State Department of Agriculture.

34 (2) For purposes of ORS chapter 616, the department may not consider [industrial] hemp or [in-
35 dustrial] hemp commodities or products to be an adulterant.

36 **SECTION 8.** ORS 571.275 is amended to read:

37 571.275. (1) The Oregon Liquor Control Commission may purchase, possess, seize or dispose of
38 [industrial] hemp products or commodities located on a premises licensed under ORS 475B.070,
39 475B.090, 475B.100, 475B.105 or 475B.560 or other area under the control of the premises licensee
40 as the commission deems necessary to enforce and ensure compliance with:

41 (a) ORS 475B.010 to 475B.545, 475B.550 to 475B.590 or 475B.600 to 475B.655 or rules adopted by
42 the commission relating to ORS 475B.010 to 475B.545, 475B.550 to 475B.590 or 475B.600 to 475B.655;
43 or

44 (b) Any provision in ORS 571.260 to 571.348 or in rules adopted by the commission or State
45 Department of Agriculture under ORS 571.260 to 571.348 that makes a requirement, restriction or

1 other provision of ORS 475B.010 to 475B.545, 475B.550 to 475B.590 or 475B.600 to 475B.655 applica-
2 ble to [*industrial*] hemp.

3 (2) If the commission purchases, possesses, seizes or disposes of [*industrial*] hemp products or
4 commodities under this section to enforce or ensure compliance with a provision of ORS 571.260 to
5 571.348 or rule adopted by the department under ORS 571.260 to 571.348 that makes a requirement,
6 restriction or other provision of ORS 475B.010 to 475B.545, 475B.550 to 475B.590 or 475B.600 to
7 475B.655 applicable to [*industrial*] hemp, the commission shall notify the department of the commis-
8 sion action as soon as practicable.

9 **SECTION 9.** ORS 571.278 is amended to read:

10 571.278. There is established in the State Treasury, separate and distinct from the General Fund,
11 the [*Industrial*] Hemp Fund. Interest earned by the fund shall be credited to the fund. The fund shall
12 consist of all moneys credited to or deposited in the fund. Moneys in the fund are continuously ap-
13 propriated to the State Department of Agriculture for the purposes of implementing, administering
14 and enforcing ORS 571.260 to 571.348.

15 **SECTION 10.** ORS 571.281 is amended to read:

16 571.281. (1) To grow or handle [*industrial*] hemp, a person must be [*registered with*] **licensed by**
17 the State Department of Agriculture as a grower or handler.

18 (2)(a) Only a grower or handler [*registered*] **licensed** under this section may produce agricultural
19 hemp seed. For a grower or handler to produce agricultural hemp seed, the grower or handler must
20 be [*registered with*] **licensed by** the department as an agricultural hemp seed producer.

21 (b) Notwithstanding paragraph (a) of this subsection:

22 (A) A grower [*registered*] **licensed** under this section that retains agricultural hemp seed for the
23 purpose of personally propagating [*industrial*] hemp in a subsequent year is not required to [*register*
24 *with*] **be licensed by** the department as an agricultural hemp seed producer; and

25 (B) A grower or handler [*registered*] **licensed** under this section that produces Cannabis seeds
26 that are incapable of germination, or a handler [*registered*] **licensed** under this section that pro-
27 cesses Cannabis seeds that are incapable of germination into commodities or products, is not re-
28 quired to [*register with*] **be licensed by** the department as an agricultural hemp seed producer.

29 (3) An applicant for [*registration*] **a license** under this section must submit to the department,
30 in a form and manner prescribed by the department, the following information:

31 (a) The name and address of the applicant;

32 (b) The name and address of the [*industrial*] hemp operation of the applicant; and

33 (c) Any other information required by the department by rule.

34 (4) **An applicant for a license, or renewal of a license, to grow hemp under this section**
35 **shall provide to the department, in a form and manner prescribed by the department, infor-**
36 **mation on the intended commodity or product for which the applicant primarily intends to**
37 **grow the hemp.**

38 [(4)] (5) [*Registration*] **A license issued** under this section is valid for [*a one-year term*] **one**
39 **year**, beginning on January 1[. *A grower, handler or agricultural hemp seed producer may renew a*
40 *registration under this section*], **and may be renewed** in a form and manner prescribed by the de-
41 partment.

42 [(5)] (6) [*A registration*] **A license issued** under this section is a personal privilege and is not
43 transferable.

44 [(6)] (7) A grower or handler [*registered*] **licensed** under this section [*must*] **shall** keep records
45 as required by the department by rule. Upon not less than three days' notice, the department may

1 subject the records to inspection or audit during normal business hours. The department may make
2 an inspection or audit for the purpose of ensuring compliance with:

3 (a) A provision of ORS 571.260 to 571.348;

4 (b) A rule adopted under a provision of ORS 571.260 to 571.348; or

5 (c) An order issued by the department pursuant to a provision of ORS 571.260 to 571.348 or a
6 rule adopted under a provision of ORS 571.260 to 571.348.

7 [(7)] (8) In addition to any inspection conducted pursuant to ORS 561.275, the department may
8 inspect any crop during the crop's growth phase and take a representative composite sample for
9 field analysis. If a crop contains an average tetrahydrocannabinol concentration exceeding [0.3 per-
10 cent on a dry weight basis or a tetrahydrocannabinol concentration exceeding] the concentration al-
11 lowed under federal law, [whichever is greater,] the department may detain, seize or embargo the
12 crop as provided under ORS 561.605 to 561.620[, subject to any process established under ORS
13 571.345].

14 [(8)] (9)(a) The department may charge growers, handlers and agricultural hemp seed producers
15 **the following fees:**

16 (A) Application fees[, registration];

17 (B) License and license renewal [of registration] fees[.];

18 (C) Administrative change fees; and

19 (D) Fees for other services.

20 (b) Fees charged under this subsection must be in amounts reasonably calculated by the
21 department to pay the cost of administering ORS 571.260 to 571.348.

22 (c) Moneys from fees charged under this subsection shall be deposited in the [Industrial] Hemp
23 Fund established under ORS 571.278.

24 [(9)] (10) The department may adopt rules establishing public health and safety standards and
25 industry best practices for growers and handlers [registered] licensed under this section.

26 **SECTION 11.** ORS 571.285 is amended to read:

27 571.285. [(1)] Subject to the provisions of ORS chapter 183, the State Department of Agriculture
28 may revoke the [registration] license of a grower, handler or agricultural hemp seed producer or
29 refuse to [register] license or renew the [registration] license if a grower, handler or agricultural
30 hemp seed producer violates:

31 [(a)] (1) A provision of ORS 571.260 to 571.348;

32 [(b)] (2) A rule adopted under a provision of ORS 571.260 to 571.348;

33 [(c)] (3) An order issued by the department pursuant to a provision of ORS 571.260 to 571.348
34 or a rule adopted under a provision of ORS 571.260 to 571.348; or

35 [(d)] (4) Any statutory law or department rule related to agricultural activities other than [in-
36 dustrial] hemp operations.

37 [(2) The department may not discipline a grower, handler or agricultural hemp seed producer un-
38 der this section on the basis that possessing, delivering and manufacturing industrial hemp are pro-
39 hibited by federal law.]

40 **SECTION 12.** ORS 571.288 is amended to read:

41 571.288. A grower [registered] licensed under ORS 571.281 may use any propagation method,
42 including planting seeds or starts or the use of clones or cuttings, to produce [industrial] hemp.

43 **SECTION 13.** ORS 571.291 is amended to read:

44 571.291. A grower licensed under ORS 571.281 shall provide the State Department of Agricul-
45 ture, in a time, form and manner prescribed by the department, with an accurate description and

1 global positioning system coordinates of the property on which the grower's crop is or will be lo-
2 cated.

3 **SECTION 14.** ORS 571.294 is amended to read:

4 571.294. The State Department of Agriculture may charge growers and handlers [*registered*] **li-**
5 **censed** under ORS 571.281 fees reasonably calculated by the department to pay the cost of sampling
6 or testing [*industrial*] hemp or [*industrial*] hemp commodities or products under ORS 571.330 [*and*
7 571.333]. Moneys from fees charged under this section shall be deposited in the [*Industrial*] Hemp
8 Fund established under ORS 571.278.

9 **SECTION 15.** ORS 571.302 is amended to read:

10 571.302. (1) For purposes of ORS 633.511 to 633.750, agricultural hemp seed is an agricultural
11 seed or a flower seed, as those terms are defined in ORS 633.511.

12 (2) The Director of Agriculture, or the director's agent, and the Dean of the College of Agri-
13 cultural Sciences of Oregon State University, or the dean's agent, shall establish a program for the
14 labeling and certification of agricultural hemp seed. For purposes of the program:

15 (a) The director and the dean shall perform their respective duties under ORS 633.511 to 633.750
16 with respect to agricultural hemp seed in the same manner that the director and dean perform their
17 respective duties under ORS 633.511 to 633.750 with respect to other agricultural seed or flower
18 seed, including but not limited to those duties related to labeling, testing and certifying seeds; and

19 (b) The director and the dean shall exercise their respective functions and powers under ORS
20 633.511 to 633.750 with respect to agricultural hemp seed in the same manner that the director and
21 dean exercise their respective functions and powers under ORS 633.511 to 633.750 with respect to
22 other agricultural seed or flower seed, including but not limited to inspecting and sampling seeds
23 and making rules and regulations under ORS 633.680.

24 (3) Notwithstanding subsections (1) and (2) of this section, if the director in consultation with
25 the dean determines that a specific provision of ORS 633.511 to 633.750, or a specific rule or regu-
26 lation made under ORS 633.511 to 633.750, that applies to other agricultural seed or flower seed is
27 inadequate or not suitable for the regulation of agricultural hemp seed, the director may by rule
28 exempt agricultural hemp seed from the provision, rule or regulation and make rules providing more
29 adequate or suitable regulation of agricultural hemp seed.

30 (4)(a) The director and the dean shall collaborate with growers [*registered*] **licensed** under ORS
31 571.281 in performing their respective duties and exercising their respective functions and powers
32 under ORS 633.511 to 633.750 with respect to agricultural hemp seed.

33 (b) The director and the dean may collaborate with growers [*registered*] **licensed** under ORS
34 571.281 and other stakeholders to develop a heritage agricultural hemp seed for this state.

35 (5) The director and the dean may collaborate with entities authorized to certify seeds under the
36 laws of other states in performing their respective duties and exercising their respective functions
37 and powers under ORS 633.511 to 633.750 with respect to agricultural hemp seed.

38 (6) A grower [*registered*] **licensed** under ORS 571.281 is not required, for purposes related to
39 growing [*industrial*] hemp, to use an agricultural hemp seed variety certified under the program
40 described in this section.

41 (7) The State Department of Agriculture may establish by rule waivers to, or exemptions from,
42 tests that would otherwise be conducted to determine a crop's average tetrahydrocannabinol con-
43 centration for crops planted with agricultural hemp seed varieties certified pursuant to the program
44 described in this section.

45 **SECTION 16.** ORS 571.327 is amended to read:

1 571.327. (1) An agricultural hemp seed producer [*registered*] **licensed** under ORS 571.281:

2 (a) [*Must*] **Shall** sell agricultural hemp seed in a manner that complies with any standard es-
3 tablished by the Director of Agriculture under ORS 633.511 to 633.750; and

4 (b) May sell agricultural hemp seed only if the agricultural hemp seed meets any packaging or
5 labeling requirement, or any quality standard, adopted by the director under subsection (2) of this
6 section.

