

House Bill 3197

Sponsored by Representative MARSH; Representatives LIVELY, WILDE

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**.

Requires marijuana testing laboratory employee to obtain worker permit from Oregon Liquor Control Commission. Defines "premises" for purposes of marijuana testing laboratories. Allows applicant for worker permit who successfully passes permit examination to temporarily perform work for licensee or laboratory prior to receiving worker permit.

Directs Oregon Liquor Control Commission to establish by rule process to register medical marijuana grow sites. Defines "medical marijuana grow site." Allows medical marijuana grow sites to apply for registration no later than June 1, 2022. Establishes plant production limits for medical marijuana grow sites registered by commission. Specifies that marijuana grow sites registered by Oregon Health Authority may produce marijuana for no more than two registry identification cardholders.

Allows authority to specify marijuana item testing batch size up to 50 pounds.

Becomes operative January 1, 2022.

Declares emergency, effective on passage.

A BILL FOR AN ACT

Relating to cannabis; creating new provisions; amending ORS 475B.015, 475B.136, 475B.206, 475B.261, 475B.266, 475B.276, 475B.281, 475B.477, 475B.526, 475B.550, 475B.555, 475B.791, 475B.810, 475B.831 and 475B.913; and declaring an emergency.

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

MARIJUANA WORKER PERMITS

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

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

(1) "Cannabinoid" means any of the chemical compounds that are the active constituents derived from marijuana.

(2) "Cannabinoid concentrate" means a substance obtained by separating cannabinoids from marijuana by:

(a) A mechanical extraction process;

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

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

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

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

(4) "Cannabinoid extract" means a substance obtained by separating cannabinoids from marijuana by:

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

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

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

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

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

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

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

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

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

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

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

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

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

33 (14) “Licensee” means a person that holds a license issued under ORS 475B.070, 475B.090,
34 475B.100 or 475B.105.

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

37 (16)(a) “Manufacture” means producing, propagating, preparing, compounding, converting or
38 processing a marijuana item, either directly or indirectly, by extracting from substances of natural
39 origin.

40 (b) “Manufacture” includes any packaging or repackaging of a marijuana item or the labeling
41 or relabeling of a container containing a marijuana item.

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

44 (b) “Marijuana” does not include:

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

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

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

6 (19) "Marijuana items" means marijuana, cannabinoid products, cannabinoid concentrates and
 7 cannabinoid extracts.

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

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

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

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

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

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

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

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

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

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

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

29 (30)(a) "Premises" includes the following areas of a location licensed under ORS 475B.010 to
 30 475B.545 **or 475B.560**:

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

33 (B) All areas outside a building that the commission has specifically licensed for the processing,
 34 wholesale sale [*or*], retail sale **or testing** of marijuana items; and

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

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

38 (31)(a) "Processes" means the processing, compounding or conversion of marijuana into
 39 cannabinoid products, cannabinoid concentrates or cannabinoid extracts.

40 (b) "Processes" does not include packaging or labeling.

41 (32)(a) "Produces" means the manufacture, planting, cultivation, growing or harvesting of
 42 marijuana.

43 (b) "Produces" does not include:

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

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

4 (33) "Propagate" means to grow immature marijuana plants or to breed or produce marijuana
5 seeds.

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

10 (35) "Registry identification cardholder" has the meaning given that term in ORS 475B.791.

11 (36)(a) "Usable marijuana" means the dried leaves and flowers of marijuana.

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

13 (A) Marijuana seeds;

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

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

16 **SECTION 2.** ORS 475B.261 is amended to read:

17 475B.261. (1) An individual who performs work for or on behalf of a licensee **or a laboratory**
18 **licensed under ORS 475B.560** must have a valid permit issued by the Oregon Liquor Control
19 Commission under ORS 475B.266 if the individual participates in:

20 (a) The possession, production, propagation, processing, securing [or], selling, **sampling or**
21 **testing** of marijuana items at the premises for which the license has been issued;

22 (b) The recording of the possession, production, propagation, processing, securing [or], selling,
23 **sampling or testing** of marijuana items at the premises for which the license has been issued; or

24 (c) The verification of any document described in ORS 475B.216.

25 (2)(a) **An applicant for a permit under ORS 475B.266 who has successfully passed a permit**
26 **examination required by the commission may perform work described in subsection (1) of**
27 **this section on behalf of a licensee or a laboratory licensed under ORS 475B.560 for a period**
28 **of time established by the commission by rule prior to being issued a permit under ORS**
29 **475B.266.**

30 (b) A licensee **or a laboratory licensed under ORS 475B.560** must verify that an individual
31 has a valid permit issued under ORS 475B.266 before allowing the individual to [*perform any*] **con-**
32 **tinue** work described in subsection (1) of this section at the premises for which the license has been
33 issued **after the period of time described in paragraph (a) of this subsection.**

34 **SECTION 3.** ORS 475B.266 is amended to read:

35 475B.266. (1) The Oregon Liquor Control Commission shall issue permits to qualified applicants
36 to perform work described in ORS 475B.261. The commission shall adopt rules establishing:

37 (a) The qualifications for performing work described in ORS 475B.261;

38 (b) The term of a permit issued under this section;

39 (c) Procedures for applying for and renewing a permit issued under this section; and

40 (d) Reasonable application, issuance and renewal fees for a permit issued under this section.

