HB 2296 -1, -5 STAFF MEASURE SUMMARY

House Committee On Agriculture and Natural Resources

Prepared By:Stuty Maskey, LPRO AnalystMeeting Dates:1/28, 3/23

WHAT THE MEASURE DOES:

Allows Oregon Department of Agriculture to enter into an interagency agreement with law enforcement agency to enable law enforcement agency to assist department in carrying out industrial hemp crop inspections.

REVENUE: May have revenue impact, but no statement yet issued. FISCAL: May have fiscal impact, but no statement yet issued.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

-1 Requires the Oregon Department of Agriculture (ODA) and a law enforcement agency to include on the industrial hemp grower registration application, a provision specifying that a signature gives implied consent that allows agencies to enter the premises of the applicant's industrial hemp operation, collect samples, and use the collected samples for law enforcement purposes if ODA or law enforcement agency has reasonable grounds to believe that the industrial hemp crop violates a provision of statutes relating to recreational use of cannabis or statutes relating to industrial hemp.

REVENUE: May have revenue impact, but no statement yet issued. FISCAL: May have fiscal impact, but no statement yet issued.

-5 Authorizes the Oregon Department of Agriculture (ODA) to enter into an interagency agreement with a law enforcement agency to enable that agency to assist ODA with industrial hemp crop inspections. Requires ODA to include on the industrial hemp grower registration application, a provision specifying that a signature gives implied consent for ODA and a law enforcement agency to enter the premises of the applicant's industrial hemp operation, collect samples, and use the collected samples for law enforcement purposes if ODA or law enforcement agency has reasonable grounds to believe that the industrial hemp. Requires law enforcement agency to inform ODA if they obtain evidence of potential violations. Directs ODA to collaborate with law enforcement agency as necessary if the department determines that the case may require criminal prosecution. Increases the civil penalty up to \$10,000 for violations of the Oregon Industrial Hemp Agricultural Pilot Program and Research Act occurring on or after January 1, 2022.

REVENUE: May have revenue impact, but no statement yet issued FISCAL: May have fiscal impact, but no statement yet issued

BACKGROUND:

Industrial hemp is an agricultural product regulated by the Oregon Department of Agriculture (ODA). It refers to plant varieties of *Cannabis sativa* that contain a limited amount of tetrahydrocannabinol (THC) that are grown for fiber, seed, oil, or as a cover crop.

Industrial hemp crop inspections under ORS 571.281(7) include inspection of premises and facilities of ODA licensees; crop inspection during crop's growth phase; and detention, seizure, or embargo of crops if it contains an average THC concentration exceeding the concentration allowed under federal or state law, whichever is greater.

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A series of laws related to industrial hemp have been enacted in Oregon over the past decade as the industry has evolved: Senate Bill 676 (2009) authorized hemp production and possession, and commerce in industrial hemp commodities; House Bill 4060 (2016) updated and clarified regulatory provisions and authorized ODA to adopt rules concerning quality, packaging, and labeling of industrial hemp seed; Senate Bill 1015 (2017) provided for the processing and sale of industrial hemp concentrates and extracts; and House Bill 4089 (2018) established the Oregon Industrial Hemp Agricultural Pilot Program and an agricultural hemp seed certificate program, and further refined statutes governing testing, regulation, personal possession, and limits on THC concentration.

House Bill 2296 would allow the Oregon Department of Agriculture to enter into an interagency agreement with a law enforcement agency to enable the law enforcement agency to assist the department in carrying out industrial hemp crop inspections.