7 (2) The director may adopt rules establishing packaging requirements, labeling requirements and
8 quality standards for agricultural hemp seed.

9 (3) The State Department of Agriculture shall make available to growers [*registered*] **licensed**
10 under ORS 571.281 information that identifies agricultural hemp seed producers [*registered*] **licensed**
11 under ORS 571.281 from whom the growers may purchase agricultural hemp seed.

12 **SECTION 17.** ORS 571.330 is amended to read:

13 571.330. (1) For purposes of this section, “consumption” means to ingest, inhale or topically ap-
14 ply to the skin or hair.

15 (2)(a) A laboratory licensed by the Oregon Liquor Control Commission under ORS 475B.560 and
16 accredited by the Oregon Health Authority pursuant to ORS 475B.565 may test [*industrial*] hemp and
17 [*industrial*] hemp commodities and products produced or processed by a grower, handler or agricul-
18 tural hemp seed producer [*registered*] **licensed** under ORS 571.281.

19 (b) An [*accredited independent testing*] **otherwise qualified** laboratory that has been approved
20 by the authority or the State Department of Agriculture may test [*industrial*] hemp and [*industrial*]
21 hemp commodities and products produced or processed by a grower, handler or agricultural hemp
22 seed producer [*registered*] **licensed** under ORS 571.281.

23 (3) A grower or handler may not sell or transfer [*an industrial*] **a** hemp commodity or product
24 that is intended for human consumption unless the commodity or product is tested by a laboratory
25 described in subsection (2) of this section to ensure that the commodity or product meets the re-
26 quirements adopted by the Oregon Health Authority under ORS 475B.555 (1)(a) and (b) and (2) for
27 testing marijuana items.

28 (4) For purposes of this section, the department shall adopt rules:

29 (a) Establishing protocols for the testing of [*industrial*] hemp commodities and products; and

30 (b) Establishing procedures for determining batch sizes and for sampling [*industrial*] hemp com-
31 modities and products.

32 (5) This section does not apply to:

33 (a) Agricultural hemp seed;

34 (b) Seeds of the plant genus *Cannabis* within the plant family Cannabaceae that are incapable
35 of germination;

36 (c) Products derived from seeds described in paragraph (b) of this subsection; or

37 (d) Other parts of [*industrial*] hemp that the department identifies by rule as exempt.

38 **SECTION 18.** ORS 571.336 is amended to read:

39 571.336. (1) As used in this section, “licensee,” “marijuana,” “marijuana item” and “marijuana
40 processor” have the meanings given those terms in ORS 475B.015.

41 (2) A grower [*registered*] **licensed** under ORS 571.281 may deliver [*industrial*] hemp, and a han-
42 dler [*registered*] **licensed** under ORS 571.281 may deliver [*industrial*] hemp concentrates and [*indus-*
43 *trial*] hemp extracts, to a marijuana processor that holds a license issued under ORS 475B.090, if:

44 (a) The grower or handler and the marijuana processor are registered **under this section** with
45 the Oregon Liquor Control Commission, in a form and manner prescribed by the commission, for the

1 purpose of processing [industrial] hemp, [industrial] hemp concentrates and [industrial] hemp ex-
2 tracts;

3 (b) The marijuana processor is provided with the results of any test conducted on the
4 [industrial] hemp, [industrial] hemp concentrate or [industrial] hemp extract pursuant to ORS 571.260
5 to 571.348 as a condition of the marijuana processor's receiving the [industrial] hemp, [industrial]
6 hemp concentrate or [industrial] hemp extract;

7 (c) The marijuana processor keeps the results of any test that the marijuana processor receives
8 pursuant to paragraph (b) of this subsection in a form and manner prescribed by the commission;

9 (d) The [industrial] hemp, [industrial] hemp concentrate or [industrial] hemp extract is tracked
10 using the system developed and maintained under ORS 475B.177 when the [industrial] hemp, [indus-
11 trial] hemp concentrate or [industrial] hemp extract is delivered to the premises of the marijuana
12 processor; and

13 (e) The grower or handler and the marijuana processor meet any other requirement established
14 by the commission by rule.

15 (3) [Industrial] Hemp, [industrial] hemp concentrates and [industrial] hemp extracts may be pro-
16 cessed by a marijuana processor registered under this section into any [industrial] hemp commodity
17 or product or used by a marijuana processor registered under this section to supplement the pro-
18 cessing of any marijuana item.

19 (4) [An industrial] A hemp concentrate, [industrial] hemp extract, [industrial] hemp commodity
20 or product or marijuana item processed pursuant to this section may be delivered by a marijuana
21 processor registered under this section to a licensee as described in ORS 475B.206, provided that the
22 [industrial] hemp concentrate, [industrial] hemp extract, [industrial] hemp commodity or product or
23 marijuana item meets any applicable requirement for marijuana items set forth in ORS 475B.010 to
24 475B.545, 475B.550 to 475B.590 and 475B.600 to 475B.655 and rules adopted under ORS 475B.010 to
25 475B.545, 475B.550 to 475B.590 and 475B.600 to 475B.655.

26 (5) The commission may impose an annual fee reasonably calculated to not exceed the cost of
27 administering this section on growers registered under this section, handlers registered under this
28 section and marijuana processors registered under this section. Fees collected under this section
29 shall be deposited in the Marijuana Control and Regulation Fund established under ORS 475B.296.
30 Moneys deposited in the fund pursuant to this subsection are continuously appropriated to the
31 commission for the purpose of administering this section.

32 **SECTION 19.** ORS 571.337 is amended to read:

33 571.337. (1) As used in this section:

34 (a) "Consumption" has the meaning given that term in ORS 571.330.

35 (b) "Processor" means a person licensed under ORS 475B.090.

36 (c) "Retailer" means a person licensed under ORS 475B.105.

37 (d) "Wholesaler" means a person licensed under ORS 475B.100.

38 (2) [Except as provided in ORS 571.341,] A processor, retailer or wholesaler may purchase, re-
39 ceive, transfer, sell or transport [industrial] hemp, or [an industrial] a hemp commodity or product
40 that contains cannabinoids and is intended for human consumption, only if:

41 (a) The processor, retailer or wholesaler received the hemp, commodity or product from a
42 grower or handler [registered] **licensed** under ORS 571.281 or a processor;

43 (b) The grower, handler or processor [under] **described in** paragraph (a) of this subsection is
44 registered by the Oregon Liquor Control Commission [as provided] under ORS 571.336; and

45 (c) The hemp, commodity or product meets the requirements for marijuana items under ORS

1 475B.010 to 475B.545, 475B.550 to 475B.590 and 475B.600 to 475B.655 and rules adopted by the
2 commission.

3 (3) A grower, handler or processor registered [*as described*] under ORS 571.336 [(2)(a)] shall enter
4 hemp, commodity or product that contains cannabinoids, is intended for human consumption and
5 is intended for transfer, sale or transport to a processor, retailer or wholesaler licensed under ORS
6 475B.010 to 475B.545 into the tracking system described in ORS 475B.177 before the hemp, commodity
7 or product is transferred to a laboratory described in ORS 571.330 (2) for testing of a type
8 described under ORS 475B.555. The commission shall continue to track the hemp, commodity or
9 product entered into the system under this subsection when the hemp, commodity or product is
10 transferred, sold or transported to a premises licensed under ORS 475B.010 to 475B.545, or to other
11 areas under the control of the premises licensee.

12 (4) The State Department of Agriculture shall adopt rules regarding the activities of growers
13 and handlers under this section.

14 (5) The commission shall adopt rules regarding the activities of processors, retailers, wholesalers
15 and laboratories under this section.

16 **SECTION 20.** ORS 571.345 is amended to read:

17 571.345. The State Department of Agriculture may by rule or order establish a process providing
18 for the remediation of a violation of ORS 571.330 [*or 571.333*] that is committed by a grower or
19 handler [*registered*] **licensed** under ORS 571.281 and is not committed intentionally.

20 **SECTION 21.** ORS 571.348 is amended to read:

21 571.348. (1) Subject to the provisions of ORS chapter 183, the State Department of Agriculture
22 may impose a civil penalty not to exceed \$2,500 on a person for violating:

23 (a) A provision of ORS 571.260 to 571.348;

24 (b) A rule adopted under a provision of ORS 571.260 to 571.348; or

25 (c) An order issued by the department pursuant to a provision of ORS 571.260 to 571.348 or a
26 rule adopted under a provision of ORS 571.260 to 571.348.

27 [(2) *The department may not discipline a person under this section on the basis that possessing,*
28 *delivering and manufacturing industrial hemp are prohibited by federal law.*]

29 [(3)] (2) All moneys collected by the department under this section shall be deposited in the
30 General Fund in the State Treasury to the credit of the [*Industrial*] Hemp Fund established under
31 ORS 571.278.

32 **SECTION 22.** ORS 571.266, 571.333, 571.339 and 571.341 are repealed.

33 **SECTION 23.** Section 3 of this 2020 Act, the amendments to ORS 571.260, 571.263, 571.269,
34 571.272, 571.275, 571.278, 571.281, 571.285, 571.288, 571.291, 571.294, 571.302, 571.327, 571.330,
35 571.336, 571.337, 571.345 and 571.348 by sections 4 to 21 of this 2020 Act and the repeal of ORS
36 571.266, 571.333, 571.339 and 571.341 by section 22 of this 2020 Act apply to hemp produced,
37 processed, delivered, transferred or sold on or after the operative date specified in section
38 25 of this 2020 Act.

39 **SECTION 24.** A grower or handler registered under ORS 571.281 before the operative date
40 specified in section 25 of this 2020 Act that meets the requirements for renewal of registra-
41 tion under ORS 571.281 as in effect before the operative date specified in section 25 of this
42 2020 Act shall be issued a license under ORS 571.281 to grow or handle hemp and, if applica-
43 ble, to produce agricultural hemp seed, on the date on which the grower or handler regis-
44 tration is due for renewal.

45 **SECTION 25.** (1) Sections 3 and 24 of this 2020 Act, the amendments to ORS 571.260,

1 **571.263, 571.269, 571.272, 571.275, 571.278, 571.281, 571.285, 571.288, 571.291, 571.294, 571.302,**
 2 **571.327, 571.330, 571.336, 571.337, 571.345 and 571.348 by sections 4 to 21 of this 2020 Act and**
 3 **the repeal of ORS 571.266, 571.333, 571.339 and 571.341 by section 22 of this 2020 Act become**
 4 **operative on the date on which the United States Department of Agriculture approves the**
 5 **Oregon Hemp Plan described in section 2 of this 2020 Act.**

6 **(2) The State Department of Agriculture shall notify the interim committees of the Leg-**
 7 **islative Assembly related to the judiciary and the Legislative Counsel upon receipt of the**
 8 **approval described in subsection (1) of this section.**

9
 10 **CANNABIS OFFENSES**

11
 12 **SECTION 26.** ORS 161.067 is amended to read:

13 161.067. (1)(a) When the same conduct or criminal episode violates two or more statutory pro-
 14 visions and each provision requires proof of an element that the others do not, there are as many
 15 separately punishable offenses as there are separate statutory violations.

