HB 4013-1 (LC 99) 2/7/20 (JLM/vsr/ps)

Requested by Representative POST

PROPOSED AMENDMENTS TO HOUSE BILL 4013

1 On <u>page 1</u> of the printed bill, delete lines 4 through 27 and delete <u>page</u> 2 2 and insert:

³ "SECTION 1. As used in sections 1 to 5 of this 2020 Act:

4 **"(1) 'Food' means:**

5 "(a) An item used for food or drink for human or animal con-6 sumption or the components of the item;

7 "(b) Chewing gum or chewing gum components; or

"(c) A food supplement for special dietary use that is necessitated
because of a physical, physiological, pathological or other condition.

10 "(2) 'Kratom processor' means a person that:

"(a) Sells, prepares, processes, manufactures, distributes or main tains a kratom product; or

"(b) Advertises, represents or holds out as being a person that sells,
 prepares, processes, manufactures, distributes or maintains a kratom
 product.

"(3) 'Kratom product' means a food containing any part of the leaf
 of the plant Mitragyna speciosa.

"SECTION 2. Notwithstanding ORS 659A.403, a kratom processor
 may not distribute, sell or offer for sale a kratom product to an indi vidual under 21 years of age.

²¹ "<u>SECTION 3.</u> (1) A kratom processor shall disclose on the product

label of each kratom product that the kratom processor prepares,
 distributes, sells or offers for sale, the factual basis upon which the
 kratom processor represents the food as a kratom product.

4 "(2) A kratom processor may not prepare, distribute, sell or offer
5 for sale a kratom product:

6 "(a) That is mixed or packed with a nonkratom substance that af-7 fects the quality or strength of the kratom product to such a degree 8 as to render the kratom product injurious to a consumer;

9 "(b) That contains a poisonous or otherwise deleterious nonkratom
10 ingredient, including a controlled substance as defined in ORS 475.005;
11 "(c) That contains a level of 7-hydroxymitragynine in the alkaloid
12 fraction that is greater than two percent of the alkaloid composition
13 of the kratom product;

"(d) That contains a synthetic alkaloid, including synthetic
 mitragynine, synthetic 7-hydroxymitragynine or any other synthet ically derived compound of the plant Mitragyna speciosa; or

"(e) That does not include a product label on the kratom product
packaging that states the amount of mitragynine and
7-hydroxymitragynine contained in the kratom product.

20 "<u>SECTION 4.</u> (1)(a) A kratom processor shall register a kratom 21 product with the State Department of Agriculture if the kratom 22 processor intends to prepare, distribute, sell or offer for sale the 23 kratom product.

"(b) A kratom processor may not prepare, distribute, sell or offer
 for sale a kratom product that is not registered with the department
 as described in this section.

"(2)(a) The department shall by rule create procedures for registering a kratom product under this section.

"(b) The rules described in paragraph (a) of this subsection shall
 include standards for a registered kratom product, including standards

1 **for:**

"(A) Testing to ensure the kratom product is safe for human consumption; and

4 **"(B) Accurate labeling.**

5 "(c) The department shall by rule set a fee to register a kratom 6 product.

"(d) The fee described in paragraph (c) of this subsection must be
paid by a kratom processor before a kratom product may be registered
with the department.

"(3) The department may seize and destroy any unregistered kratom
 product offered for sale in this state.

"(4) The department may adopt other rules necessary to carry out
 the provisions of this section.

"<u>SECTION 5.</u> In addition to and distinct from any other remedy at
 law, an individual may bring a civil action for damages resulting from
 a violation of sections 1 to 5 of this 2020 Act, including economic or
 noneconomic damages.

"SECTION 6. A kratom processor that violates section 2 of this 2020
 Act is guilty of a Class C misdemeanor for each violation.

20 "<u>SECTION 7.</u> (1) For a violation of section 3 (1) of this 2020 Act, a 21 kratom processor is subject to a civil penalty of:

22 "(a) No more than \$500 for the first offense; and

23 "(b) No more than \$1,000 for a second or subsequent offense.

"(2) For a violation of section 4 (1) of this 2020 Act, a kratom
processor is subject to a civil penalty greater than the fee described
in section 4 (2)(c) of this 2020 Act.

"SECTION 8. (1) A kratom processor that violates section 3 (2)(a)
of this 2020 Act is guilty of a Class C misdemeanor for each violation.
"(2) It is a defense to a charge of violating section 3 (2)(a) of this
2020 Act if the kratom processor shows, by a preponderance of the

evidence, that the kratom processor relied in good faith upon the
representation of a manufacturer, processor, packer or distributor of
food represented to be a kratom product.

4 "SECTION 9. (1) Sections 3 to 5, 7 and 8 of this 2020 Act become 5 operative on July 1, 2021.

6 "(2) The State Department of Agriculture may take any action be-7 fore the operative date specified in subsection (1) of this section that 8 is necessary to enable the department to exercise, on and after the 9 operative date specified in subsection (1) of this section, all of the du-10 ties, functions and powers conferred on the department by sections 3 11 to 5, 7 and 8 of this 2020 Act.

"<u>SECTION 10.</u> This 2020 Act takes effect on the 91st day after the
 date on which the 2020 regular session of the Eightieth Legislative
 Assembly adjourns sine die.".

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