16 **(b) Notwithstanding paragraph (a) of this subsection, when the same conduct or criminal**
 17 **episode violates the following statutory provisions, the two determinations of guilt merge**
 18 **into a single conviction and are not separately punishable:**

19 **(A) Unlawful delivery of a marijuana item under ORS 475B.346 based on conduct consti-**
 20 **tuting an attempted delivery; and**

21 **(B) Unlawful possession of a marijuana item under ORS 475B.337 or 475B.341.**

22 (2) When the same conduct or criminal episode, though violating only one statutory provision
 23 involves two or more victims, there are as many separately punishable offenses as there are victims.
 24 However, two or more persons owning joint interests in real or personal property shall be consid-
 25 ered a single victim for purposes of determining the number of separately punishable offenses if the
 26 property is the subject of one of the following crimes:

- 27 (a) Theft as defined in ORS 164.015.
- 28 (b) Unauthorized use of a vehicle as defined in ORS 164.135.
- 29 (c) Criminal possession of rented or leased personal property as defined in ORS 164.140.
- 30 (d) Criminal possession of a rented or leased motor vehicle as defined in ORS 164.138.
- 31 (e) Burglary as defined in ORS 164.215 or 164.225.
- 32 (f) Criminal trespass as defined in ORS 164.243, 164.245, 164.255, 164.265 or 164.278.
- 33 (g) Arson and related offenses as defined in ORS 164.315, 164.325 or 164.335.
- 34 (h) Forgery and related offenses as defined in ORS 165.002 to 165.070.

35 (3) When the same conduct or criminal episode violates only one statutory provision and in-
 36 volves only one victim, but nevertheless involves repeated violations of the same statutory provision
 37 against the same victim, there are as many separately punishable offenses as there are violations,
 38 except that each violation, to be separately punishable under this subsection, must be separated
 39 from other such violations by a sufficient pause in the defendant's criminal conduct to afford the
 40 defendant an opportunity to renounce the criminal intent. Each method of engaging in oral or anal
 41 sexual intercourse as defined in ORS 163.305, and each method of engaging in unlawful sexual pen-
 42 etration as defined in ORS 163.408 and 163.411 shall constitute separate violations of their respec-
 43 tive statutory provisions for purposes of determining the number of statutory violations.

44 **SECTION 27.** ORS 475B.227 is amended to read:

45 475B.227. (1) For purposes of this section,[:]

1 [(a)] “export” includes placing a marijuana item in any mode of transportation for hire, such as
 2 luggage, mail or parcel delivery, even if the transportation of the marijuana item is intercepted prior
 3 to the marijuana item leaving this state.

4 [(b)] “*Marijuana item*” includes industrial hemp products and commodities that contain more than
 5 0.3 percent tetrahydrocannabinol.]

6 (2) **Except as provided in subsection (3) of this section**, a person may not import marijuana
 7 items into this state or export marijuana items from this state.

8 (3) **This section does not apply to the import or export of hemp products or commodities**
 9 **to or from this state that complies with:**

10 (a) **ORS 571.260 to 571.348 and rules adopted under, or orders issued pursuant to, ORS**
 11 **571.260 to 571.348; or**

12 (b) **The Agriculture Improvement Act of 2018 (P.L. 115-334).**

13 [(3)] (4) Except as provided in subsection [(4)] (5) of this section, a violation of this section is
 14 a Class B violation.

15 [(4)] (5) A violation of this section is a:

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

17 (A) Is not for consideration and the person holds a license issued under ORS 475B.070, 475B.090,
 18 475B.100, [or] 475B.105 **or 571.281**; or

19 (B) Concerns an amount of marijuana items that exceeds the applicable maximum amount spec-
 20 ified in ORS 475B.337 (1)[(a) to (f)].

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

22 (A) Is for consideration and the person holds a license issued under ORS 475B.070, 475B.090,
 23 475B.100, [or] 475B.105 **or 571.281**; or

24 (B) Concerns an amount of marijuana items that exceeds 16 times the applicable maximum
 25 amount specified in ORS 475B.337 (1).[(a) to (f); or]

26 [(C)] *Concerns a cannabinoid extract that was not purchased from a marijuana retailer that holds*
 27 *a license issued under ORS 475B.105.]*

28 **SECTION 28.** ORS 475B.311 is amended to read:

29 475B.311. (1) A person other than a marijuana processor that holds a license issued under ORS
 30 475B.090 **or a handler licensed under ORS 571.281 to process hemp** may not process cannabinoid
 31 extracts into a cannabinoid product.

32 (2) A person may not produce, process or store homemade [*industrial*] hemp extracts.

33 (3) Violation of this section is a Class A misdemeanor.

34 **SECTION 29.** ORS 475B.354 is amended to read:

35 475B.354. (1) Except as provided in subsection (3) of this section, a felony under ORS 475B.337
 36 or 475B.341 shall be classified as crime category 1 of the sentencing guidelines grid of the Oregon
 37 Criminal Justice Commission.

38 (2) Except as provided in subsection (3) of this section, a felony under ORS 475B.346 or 475B.349
 39 shall be classified as crime category 4 of the sentencing guidelines grid of the Oregon Criminal
 40 Justice Commission.

41 (3) Subject to subsection (4) of this section, a felony under ORS 475B.337, 475B.341, 475B.346 or
 42 475B.349 shall be classified as crime category 8 of the sentencing guidelines grid of the Oregon
 43 Criminal Justice Commission if the violation is a commercial marijuana offense. A violation is a
 44 commercial marijuana offense for purposes of this subsection if the violation was committed in
 45 conjunction with at least three of the following factors:

1 (a) The offender [*delivered a marijuana item for consideration*] **was in possession of an amount**
 2 **of marijuana items that exceeds 16 times the applicable maximum amount specified in ORS**
 3 **475B.301;**

4 (b) The offender was in possession of [*\$300*] **\$1,000** or more in cash;

5 (c) The offender was unlawfully in possession of a firearm or other weapon as described in ORS
 6 166.270 (2), the offender used, attempted to use or threatened to use a deadly weapon or dangerous
 7 weapon, as those terms are defined in ORS 161.015, or the offender was in possession of a firearm
 8 or other deadly weapon or dangerous weapon for the purpose of using the deadly weapon or dan-
 9 gerous weapon;

10 (d) The offender was in possession of [*materials being used for the packaging of marijuana items,*
 11 *such as*] scales[, *wrapping or foil, other than a material used to contain the marijuana item that is the*
 12 *subject of the violation*];

13 (e) The offender was in possession of marijuana item transaction records or customer lists;

14 (f) The offender was in possession of stolen property;

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

18 (h) The offender modified structures by painting, wiring, plumbing or lighting the structures to
 19 facilitate the offense;

20 (i) The offender used public lands to manufacture the marijuana item; or

21 (j) The offender constructed fortifications or took security measures that had the potential to
 22 injure persons.

23 (4) To prove that a violation is a commercial marijuana offense for purposes of subsection (3)
 24 of this section, the state must plead in the accusatory instrument at least three of the factors de-
 25 scribed in subsection (3) of this section. The state has the burden of proving each factor beyond a
 26 reasonable doubt.

27 **SECTION 30. (1) The amendments to ORS 161.067, 475B.227, 475B.311 and 475B.354 by**
 28 **sections 26 to 29 of this 2020 Act become operative on the date on which the United States**
 29 **Department of Agriculture approves the Oregon Hemp Plan described in section 2 of this 2020**
 30 **Act.**

31 **(2) The State Department of Agriculture shall notify the interim committees of the Leg-**
 32 **islative Assembly related to the judiciary and the Legislative Counsel upon receipt of the**
 33 **approval described in subsection (1) of this section.**

34
 35 **CONFORMING AMENDMENTS**

36
 37 **SECTION 31.** ORS 475B.015 is amended to read:

38 475B.015. As used in ORS 475B.010 to 475B.545:

39 (1) “Cannabinoid” means any of the chemical compounds that are the active constituents derived
 40 from marijuana.

41 (2) “Cannabinoid concentrate” means a substance obtained by separating cannabinoids from
 42 marijuana by:

43 (a) A mechanical extraction process;

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

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

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

5 (3) “Cannabinoid edible” means food or potable liquid into which a cannabinoid concentrate,
6 cannabinoid extract or dried marijuana leaves or flowers have been incorporated.

7 (4) “Cannabinoid extract” means a substance obtained by separating cannabinoids from
8 marijuana by:

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

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

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

14 (5)(a) “Cannabinoid product” means a cannabinoid edible and any other product intended for
15 human consumption or use, including a product intended to be applied to the skin or hair, that
16 contains cannabinoids or dried marijuana leaves or flowers.

17 (b) “Cannabinoid product” does not include:

18 (A) Usable marijuana by itself;

19 (B) A cannabinoid concentrate by itself;

20 (C) A cannabinoid extract by itself; or

21 (D) [*Industrial*] Hemp, as defined in ORS 571.269.

22 (6) “Consumer” means a person who purchases, acquires, owns, holds or uses marijuana items
23 other than for the purpose of resale.

24 (7) “Deliver” means the actual, constructive or attempted transfer from one person to another
25 of a marijuana item, whether or not there is an agency relationship.

26 (8) “Designated primary caregiver” has the meaning given that term in ORS 475B.791.

27 (9)(a) “Financial consideration” means value that is given or received either directly or indi-
28 rectly through sales, barter, trade, fees, charges, dues, contributions or donations.

29 (b) “Financial consideration” does not include marijuana, cannabinoid products or cannabinoid
30 concentrates that are delivered within the scope of and in compliance with ORS 475B.301.

31 (10) “Homegrown” means grown by a person 21 years of age or older for noncommercial pur-
32 poses.

33 (11) “Household” means a housing unit and any place in or around a housing unit at which the
34 occupants of the housing unit are producing, processing, possessing or storing homegrown
35 marijuana, cannabinoid products, cannabinoid concentrates or cannabinoid extracts.

36 (12) “Housing unit” means a house, an apartment or a mobile home, or a group of rooms or a
37 single room that is occupied as separate living quarters, in which the occupants live and eat sepa-
38 rately from any other persons in the building and that has direct access from the outside of the
39 building or through a common hall.

40 (13) “Immature marijuana plant” means a marijuana plant that is not flowering.

41 (14) “Licensee” means a person that holds a license issued under ORS 475B.070, 475B.090,
42 475B.100 or 475B.105.

43 (15) “Licensee representative” means an owner, director, officer, manager, employee, agent or
44 other representative of a licensee, to the extent that the person acts in a representative capacity.

45 (16)(a) “Manufacture” means producing, propagating, preparing, compounding, converting or

1 processing a marijuana item, either directly or indirectly, by extracting from substances of natural
2 origin.

3 (b) "Manufacture" includes any packaging or repackaging of a marijuana item or the labeling
4 or relabeling of a container containing a marijuana item.

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

7 (b) "Marijuana" does not include:

8 (A) [*Industrial*] Hemp, as defined in ORS 571.269; or

9 (B) Prescription drugs, as that term is defined in ORS 689.005, including those containing one
10 or more cannabinoids, that are approved by the United States Food and Drug Administration and
11 dispensed by a pharmacy, as defined in ORS 689.005.

12 (18) "Marijuana flowers" means the flowers of the plant genus Cannabis within the plant family
13 Cannabaceae.

14 (19) "Marijuana items" means marijuana, cannabinoid products, cannabinoid concentrates and
15 cannabinoid extracts.

16 (20) "Marijuana leaves" means the leaves of the plant genus Cannabis within the plant family
17 Cannabaceae.

18 (21) "Marijuana processor" means a person that processes marijuana items in this state.

19 (22) "Marijuana producer" means a person that produces marijuana in this state.

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

21 (24)(a) "Marijuana seeds" means the seeds of the plant Cannabis family Cannabaceae.

22 (b) "Marijuana seeds" does not include the seeds of [*industrial*] hemp, as defined in ORS 571.269.

23 (25) "Marijuana wholesaler" means a person that purchases marijuana items in this state for
24 resale to a person other than a consumer.

25 (26) "Mature marijuana plant" means a marijuana plant that is not an immature marijuana
26 plant.

27 (27) "Medical grade cannabinoid product, cannabinoid concentrate or cannabinoid extract"
28 means a cannabinoid product, cannabinoid concentrate or cannabinoid extract that has a concen-
29 tration of tetrahydrocannabinol that is permitted under ORS 475B.625 in a single serving of the
30 cannabinoid product, cannabinoid concentrate or cannabinoid extract for consumers who hold a
31 valid registry identification card issued under ORS 475B.797.

32 (28) "Medical purpose" means a purpose related to using usable marijuana, cannabinoid pro-
33 ducts, cannabinoid concentrates or cannabinoid extracts to mitigate the symptoms or effects of a
34 debilitating medical condition, as defined in ORS 475B.791.

35 (29) "Noncommercial" means not dependent or conditioned upon the provision or receipt of fi-
36 nancial consideration.

37 (30)(a) "Premises" includes the following areas of a location licensed under ORS 475B.010 to
38 475B.545:

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

41 (B) All areas outside a building that the commission has specifically licensed for the processing,
42 wholesale sale or retail sale of marijuana items; and

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

45 (b) "Premises" does not include a primary residence.

1 (31)(a) “Processes” means the processing, compounding or conversion of marijuana into
 2 cannabinoid products, cannabinoid concentrates or cannabinoid extracts.

3 (b) “Processes” does not include packaging or labeling.

4 (32)(a) “Produces” means the manufacture, planting, cultivation, growing or harvesting of
 5 marijuana.

6 (b) “Produces” does not include:

7 (A) The drying of marijuana by a marijuana processor, if the marijuana processor is not other-
 8 wise producing marijuana; or

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

12 (33) “Propagate” means to grow immature marijuana plants or to breed or produce marijuana
 13 seeds.

14 (34) “Public place” means a place to which the general public has access and includes, but is
 15 not limited to, hallways, lobbies and other parts of apartment houses and hotels not constituting
 16 rooms or apartments designed for actual residence, and highways, streets, schools, places of
 17 amusement, parks, playgrounds and areas used in connection with public passenger transportation.

18 (35) “Registry identification cardholder” has the meaning given that term in ORS 475B.791.

19 (36)(a) “Usable marijuana” means the dried leaves and flowers of marijuana.

20 (b) “Usable marijuana” does not include:

21 (A) Marijuana seeds;

22 (B) The stalks and roots of marijuana; or

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

24 **SECTION 32.** ORS 475B.253 is amended to read:

25 475B.253. (1) As used in this section, “[*industrial*] hemp” has the meaning given that term in
 26 ORS 571.269.

27 (2) [*An industrial*] A hemp product or commodity offered for sale by a marijuana retailer that
 28 holds a license issued under ORS 475B.105 must carry a label that clearly identifies whether the
 29 product or commodity is derived from hemp or marijuana.

30 (3) The Oregon Liquor Control Commission may inspect the premises of a marijuana retailer
 31 that holds a license issued under ORS 475B.105 to ensure compliance with this section.

32 **SECTION 33.** ORS 475B.254 is amended to read:

33 475B.254. (1) As used in this section:

34 (a) “Consumer” means a person who purchases, acquires, owns, holds or uses marijuana items
 35 other than for the purpose of resale.

36 (b) “Marijuana item” includes [*industrial*] hemp products and commodities that contain more
 37 than 0.3 percent tetrahydrocannabinol.

38 (2) A person other than a marijuana retailer that holds a license issued under ORS 475B.105
 39 may not sell marijuana items to a consumer.

40 **SECTION 34.** ORS 475B.550 is amended to read:

41 475B.550. As used in ORS 475B.550 to 475B.590:

42 (1) “Cannabinoid” means any of the chemical compounds that are the active constituents of
 43 marijuana.

44 (2) “Cannabinoid concentrate or extract” means a substance obtained by separating
 45 cannabinoids from marijuana by a mechanical, chemical or other process.

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

3 (4)(a) “Cannabinoid product” means a cannabinoid edible or any other product intended for hu-
 4 man consumption or use, including a product intended to be applied to a person’s skin or hair, that
 5 contains cannabinoids or the dried leaves or flowers of marijuana.

6 (b) “Cannabinoid product” does not include:

- 7 (A) Usable marijuana by itself;
- 8 (B) A cannabinoid concentrate or extract by itself; or
- 9 (C) [*Industrial*] Hemp, as defined in ORS 571.269.

10 (5)(a) “Marijuana” means the plant Cannabis family Cannabaceae, any part of the plant
 11 Cannabis family Cannabaceae and the seeds of the plant Cannabis family Cannabaceae.

12 (b) “Marijuana” does not include:

- 13 (A) [*Industrial*] Hemp, as defined in ORS 571.269; or
- 14 (B) Prescription drugs, as that term is defined in ORS 689.005, including those containing one
 15 or more cannabinoids, that are approved by the United States Food and Drug Administration and
 16 dispensed by a pharmacy, as defined in ORS 689.005.

17 (6) “Marijuana item” means marijuana, usable marijuana, a cannabinoid product or a
 18 cannabinoid concentrate or extract.

19 (7) “Processing” means the compounding or conversion of marijuana into cannabinoid products
 20 or cannabinoid concentrates or extracts.

21 (8) “Producing” means:

- 22 (a) Planting, cultivating, growing, trimming or harvesting marijuana; or
- 23 (b) Drying marijuana leaves and flowers.

24 (9)(a) “Usable marijuana” means the dried leaves and flowers of marijuana.

25 (b) “Usable marijuana” does not include:

- 26 (A) The seeds, stalks and roots of marijuana; or
- 27 (B) Waste material that is a by-product of producing or processing marijuana.

28 **SECTION 35.** ORS 475B.600 is amended to read:

29 475B.600. As used in ORS 475B.600 to 475B.655:

30 (1) “Cannabinoid” means any of the chemical compounds that are the active constituents of
 31 marijuana.

32 (2) “Cannabinoid concentrate or extract” means a substance obtained by separating
 33 cannabinoids from marijuana by a mechanical, chemical or other process.

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

36 (4)(a) “Cannabinoid product” means a cannabinoid edible or any other product intended for hu-
 37 man consumption or use, including a product intended to be applied to a person’s skin or hair, that
 38 contains cannabinoids or the dried leaves or flowers of marijuana.

39 (b) “Cannabinoid product” does not include:

- 40 (A) Usable marijuana by itself;
- 41 (B) A cannabinoid concentrate or extract by itself; or
- 42 (C) [*Industrial*] Hemp, as defined in ORS 571.269.

43 (5)(a) “Marijuana” means the plant Cannabis family Cannabaceae, any part of the plant
 44 Cannabis family Cannabaceae and the seeds of the plant Cannabis family Cannabaceae.

45 (b) “Marijuana” does not include:

1 (A) [*Industrial*] Hemp, as defined in ORS 571.269; or

2 (B) Prescription drugs, as that term is defined in ORS 689.005, including those containing one
3 or more cannabinoids, that are approved by the United States Food and Drug Administration and
4 dispensed by a pharmacy, as defined in ORS 689.005.

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

7 (7) "Processing" means the compounding or conversion of marijuana into cannabinoid products
8 or cannabinoid concentrates or extracts.

9 (8) "Producing" means:

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

11 (b) Drying marijuana leaves and flowers.

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

13 (b) "Usable marijuana" does not include:

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

15 (B) Waste material that is a by-product of producing or processing marijuana.

16 **SECTION 36.** ORS 475B.791 is amended to read:

17 475B.791. As used in ORS 475B.785 to 475B.949:

18 (1) "Attending physician" means a physician licensed under ORS chapter 677 who has primary
19 responsibility for the care and treatment of a person diagnosed with a debilitating medical condition.

20 (2) "Cannabinoid" means any of the chemical compounds that are the active constituents of
21 marijuana.

22 (3) "Cannabinoid concentrate" means a substance obtained by separating cannabinoids from
23 marijuana by:

24 (a) A mechanical extraction process;

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

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

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

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

33 (5) "Cannabinoid extract" means a substance obtained by separating cannabinoids from
34 marijuana by:

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

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

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

41 (6) "Debilitating medical condition" means:

42 (a) Cancer, glaucoma, a degenerative or pervasive neurological condition, positive status for
43 human immunodeficiency virus or acquired immune deficiency syndrome, or a side effect related to
44 the treatment of those medical conditions;

45 (b) A medical condition or treatment for a medical condition that produces, for a specific pa-

1 tient, one or more of the following:

- 2 (A) Cachexia;
- 3 (B) Severe pain;
- 4 (C) Severe nausea;
- 5 (D) Seizures, including seizures caused by epilepsy; or
- 6 (E) Persistent muscle spasms, including spasms caused by multiple sclerosis;
- 7 (c) Post-traumatic stress disorder; or

8 (d) Any other medical condition or side effect related to the treatment of a medical condition
 9 adopted by the Oregon Health Authority by rule or approved by the authority pursuant to a petition
 10 filed under ORS 475B.946.

11 (7)(a) “Delivery” has the meaning given that term in ORS 475.005.

12 (b) “Delivery” does not include transfer of marijuana by a registry identification cardholder to
 13 another registry identification cardholder if no consideration is paid for the transfer.

14 (8)(a) “Designated primary caregiver” means an individual:

- 15 (A) Who is 18 years of age or older;
- 16 (B) Who has significant responsibility for managing the well-being of a person who has been
 17 diagnosed with a debilitating medical condition; and
- 18 (C) Who is designated as the person responsible for managing the well-being of a person who
 19 has been diagnosed with a debilitating medical condition on that person’s application for a registry
 20 identification card or in other written notification submitted to the authority.

21 (b) “Designated primary caregiver” does not include a person’s attending physician.

22 (9) “High heat” means a temperature exceeding 180 degrees.

23 (10) “Immature marijuana plant” means a marijuana plant that is not flowering.

24 (11)(a) “Marijuana” means the plant Cannabis family Cannabaceae, any part of the plant
 25 Cannabis family Cannabaceae and the seeds of the plant Cannabis family Cannabaceae.

26 (b) “Marijuana” does not include:

- 27 (A) [Industrial] Hemp, as defined in ORS 571.269; or
- 28 (B) Prescription drugs, as that term is defined in ORS 689.005, including those containing one
 29 or more cannabinoids, that are approved by the United States Food and Drug Administration and
 30 dispensed by a pharmacy, as defined in ORS 689.005.

31 (12) “Marijuana grow site” means a location registered under ORS 475B.810 where marijuana
 32 is produced for use by a registry identification cardholder.

33 (13) “Marijuana processing site” means a marijuana processing site registered under ORS
 34 475B.840 or a site for which an applicant has submitted an application for registration under ORS
 35 475B.840.

36 (14) “Mature marijuana plant” means a marijuana plant that is not an immature marijuana
 37 plant.

38 (15)(a) “Medical cannabinoid product” means a cannabinoid edible and any other product in-
 39 tended for human consumption or use, including a product intended to be applied to a person’s skin
 40 or hair, that contains cannabinoids or dried leaves or flowers of marijuana.

41 (b) “Medical cannabinoid product” does not include:

- 42 (A) Usable marijuana by itself;
- 43 (B) A cannabinoid concentrate by itself;
- 44 (C) A cannabinoid extract by itself; or
- 45 (D) [Industrial] Hemp, as defined in ORS 571.269.

1 (16) “Medical marijuana dispensary” means a medical marijuana dispensary registered under
 2 ORS 475B.858 or a site for which an applicant has submitted an application for registration under
 3 ORS 475B.858.

4 (17) “Medical use of marijuana” means the production, processing, possession, delivery or ad-
 5 ministration of marijuana, or use of paraphernalia used to administer marijuana, to mitigate the
 6 symptoms or effects of a debilitating medical condition.

7 (18) “Person designated to produce marijuana by a registry identification cardholder” means a
 8 person designated to produce marijuana by a registry identification cardholder under ORS 475B.810
 9 who produces marijuana for a registry identification cardholder at an address other than the address
 10 where the registry identification cardholder resides or at an address where more than 12 mature
 11 marijuana plants are produced.

12 (19) “Process” means the compounding or conversion of marijuana into medical cannabinoid
 13 products, cannabinoid concentrates or cannabinoid extracts.

14 (20) “Production” means:

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

16 (b) Drying marijuana leaves or flowers.

17 (21) “Registry identification card” means a document issued by the Oregon Health Authority
 18 under ORS 475B.797 that identifies a person authorized to engage in the medical use of marijuana
 19 and, if the person has a designated primary caregiver under ORS 475B.804, the person’s designated
 20 primary caregiver.

21 (22) “Registry identification cardholder” means a person to whom a registry identification card
 22 has been issued under ORS 475B.797.

23 (23)(a) “Usable marijuana” means the dried leaves and flowers of marijuana.

24 (b) “Usable marijuana” does not include:

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

26 (B) Waste material that is a by-product of producing marijuana.

27 (24) “Written documentation” means a statement signed by the attending physician of a person
 28 diagnosed with a debilitating medical condition or copies of the person’s relevant medical records.

29 **SECTION 37.** ORS 561.144 is amended to read:

30 561.144. (1) The State Treasurer shall establish a Department of Agriculture Service Fund, which
 31 shall be a trust fund separate and distinct from the General Fund. The State Department of Agri-
 32 culture shall deposit all license and service fees paid to it under the provisions of the statutes
 33 identified in subsection (3) of this section in the Department of Agriculture Service Fund. The State
 34 Treasurer is the custodian of this trust fund, which shall be deposited by the treasurer in such de-
 35 positories as are authorized to receive deposits of the General Fund, and which may be invested by
 36 the treasurer in the same manner as authorized by ORS 293.701 to 293.857.

37 (2) Interest received on deposits credited to the Department of Agriculture Service Fund shall
 38 accrue to and become a part of the Department of Agriculture Service Fund.

39 (3) The license and service fees subject to this section are those described in ORS 561.400,
 40 561.740, 570.710, 571.057, 571.063, 571.145, [571.281,] 586.270, 596.030, 596.100, 596.311, 599.235,
 41 599.269, 599.406, 599.610, 601.040, 602.090, 603.025, 603.075, 616.706, 618.115, 618.136, 619.031, 621.072,
 42 621.166, 621.266, 621.297, 621.335, 621.730, 622.080, 625.180, 628.240, 632.211, 632.600, 632.720, 632.730,
 43 632.741, 632.940, 632.945, 633.015, 633.029, 633.318, 633.362, 633.462, 633.465, 633.680, 633.700, 633.720,
 44 634.016, 634.116, 634.122, 634.126, 634.132, 634.136, 634.212 and 635.030.

45 **SECTION 38.** (1) The amendments to ORS 475B.015, 475B.253, 475B.254, 475B.550, 475B.600

1 and 475B.791 by sections 31 to 36 of this 2020 Act become operative on the date on which the
 2 United States Department of Agriculture approves the Oregon Hemp Plan described in sec-
 3 tion 2 of this 2020 Act.

4 (2) The State Department of Agriculture shall notify the interim committees of the Leg-
 5 islative Assembly related to the judiciary and the Legislative Counsel upon receipt of the
 6 approval described in subsection (1) of this section.

7
 8 **OREGON CANNABIS COMMISSION**

9
 10 **SECTION 39.** (1) The Oregon Cannabis Commission shall determine:

11 (a) A possible framework for the future governance of the Oregon Medical Marijuana
 12 Program, including:

13 (A) Proper oversight and regulation of each of the following:

14 (i) Registry identification cardholders and designated primary caregivers, as those terms
 15 are defined in ORS 475B.791;

16 (ii) Attending physicians, as defined in ORS 475B.791;

17 (iii) Marijuana grow sites, as defined in ORS 475B.791;

18 (iv) Marijuana processing sites, as defined in ORS 475B.791; and

19 (v) Medical marijuana dispensaries, as defined in ORS 475B.791;

20 (B) Necessary amendments to the laws of the state pertaining to cannabis, including any
 21 necessary amendments to ORS 475B.010 to 475B.545 and 475B.785 to 475B.949; and

22 (C) The future role of the commission with respect to the possible framework.

23 (b) Steps that the state must take, whether administrative or legislative in nature, to
 24 ensure that research on cannabis and cannabis-derived products is being conducted for public
 25 purposes, including the advancement of:

26 (A) Public health policy and public safety policy;

27 (B) Agronomic and horticultural best practices; and

28 (C) Medical and pharmacopoeia best practices.

29 (2) In determining the possible framework for the future governance of the Oregon
 30 Medical Marijuana Program under subsection (1)(a) of this section, the commission shall
 31 consider:

32 (a) Potential factors that could prevent access to cannabis for medical use;

33 (b) Potential laws and rules that will facilitate access to cannabis for medical use; and

34 (c) The impact of federal laws, regulations and policies on the possible framework.

35 (3) On or before January 2 of each odd-numbered year, the commission shall submit a
 36 report in the manner prescribed by ORS 192.245 to the interim committees of the Legislative
 37 Assembly related to health and judiciary on the findings and determinations made by the
 38 commission under subsection (1) of this section. As part of the report, the commission may
 39 make recommendations for legislation.

40 (4) For purposes of making recommendations for legislation under subsection (3) of this
 41 section, after July 31 of each even-numbered year and on or before January 2 of each odd-
 42 numbered year, the commission may request an interim committee of the Legislative As-
 43 sembly related to health or judiciary to direct the Legislative Counsel to prepare legislative
 44 concepts for the commission's consideration.

45 **SECTION 40.** ORS 475B.961 is amended to read:

1 475B.961. In addition to any other duty prescribed by law, the Oregon Cannabis Commission
2 shall:

3 (1) [Provide advice to] **Collaborate with** the Oregon Health Authority [with respect to] **in** the
4 administration of ORS 475B.785 to 475B.949;

5 (2) [Provide advice to] **Collaborate with** the Oregon Liquor Control Commission [with respect
6 to] **in** the administration of ORS 475B.010 to 475B.545, insofar as those statutes pertain to registry
7 identification cardholders and designated primary caregivers, as those terms are defined in ORS
8 475B.791;

9 (3) Develop a long-term strategic plan for ensuring that cannabis will remain a therapeutic op-
10 tion for persons with debilitating medical conditions as defined in ORS 475B.791;

11 (4) Develop a long-term strategic plan for ensuring that cannabis will remain affordable for
12 persons with debilitating medical conditions as defined in ORS 475B.791; and

13 (5) Monitor and study federal laws, regulations and policies regarding marijuana.

14 **SECTION 41. (1) Section 39 of this 2020 Act and the amendments to ORS 475B.961 by**
15 **section 40 of this 2020 Act become operative on January 1, 2021.**

16 **(2) The Oregon Cannabis Commission may take any action before the operative date**
17 **specified in subsection (1) of this section that is necessary to enable the commission to ex-**
18 **ercise, on and after the operative date specified in subsection (1) of this section, all of the**
19 **duties, functions and powers conferred on the commission by section 39 of this 2020 Act and**
20 **the amendments to ORS 475B.961 by section 40 of this 2020 Act.**

21
22 **OREGON MEDICAL MARIJUANA PROGRAM**

23
24 **SECTION 42.** ORS 475B.791 is amended to read:

25 475B.791. As used in ORS 475B.785 to 475B.949:

26 (1) “Attending [*physician*] **provider**” means [*a physician licensed under ORS chapter 677*] **one**
27 **of the following health care providers** who has primary responsibility for the care and treatment
28 of a person diagnosed with a debilitating medical condition[.]:

29 **(a) A physician licensed under ORS chapter 677;**

30 **(b) A physician assistant licensed under ORS 677.505 to 677.525;**

31 **(c) A nurse practitioner licensed under ORS 678.375 to 678.390; or**

32 **(d) A naturopathic physician licensed under ORS chapter 685.**

33 (2) “Cannabinoid” means any of the chemical compounds that are the active constituents of
34 marijuana.

35 (3) “Cannabinoid concentrate” means a substance obtained by separating cannabinoids from
36 marijuana by:

37 (a) A mechanical extraction process;

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

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

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

44 (4) “Cannabinoid edible” means food or potable liquid into which a cannabinoid concentrate,
45 cannabinoid extract or dried leaves or flowers of marijuana have been incorporated.

1 (5) “Cannabinoid extract” means a substance obtained by separating cannabinoids from
2 marijuana by:

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

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

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

9 (6) “Debilitating medical condition” means:

10 (a) Cancer, glaucoma, a degenerative or pervasive neurological condition, positive status for
11 human immunodeficiency virus or acquired immune deficiency syndrome, or a side effect related to
12 the treatment of those medical conditions;

13 (b) A medical condition or treatment for a medical condition that produces, for a specific pa-
14 tient, one or more of the following:

15 (A) Cachexia;

16 (B) Severe pain;

17 (C) Severe nausea;

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

19 (E) Persistent muscle spasms, including spasms caused by multiple sclerosis;

20 (c) Post-traumatic stress disorder; or

21 (d) Any other medical condition or side effect related to the treatment of a medical condition
22 adopted by the Oregon Health Authority by rule or approved by the authority pursuant to a petition
23 filed under ORS 475B.946.

24 (7)(a) “Delivery” has the meaning given that term in ORS 475.005.

25 (b) “Delivery” does not include transfer of marijuana by a registry identification cardholder to
26 another registry identification cardholder if no consideration is paid for the transfer.

27 (8)(a) “Designated primary caregiver” means an individual:

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

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

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

34 (b) “Designated primary caregiver” does not include a person’s attending [*physician*] **provider**.

35 (9) “High heat” means a temperature exceeding 180 degrees.

36 (10) “Immature marijuana plant” means a marijuana plant that is not flowering.

37 (11)(a) “Marijuana” means the plant Cannabis family Cannabaceae, any part of the plant
38 Cannabis family Cannabaceae and the seeds of the plant Cannabis family Cannabaceae.

39 (b) “Marijuana” does not include:

40 (A) Industrial hemp, as defined in ORS 571.269; or

41 (B) Prescription drugs, as that term is defined in ORS 689.005, including those containing one
42 or more cannabinoids, that are approved by the United States Food and Drug Administration and
43 dispensed by a pharmacy, as defined in ORS 689.005.

44 (12) “Marijuana grow site” means a location registered under ORS 475B.810 where marijuana
45 is produced for use by a registry identification cardholder.

1 (13) “Marijuana processing site” means a marijuana processing site registered under ORS
2 475B.840 or a site for which an applicant has submitted an application for registration under ORS
3 475B.840.

4 (14) “Mature marijuana plant” means a marijuana plant that is not an immature marijuana
5 plant.

6 (15)(a) “Medical cannabinoid product” means a cannabinoid edible and any other product in-
7 tended for human consumption or use, including a product intended to be applied to a person’s skin
8 or hair, that contains cannabinoids or dried leaves or flowers of marijuana.

9 (b) “Medical cannabinoid product” does not include:

- 10 (A) Usable marijuana by itself;
- 11 (B) A cannabinoid concentrate by itself;
- 12 (C) A cannabinoid extract by itself; or
- 13 (D) Industrial hemp, as defined in ORS 571.269.

14 (16) “Medical marijuana dispensary” means a medical marijuana dispensary registered under
15 ORS 475B.858 or a site for which an applicant has submitted an application for registration under
16 ORS 475B.858.

17 (17) “Medical use of marijuana” means the production, processing, possession, delivery or ad-
18 ministration of marijuana, or use of paraphernalia used to administer marijuana, to mitigate the
19 symptoms or effects of a debilitating medical condition.

20 (18) “Person designated to produce marijuana by a registry identification cardholder” means a
21 person designated to produce marijuana by a registry identification cardholder under ORS 475B.810
22 who produces marijuana for a registry identification cardholder at an address other than the address
23 where the registry identification cardholder resides or at an address where more than 12 mature
24 marijuana plants are produced.

25 (19) “Process” means the compounding or conversion of marijuana into medical cannabinoid
26 products, cannabinoid concentrates or cannabinoid extracts.

27 (20) “Production” means:

- 28 (a) Planting, cultivating, growing, trimming or harvesting marijuana; or
- 29 (b) Drying marijuana leaves or flowers.

30 (21) “Registry identification card” means a document issued by the Oregon Health Authority
31 under ORS 475B.797 that identifies a person authorized to engage in the medical use of marijuana
32 and, if the person has a designated primary caregiver under ORS 475B.804, the person’s designated
33 primary caregiver.

34 (22) “Registry identification cardholder” means a person to whom a registry identification card
35 has been issued under ORS 475B.797.

36 (23)(a) “Usable marijuana” means the dried leaves and flowers of marijuana.

37 (b) “Usable marijuana” does not include:

- 38 (A) The seeds, stalks and roots of marijuana; or
- 39 (B) Waste material that is a by-product of producing marijuana.

40 (24) “Written documentation” means a statement signed by the attending [*physician*] **provider**
41 of a person diagnosed with a debilitating medical condition or copies of the person’s relevant med-
42 ical records.

43 **SECTION 43.** ORS 475B.797 is amended to read:

44 475B.797. (1) The Oregon Health Authority shall establish a program for the issuance of registry
45 identification cards to applicants who meet the requirements of this section.

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

4 (a) Written documentation from the applicant's attending [*physician*] **provider** stating that the
5 attending [*physician*] **provider** has diagnosed the applicant as having a debilitating medical condi-
6 tion and that the medical use of marijuana may mitigate the symptoms or effects of the applicant's
7 debilitating medical condition;

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

9 (c) The name, address and telephone number of the applicant's attending [*physician*] **provider**;

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

11 (e) The name and address of the applicant's designated primary caregiver, if the applicant is
12 designating a primary caregiver under ORS 475B.804; and

13 (f) The information described in ORS 475B.810 (2), if the applicant is applying to produce
14 marijuana or designate another person under ORS 475B.810 to produce marijuana.

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

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

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

21 (i) The applicant's attending [*physician*] **provider** has explained to the applicant and to the
22 custodial parent or legal guardian the possible risks and benefits of the medical use of marijuana;

23 (ii) The custodial parent or legal guardian consents to the medical use of marijuana by the ap-
24 plicant;

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

27 (iv) The custodial parent or legal guardian agrees to control the acquisition, dosage and fre-
28 quency of the medical use of marijuana by the applicant.

29 (b) An applicant who is under 18 years of age may not apply to produce marijuana under sub-
30 section (2)(f) of this section.

31 (4) The authority shall:

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

35 (b) Approve or deny an application received under subsection (2) or (3) of this section within
36 30 days after receiving the application.

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

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

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

42 (C) If the registry identification cardholder designated a primary caregiver under ORS 475B.804,
43 the name and address of the registry identification cardholder's designated primary caregiver; and

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

45 (b) If the registry identification cardholder designated a primary caregiver under ORS 475B.804,

1 the authority shall issue an identification card to the designated primary caregiver. The identifica-
2 tion card must contain the information required by paragraph (a) of this subsection.

3 (6) A registry identification cardholder shall:

4 (a) In a form and manner prescribed by the authority, notify the authority of any change con-
5 cerning the registry identification cardholder's:

6 (A) Name, address or attending [*physician*] **provider**;

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

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

12 (b) Annually renew the registry identification card by paying a fee in an amount established by
13 the authority by rule and submitting to the authority an application that contains the following in-
14 formation:

15 (A) Updated written documentation from the registry identification cardholder's attending [*phy-*
16 *sician*] **provider** stating that the registry identification cardholder still has a debilitating medical
17 condition and that the medical use of marijuana may mitigate the symptoms or effects of the registry
18 identification cardholder's debilitating medical condition;

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

20 (C) If the registry identification cardholder is under 18 years of age, a statement signed by the
21 custodial parent or legal guardian of the registry identification cardholder that meets the require-
22 ments of subsection (3) of this section.

23 (7) The authority shall:

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

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

29 (8)(a) If the registry identification cardholder's attending [*physician*] **provider** determines that
30 the registry identification cardholder no longer has a debilitating medical condition, or determines
31 that the medical use of marijuana is contraindicated for the registry identification cardholder's de-
32 bilitating medical condition, the registry identification cardholder shall return the registry identifi-
33 cation card to the authority within 30 calendar days after receiving notice of the determination.

34 (b) If, because of circumstances beyond the control of the registry identification cardholder, a
35 registry identification cardholder is unable to obtain a second medical opinion about the registry
36 identification cardholder's continuing eligibility for the medical use of marijuana before having to
37 return the registry identification card to the authority, the authority may grant the registry iden-
38 tification cardholder additional time to obtain a second medical opinion.

39 (9)(a) The authority may deny an application for a registry identification card or an application
40 to renew a registry identification card, or may suspend or revoke a registry identification card, if:

41 (A) The applicant or registry identification cardholder does not provide the information required
42 by this section;

43 (B) The authority determines that the applicant or registry identification cardholder provided
44 false information; or

45 (C) The authority determines that the applicant or registry identification cardholder violated a

1 provision of ORS 475B.785 to 475B.949 or a rule adopted under ORS 475B.785 to 475B.949.

2 (b) If a registry identification card is revoked, any associated identification card issued under
3 subsection (5)(b) of this section, or marijuana grow site registration card issued under ORS 475B.810
4 (6), shall also be revoked.

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

8 (10)(a) The authority may deny a designation of a primary caregiver made under ORS 475B.804,
9 or suspend or revoke an associated identification card issued under subsection (5)(b) of this section,
10 if the authority determines that the designee or the registry identification cardholder violated a
11 provision of ORS 475B.785 to 475B.949 or a rule adopted under ORS 475B.785 to 475B.949.

12 (b) A person whose designation has been denied, or whose identification card has been revoked,
13 under this subsection may not be designated as a primary caregiver under ORS 475B.804 for six
14 months from the date of the denial or revocation unless otherwise authorized by the authority.

15 (11)(a) Notwithstanding subsection (2) or (6)(b) of this section, if an applicant for a registry
16 identification card, or a registry identification cardholder applying for renewal of a registry iden-
17 tification card, submits to the authority proof of having served in the Armed Forces of the United
18 States, the authority may not impose a fee that is greater than \$20 for the issuance or renewal of
19 the registry identification card.

20 (b) Notwithstanding subsection (6)(b)(A) of this section, the requirement that a registry identifi-
21 cation cardholder include in the application to renew a registry identification card updated written
22 documentation from the cardholder's attending [*physician*] **provider** regarding the cardholder's con-
23 tinuing debilitating medical condition does not apply to a service-disabled veteran who:

24 (A) Has been assigned a total and permanent disability rating for compensation that rates the
25 veteran as unable to secure or follow a substantially gainful occupation as a result of service-
26 connected disabilities as described in 38 C.F.R. 4.16; or

27 (B) Has a United States Department of Veterans Affairs total disability rating of 100 percent
28 as a result of an injury or illness that the veteran incurred, or that was aggravated, during active
29 military service and who received a discharge or release under other than dishonorable conditions.

30 (12) For any purpose described in ORS 475B.785 to 475B.949, including exemption from criminal
31 liability under ORS 475B.907, a receipt issued by the authority verifying that an application has
32 been submitted to the authority under subsection (2), (3) or (6)(b) of this section has the same legal
33 effect as a registry identification card for 30 days following the date on which the receipt was issued
34 to the applicant.

35 **SECTION 44.** ORS 475B.913 is amended to read:

36 475B.913. (1) Except as provided in ORS 475B.910, a person has an affirmative defense to a
37 criminal charge of possession, delivery or manufacture of marijuana, or any other criminal offense
38 in which possession, delivery or manufacture of marijuana is an element, if the person charged with
39 the offense:

40 (a) Was diagnosed with a debilitating medical condition within 12 months of the date on which
41 the person was arrested and was advised by the person's attending [*physician*] **provider** that the
42 medical use of marijuana may mitigate the symptoms or effects of that debilitating medical condi-
43 tion;

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

45 (c) Possesses, delivers or manufactures marijuana only in quantities permitted under ORS

1 475B.831.

2 (2) A person does not need to lawfully possess a registry identification card to assert the affir-
3 mative defense established in this section.

4 (3) A person engaged in the medical use of marijuana who claims that marijuana provides med-
5 ically necessary benefits and who is charged with a crime pertaining to the use of marijuana is not
6 precluded from presenting a defense of choice of evils, as set forth in ORS 161.200, or from pre-
7 senting evidence supporting the necessity of marijuana for treatment of a specific disease or medical
8 condition, provided that:

9 (a) The person possesses, delivers or manufactures marijuana only as permitted under ORS
10 475B.831 (1); and

11 (b) The person has taken a substantial step toward complying with the provisions of ORS
12 475B.785 to 475B.949.

13 (4) A defendant proposing to use the affirmative defense established in this section in a criminal
14 action shall, not less than five days before the trial of the cause, file and serve upon the district
15 attorney a written notice of the intention to assert the affirmative defense. The notice must specif-
16 ically state the reasons why the defendant is entitled to assert the affirmative defense and the fac-
17 tual basis for the affirmative defense. If the defendant fails to file and serve the notice, the defendant
18 is not permitted to assert the affirmative defense at the trial of the cause unless the court orders,
19 for good cause, otherwise.

20 **SECTION 45.** ORS 475B.916 is amended to read:

21 475B.916. The Oregon Medical Board may not impose a civil penalty or take other disciplinary
22 action against an attending [*physician*] **provider** for:

23 (1) Advising a person diagnosed as having a debilitating medical condition by the attending
24 [*physician*] **provider** or another physician licensed under ORS chapter 677, **physician assistant li-**
25 **censed under ORS 677.505 to 677.525, nurse practitioner licensed under ORS 678.375 to 678.390**
26 **or naturopathic physician licensed under ORS chapter 685** about the risks and benefits associ-
27 ated with the medical use of marijuana or that the medical use of marijuana may mitigate the
28 symptoms or effects of the person's debilitating medical condition, provided that the advice is based
29 on the attending [*physician's*] **provider's** personal assessment of the person's medical history and
30 current medical condition; or

31 (2) Providing the written documentation necessary for issuance or renewal of a registry iden-
32 tification card under ORS 475B.797, provided that the written documentation is based on the at-
33 tending [*physician's*] **provider's** personal assessment of the person's medical history and current
34 medical condition and the attending [*physician*] **provider** has discussed with the person the potential
35 risks and benefits associated with the medical use of marijuana.

36 **SECTION 46.** ORS 475B.952 is amended to read:

37 475B.952. (1) The Oregon Cannabis Commission is established within the Oregon Health Au-
38 thority. The commission consists of:

39 (a) The Public Health Officer or the Public Health Officer's designee; and

40 (b) Eight members appointed by the Governor as follows:

41 (A) A registry identification cardholder, as defined in ORS 475B.791;

42 (B) A person designated to produce marijuana by a registry identification cardholder, as defined
43 in ORS 475B.791;

44 (C) An attending [*physician*] **provider**, as defined in ORS 475B.791;

45 (D) A person representing the Oregon Health Authority;

1 (E) A person representing the Oregon Liquor Control Commission;

2 (F) A local health officer, as described in ORS 431.418;

3 (G) A law enforcement officer; and

4 (H) A person knowledgeable about research proposal grant protocols.

5 (2) The term of office of each member of the commission is four years, but a member serves at
6 the pleasure of the Governor. Before the expiration of the term of a member, the Governor shall
7 appoint a successor whose term begins on January 1 of the following year. A member is eligible for
8 reappointment. If there is a vacancy for any cause, the Governor shall make an appointment to be-
9 come immediately effective for the unexpired term.

10 (3) The appointment of each member of the commission is subject to confirmation by the Senate
11 in the manner prescribed in ORS 171.562 and 171.565.

12 (4) Members of the commission are not entitled to compensation, but may be reimbursed for
13 actual and necessary travel and other expenses incurred by them in the performance of their official
14 duties in the manner and amounts provided for in ORS 292.495.

15 **SECTION 47. (1) The amendments to ORS 475B.791, 475B.797, 475B.913, 475B.916 and**
16 **475B.952 by sections 42 to 46 become operative on January 1, 2021.**

17 **(2) The Oregon Health Authority may take any action before the operative date specified**
18 **in subsection (1) of this section that is necessary to enable the authority to exercise, on and**
19 **after the operative date specified in subsection (1) of this section, all of the duties, functions**
20 **and powers conferred on the authority by the amendments to ORS 475B.791, 475B.797,**
21 **475B.913, 475B.916 and 475B.952 by sections 42 to 46 of this 2020 Act.**

22
23 **MEDICAL MARIJUANA GROW SITE REGISTRATION**
24 **PILOT PROGRAM**
25

26 **SECTION 48. Sections 49 to 53 of this 2020 Act are added to and made a part of ORS**
27 **475B.010 to 475B.545.**

28 **SECTION 49. As used in sections 50 to 53 of this 2020 Act, “medical marijuana grow**
29 **site”:**

30 **(1) Means a location at which marijuana is produced for use by registry identification**
31 **cardholders.**

32 **(2) Does not include a marijuana grow site registered under ORS 475B.810.**

33 **SECTION 50. (1) The Oregon Liquor Control Commission shall establish by rule a process**
34 **to register medical marijuana grow sites. To hold a registration under this section, an ap-**
35 **plicant shall:**

36 **(a) Apply for a registration in the manner prescribed by the commission by rule;**

37 **(b) Provide to the commission proof that the applicant is 21 years of age or older; and**

38 **(c) Meet any other requirements established by the commission by rule.**

39 **(2) A registration issued under this section is valid for one year and may be renewed**
40 **pursuant to rules adopted by the commission.**

41 **(3)(a) An applicant for registration under this section must be an individual.**

42 **(b) A registration issued under this section may not be transferred:**

43 **(A) From the individual to whom it is issued to another individual; or**

44 **(B) To any location other than the original location at which the applicant produces**
45 **marijuana.**

1 (4) All seeds, immature marijuana plants, mature marijuana plants and usable marijuana
 2 produced by the medical marijuana grow site are the property of the medical marijuana grow
 3 site.

4 (5) A medical marijuana grow site may transfer:

5 (a) Subject to the limits established in ORS 475B.825, 475B.831 and 475B.834, the seeds,
 6 immature marijuana plants and usable marijuana associated with the production of
 7 marijuana to:

8 (A) A registry identification cardholder or designated primary caregiver;

9 (B) A medical marijuana dispensary, as defined in ORS 475B.791; or

10 (C) A marijuana processing site, as defined in ORS 475B.791; and

11 (b) Subject to the limits described in ORS 475B.825 that apply to a marijuana grow site
 12 as defined in ORS 475B.791 and rules established by the commission, usable marijuana to a
 13 marijuana processor licensed under ORS 475B.090 or a marijuana wholesaler licensed under
 14 ORS 475B.100.

15 (6)(a) The commission shall establish application, registration and renewal fees under this
 16 section.

17 (b) Fees adopted under this section may not exceed, together with other fees collected
 18 under ORS 475B.010 to 475B.545, the cost of administering ORS 475B.010 to 475B.545.

19 (c) Moneys from fees collected under this section shall be deposited in the Marijuana
 20 Control and Regulation Fund established under ORS 475B.296.

21 (7)(a) The commission shall consult with the Oregon Health Authority in adopting rules
 22 under this section.

23 (b) The commission may adopt by reference rules adopted by the authority relating to
 24 the regulation of the production of marijuana under ORS 475B.785 to 475B.949.

25 (c) The commission may adopt other rules as necessary to carry out this section.

26 **SECTION 51.** (1) A medical marijuana grow site registered under section 50 of this 2020
 27 Act is subject to the following production limits:

28 (a) Except as provided in paragraph (c) of this subsection, if the medical marijuana grow
 29 site is located within city limits in an area zoned for residential use, no more than:

30 (A) 12 mature marijuana plants;

31 (B) 24 immature marijuana plants that are 24 inches or more in height; and

32 (C) The number established by the Oregon Liquor Control Commission by rule of imma-
 33 ture marijuana plants that are less than 24 inches in height.

34 (b) Except as provided in paragraph (c) of this subsection, if the medical marijuana grow
 35 site is located in an area other than an area described in paragraph (a) of this subsection,
 36 no more than:

37 (A) 48 mature marijuana plants;

38 (B) 96 immature marijuana plants that are 24 inches in height or more; and

39 (C) The number established by the commission by rule of immature marijuana plants
 40 that are less than 24 inches in height.

41 (c) If the medical marijuana grow site, on or before April 1, 2020, is in compliance with
 42 the production limits in ORS 475B.831 (3)(b) or (4)(b) in effect on January 1, 2015, was ap-
 43 proved by the Oregon Health Authority as a grandfathered grow site under rules adopted by
 44 the authority and:

45 (A) Is located within city limits in an area zoned for residential use, no more than:

- 1 (i) 24 mature marijuana plants;
- 2 (ii) 48 immature marijuana plants that are 24 inches or more in height; and
- 3 (iii) The number established by the commission by rule of immature marijuana plants
- 4 that are less than 24 inches in height.

5 (B) Is located in an area other than an area described in subparagraph (A) of this para-
6 graph, no more than:

- 7 (i) 96 mature marijuana plants;
- 8 (ii) 192 immature marijuana plants that are 24 inches or more in height; and
- 9 (iii) The number established by the commission by rule of immature marijuana plants
- 10 that are less than 24 inches in height.

11 (2) In adopting rules under this section, the commission shall consult with the authority
12 and may adopt by reference rules adopted by the authority relating to plant possession lim-
13 its.

14 **SECTION 52.** (1) The Oregon Liquor Control Commission shall:

15 (a) Ensure the system developed and maintained under ORS 475B.177 is capable of
16 tracking the transfer of marijuana items produced at a medical marijuana grow site regis-
17 tered under section 50 of this 2020 Act.

18 (b) Treat information related to medical marijuana grow sites registered under section
19 50 of this 2020 Act in the same manner as the information described in ORS 475B.541.

20 (2) The commission may:

21 (a) Suspend, revoke or refuse to issue a registration under section 50 of this 2020 Act.

22 (b) Adopt rules as necessary to carry out this section.

23 **SECTION 53.** (1) The Oregon Liquor Control Commission may impose, for each violation
24 of ORS 475B.010 to 475B.545 or of a rule adopted under ORS 475B.010 to 475B.545, by a medical
25 marijuana grow site a civil penalty that does not exceed \$500 for each day that the violation
26 occurs.

27 (2) The commission shall impose civil penalties under this section in the manner provided
28 in ORS 183.745.

29 (3) All moneys collected pursuant to this section shall be deposited in the Marijuana
30 Control and Regulation Fund established under ORS 475B.296.

31 **SECTION 54.** ORS 475B.831 is amended to read:

32 475B.831. (1)(a) A registry identification cardholder and the designated primary caregiver of the
33 registry identification cardholder may jointly possess:

34 (A) Six or fewer mature marijuana plants; and

35 (B) Twelve or fewer immature marijuana plants.

36 (b)(A) Unless an address is the marijuana grow site of a person designated to produce marijuana
37 by a registry identification cardholder, the address where a registry identification cardholder or the
38 primary caregiver of a registry identification cardholder produces marijuana may be used to produce
39 not more than:

40 (i) Six or fewer mature marijuana plants per registry identification cardholder, up to 12 mature
41 marijuana plants; and

42 (ii) Twelve or fewer immature marijuana plants per registry identification cardholder, up to 24
43 immature marijuana plants.

44 (B) Except as provided in subparagraph (C) of this paragraph, an address that is subject to this
45 paragraph may not be used to produce plants in the genus Cannabis within the plant family

1 Cannabaceae pursuant to ORS 475B.301.

2 (C) Subject to subparagraph (D) of this paragraph, an address that is subject to this paragraph
3 may be used to produce plants in the genus Cannabis within the plant family Cannabaceae pursuant
4 to ORS 475B.301 if a person other than a registry identification cardholder who is using the address
5 to produce marijuana plants pursuant to ORS 475B.785 to 475B.949 resides at the address.

6 (D) An address that is subject to this paragraph may not be used to produce more than 12 total
7 mature marijuana plants.

8 (2)(a) A person may be designated to produce marijuana under ORS 475B.810 by no more than
9 *eight* **two** registry identification cardholders.

10 (b) A person responsible for a marijuana grow site may produce for a registry identification
11 cardholder who designates the person to produce marijuana no more than:

12 (A) Six mature marijuana plants;

13 (B) 12 immature marijuana plants that are 24 inches or more in height; and

14 (C) The *[amount,]* **number** established by the Oregon Health Authority by rule[,] of immature
15 marijuana plants that are less than 24 inches in height.

16 (3) If the address of a person responsible for a marijuana grow site registered under ORS
17 475B.810 is located within city limits in an area zoned for residential use,[:]

18 *[(a) Except as provided in paragraph (b) of this subsection,]* no more than the following amounts
19 of marijuana plants may be produced at the address:

20 *[(A)] (a)* 12 mature marijuana plants;

21 *[(B)] (b)* 24 immature marijuana plants that are 24 inches or more in height; and

22 *[(C)] (c)* The *[amount,]* **number** established by the authority by rule[,] of immature marijuana
23 plants that are less than 24 inches in height.[: or]

24 *[(b) Subject to subsection (5) of this section, if each person responsible for a marijuana grow site
25 located at the address first registered with the authority under ORS 475B.810 before January 1, 2015,
26 no more than the following amounts of marijuana plants may be produced at the address:]*

27 *[(A) The amount of mature marijuana plants located at that address on December 31, 2014, in ex-
28 cess of 12 mature marijuana plants, not to exceed 24 mature marijuana plants;]*

29 *[(B) 48 immature marijuana plants that are 24 inches or more in height; and]*

30 *[(C) The amount, established by the authority by rule, of immature marijuana plants that are less
31 than 24 inches in height.]*

32 (4) If the address of a person responsible for a marijuana grow site registered under ORS
33 475B.810 is located in an area other than an area described in subsection (3) of this section,[:]

34 (a) *[Except as provided in paragraph (b) of this subsection,]* no more than the following amounts
35 of marijuana plants may be produced at the address:

36 *[(A)] (a)* ~~[48]~~ **12** mature marijuana plants;

37 *[(B)] (b)* ~~[96]~~ **24** immature marijuana plants that are 24 inches or more in height; and

38 *[(C)] (c)* The *[amount,]* **number** established by the authority by rule[,] of immature marijuana
39 plants that are less than 24 inches in height.[: or]

40 *[(b) Subject to subsections (5) and (6) of this section, if each person responsible for a marijuana
41 grow site located at the address first registered with the authority under ORS 475B.810 before January
42 1, 2015, no more than the following amounts of marijuana plants may be produced at the address:]*

43 *[(A) The amount of mature marijuana plants located at that address on December 31, 2014, in ex-
44 cess of 48 mature marijuana plants, not to exceed 96 mature marijuana plants;]*

45 *[(B) 192 immature marijuana plants that are 24 inches or more in height; and]*

1 [(C) *The amount, established by the authority by rule, of immature marijuana plants that are less*
2 *than 24 inches in height.*]

3 [(5)(a) *If the authority suspends or revokes the registration of a person responsible for a marijuana*
4 *grow site that is located at an address described in subsection (3)(b) of this section, no more than the*
5 *following amounts of marijuana plants may subsequently be produced at any address described in*
6 *subsection (3) of this section at which the person responsible for the marijuana grow site produces*
7 *marijuana:*]

8 [(A) *12 mature marijuana plants;*]

9 [(B) *24 immature marijuana plants that are 24 inches or more in height; and*]

10 [(C) *The amount, established by the authority by rule, of immature marijuana plants that are less*
11 *than 24 inches in height.*]

12 [(b) *If the authority suspends or revokes the registration of a person responsible for a marijuana*
13 *grow site that is located at an address described in subsection (4)(b) of this section, no more than the*
14 *following amounts of marijuana plants may subsequently be produced at any address described in*
15 *subsection (4) of this section at which the person responsible for the marijuana grow site produces*
16 *marijuana:*]

17 [(A) *48 mature marijuana plants;*]

18 [(B) *96 immature marijuana plants that are 24 inches or more in height; and*]

19 [(C) *The amount, established by the authority by rule, of immature marijuana plants that are less*
20 *than 24 inches in height.*]

21 [(6)] **(5)** If a registry identification cardholder who designated a person to produce marijuana for
22 the registry identification cardholder pursuant to ORS 475B.810 terminates the designation, the
23 person responsible for the marijuana grow site whose designation has been terminated may not be
24 designated to produce marijuana by another registry identification cardholder, except that the per-
25 son may be designated by another registry identification cardholder if no more than [48] **12** mature
26 marijuana plants and no more than [96] **24** immature marijuana plants that are 24 or more inches
27 in height are produced at the address for the marijuana grow site at which the person produces
28 marijuana.

29 [(7)] **(6)** Subject to the limits described in subsections (2) to [(6)] **(5)** of this section, if multiple
30 persons responsible for a marijuana grow site under ORS 475B.810 are located at the same address,
31 the persons designated to produce marijuana by registry identification cardholders who are located
32 at that address may collectively produce marijuana plants for [any number of] **no more than four**
33 registry identification cardholders who designate the persons to produce marijuana.

34 [(8)] **(7)** If a law enforcement officer determines that there is a number of marijuana plants at
35 an address in excess of the quantities specified in this section, or that an address is being used to
36 produce a number of marijuana plants in excess of the quantities specified in subsection (1)(b) of this
37 section, the law enforcement officer may confiscate only the excess number of marijuana plants.

38 **SECTION 55.** ORS 475B.206 is amended to read:

39 475B.206. (1) Except as provided in ORS 475B.136 and 475B.873 **and section 50 of this 2020**
40 **Act**, a marijuana producer that holds a license issued under ORS 475B.070, marijuana processor that
41 holds a license issued under ORS 475B.090 [or], marijuana wholesaler that holds a license issued
42 under ORS 475B.100 **or medical marijuana grow site registered under section 50 of this 2020**
43 **Act** may deliver marijuana items only to or on a premises for which a license has been issued under
44 ORS 475B.070, 475B.090, 475B.100 or 475B.105, or to a registry identification cardholder or desig-
45 nated primary caregiver as allowed under ORS 475B.010 to 475B.545.

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

3 (a) A marijuana producer that holds a license issued under ORS 475B.070, marijuana processor
 4 that holds a license issued under ORS 475B.090, marijuana wholesaler that holds a license issued
 5 under ORS 475B.100, marijuana retailer that holds a license issued under ORS 475B.105 or a labo-
 6 ratory licensed under ORS 475B.560;

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

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

15 (d) A marijuana grow site registered under ORS 475B.810, acting in accordance with ORS
 16 475B.825 and any procedures adopted by rule by the commission; or

17 **(e) A medical marijuana grow site registered under section 50 of this 2020 Act acting in**
 18 **accordance with section 50 of this 2020 Act and any procedures adopted by rule by the com-**
 19 **mission.**

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

24 (4) The commission may by order waive the requirements of subsections (1) and (2) of this sec-
 25 tion to ensure compliance with ORS 475B.010 to 475B.545 or a rule adopted under ORS 475B.010 to
 26 475B.545. An order issued under this subsection does not constitute a waiver of any other require-
 27 ment of ORS 475B.010 to 475B.545 or any other rule adopted under ORS 475B.010 to 475B.545.

28 **SECTION 56.** ORS 475B.526 is amended to read:

29 475B.526. (1) Marijuana is:

- 30 (a) A crop for the purposes of “farm use” as defined in ORS 215.203;
- 31 (b) A crop for purposes of a “farm” and “farming practice,” both as defined in ORS 30.930;
- 32 (c) A product of farm use as described in ORS 308A.062; and
- 33 (d) The product of an agricultural activity for purposes of ORS 568.909.

34 (2) Notwithstanding ORS chapters 195, 196, 197, 215 and 227, the following are not permitted
 35 uses on land designated for exclusive farm use:

- 36 (a) A new dwelling used in conjunction with a marijuana crop;
- 37 (b) A farm stand, as described in ORS 215.213 (1)(r) or 215.283 (1)(o), used in conjunction with
 38 a marijuana crop; and
- 39 (c) A commercial activity, as described in ORS 215.213 (2)(c) or 215.283 (2)(a), carried on in
 40 conjunction with a marijuana crop.

41 (3) A county may allow the production of marijuana as a farm use on land zoned for farm or
 42 forest use in the same manner as the production of marijuana is allowed in exclusive farm use zones
 43 under this section and ORS 215.213, 215.283 and 475B.063.

44 (4) This section applies to:

- 45 (a) Marijuana producers that hold a license issued under ORS 475B.070;

1 (b) Persons registered under ORS 475B.810 and designated to produce marijuana by one or more
 2 persons who hold valid registry identification cards issued under ORS 475B.797; [and]

3 (c) For the purpose of producing marijuana or propagating immature marijuana plants, re-
 4 searchers of cannabis that hold a certificate issued under ORS 475B.286; and

5 (d) **Medical marijuana grow sites registered under section 50 of this 2020 Act.**

6 **SECTION 57.** (1) Sections 49 to 53 of this 2020 Act and the amendments to ORS 475B.206,
 7 475B.526 and 475B.831 by sections 54 to 56 of this 2020 Act become operative on June 1, 2020.

8 (2) The Oregon Health Authority and the Oregon Liquor Control Commission may take
 9 any action before the operative date specified in subsection (1) of this section that is neces-
 10 sary to enable the authority or the commission to exercise, on or after the operative date
 11 specified in subsection (1) of this section, all of the duties, functions and powers conferred
 12 on the authority and the commission by sections 49 to 53 of this 2020 Act and the amend-
 13 ments to ORS 475B.206, 475B.526 and 475B.831 by sections 54 to 56 of this 2020 Act.

14 **SECTION 58.** (1) Until September 1, 2020, the Oregon Health Authority may renew a
 15 registration issued under ORS 475B.810 if the initial registration was issued before April 1,
 16 2020.

17 (2) On or after April 1, 2020, the authority may not:

18 (a) Register a marijuana grow site under ORS 475B.810 that produces marijuana for more
 19 than two registry identification cardholders, regardless of the number of persons designated
 20 to produce marijuana by registry identification cardholders at the marijuana grow site; or

21 (b) Collect fees for the issuance of initial registration of marijuana grow sites described
 22 in paragraph (a) of this subsection.

23 **SECTION 59.** (1) Not later than September 1, 2020, a medical marijuana grow site may
 24 apply to the Oregon Liquor Control Commission for registration under section 50 of this 2020
 25 Act if:

26 (a) The medical marijuana grow site is a marijuana grow site registered with the Oregon
 27 Health Authority under ORS 475B.810 on or before February 1, 2020;

28 (b) Before April 1, 2020, the medical marijuana grow site is designated to produce
 29 marijuana for three or more registry identification cardholders or is a marijuana grow site
 30 at which marijuana is produced by three or more persons designated to produce marijuana;
 31 and

32 (c) Before April 1, 2020, the medical marijuana grow site is subject to tracking under ORS
 33 475B.177.

34 (2)(a) Notwithstanding section 50 (4) of this 2020 Act, not later than November 1, 2020, a
 35 registry identification cardholder who designated a person to produce marijuana under ORS
 36 475B.810 may request that the person designated to produce marijuana transfer to the reg-
 37 istry identification cardholder all seeds, immature marijuana plants, mature marijuana
 38 plants and usable marijuana produced for the registry identification cardholder if the person
 39 designated to produce marijuana applies for a medical marijuana grow site registration under
 40 section 50 of this 2020 Act.

41 (b) A person to whom a request described in paragraph (a) of this subsection is made
 42 shall transfer the requested objects to the registry identification cardholder as soon as pos-
 43 sible after the request is made.

44 (3) The registration under ORS 475B.810 of a marijuana grow site at which marijuana is
 45 produced for three or more registry identification cardholders, or by three or more persons

1 designated to produce marijuana for registry identification cardholders, that does not apply
2 for registration under section 50 of this 2020 Act by September 1, 2020, expires on September
3 1, 2020. The expiration of a registration under this subsection may not be appealed. A
4 marijuana grow site described in this subsection may not produce marijuana after September
5 1, 2020.

6 **SECTION 60.** The Oregon Liquor Control Commission, in consultation with the Oregon
7 Health Authority, shall study and review the medical marijuana grow site registration pilot
8 program administered pursuant to sections 49 to 53 of this 2020 Act and the amendments to
9 ORS 475B.206, 475B.526 and 475B.831 by sections 54 to 56 of this 2020 Act. The study and re-
10 view must focus on the efficiency and success of the pilot program and determine whether
11 to continue or terminate the pilot program. The commission shall submit findings and any
12 recommendations for legislation to an interim committee of the Legislative Assembly related
13 to cannabis not later than June 30, 2023.

14
15 **UNIT CAPTIONS**

16
17 **SECTION 61.** The unit captions used in this 2020 Act are provided only for the conven-
18 ience of the reader and do not become part of the statutory law of this state or express any
19 legislative intent in the enactment of this 2020 Act.

20
21 **EFFECTIVE DATE**

22
23 **SECTION 62.** This 2020 Act being necessary for the immediate preservation of the public
24 peace, health and safety, an emergency is declared to exist, and this 2020 Act takes effect
25 on its passage.

26 _____