41 (2)(a) The commission may require an individual applying for a permit under this section to
42 successfully complete a course, made available by or through the commission, through which the
43 individual receives training on:

44 (A) Checking identification;

45 (B) Detecting intoxication;

1 (C) Handling marijuana items;

2 (D) If applicable, producing and propagating marijuana;

3 (E) If applicable, processing marijuana;

4 **(F) If applicable, testing marijuana;**

5 [(F)] **(G) The content of ORS 475B.010 to 475B.545 and rules adopted under ORS 475B.010 to**
6 **475B.545 and, if applicable, the content of ORS 475B.550 to 475B.590 and rules adopted under**
7 **ORS 475B.550 to 475B.590;** or

8 [(G)] **(H) Any matter deemed necessary by the commission to protect the public health and**
9 **safety.**

10 (b) The commission or other provider of a course may charge a reasonable fee for the course.

11 (c) The commission may not require an individual to successfully complete a course more than
12 once, except that:

13 (A) As part of a final order suspending a permit issued under this section, the commission may
14 require a permit holder to successfully complete the course as a condition of lifting the suspension;
15 and

16 (B) As part of a final order revoking a permit issued under this section, the commission shall
17 require an individual to successfully complete the course prior to applying for a new permit.

18 (3) The commission shall conduct a criminal records check under ORS 181A.195 on an individual
19 applying for a permit under this section.

20 (4) Subject to the applicable provisions of ORS chapter 183, the commission may suspend, revoke
21 or refuse to issue or renew a permit if the individual who is applying for or who holds the permit:

22 (a) Is convicted of a felony or is convicted of an offense under ORS 475B.010 to 475B.545, except
23 that the commission may not consider a conviction for an offense under ORS 475B.010 to 475B.545
24 if the date of the conviction is two or more years before the date of the application or renewal;

25 (b) Violates any provision of ORS 475B.010 to 475B.545 or any rule adopted under ORS 475B.010
26 to 475B.545; or

27 (c) Makes a false statement to the commission.

28 (5) A permit issued under this section is a personal privilege and permits work described under
29 ORS 475B.261 only for the individual who holds the permit.

30 **SECTION 4.** ORS 475B.276 is amended to read:

31 475B.276. (1) An employee of a licensee **or a laboratory licensed under ORS 475B.560** has the
32 right to form, join and participate in the activities of a labor organization of the employee's own
33 choosing for the purpose of securing representation and collective bargaining for matters concerning
34 employment relations with the licensee **or laboratory.**

35 (2) For purposes of this section, the provisions of ORS chapters 661 to 663 apply to relations
36 between employees of licensees **or laboratories** and employers that are licensees **or laboratories**
37 in the same manner that those provisions apply to other employment relations.

38 **SECTION 5.** ORS 475B.281 is amended to read:

39 475B.281. (1) It is an unlawful employment practice for a licensee **or laboratory licensed under**
40 **ORS 475B.560** to discharge, demote, suspend or in any manner discriminate or retaliate against an
41 employee of the licensee **or laboratory** with regard to promotion, compensation or other terms,
42 conditions or privileges of employment on the basis that the employee has in good faith reported
43 information to the Oregon Liquor Control Commission that the employee believes is evidence of a
44 violation of ORS 475B.010 to 475B.545 or a rule adopted under ORS 475B.010 to 475B.545.

45 (2) This section is subject to enforcement under ORS chapter 659A.

SECTION 6. ORS 475B.550 is amended to read:

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

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

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

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

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

(b) “Cannabinoid product” does not include:

(A) Usable marijuana by itself;

(B) A cannabinoid concentrate or extract by itself; or

(C) Industrial hemp, as defined in ORS 571.269.

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

(b) “Marijuana” does not include:

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

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

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

(7) “Premises” has the meaning given that term in ORS 475B.015.

[(7)] **(8) “Processing”** means the compounding or conversion of marijuana into cannabinoid products or cannabinoid concentrates or extracts.

[(8)] **(9) “Producing”** means:

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

(b) Drying marijuana leaves and flowers.

[(9)(a)] **(10)(a) “Usable marijuana”** means the dried leaves and flowers of marijuana.

(b) “Usable marijuana” does not include:

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

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

SECTION 7. (1) The amendments to ORS 475B.015, 475B.261, 475B.266, 475B.276, 475B.281 and 475B.550 by sections 1 to 6 of this 2021 Act become operative on January 1, 2022.

(2) The Oregon Liquor Control Commission may take any action before the operative date specified in subsection (1) of this section that is necessary to enable the commission to exercise, on and after the operative date specified in subsection (1) of this section, all of the duties, functions and powers conferred on the commission by the amendments to ORS 475B.015, 475B.261, 475B.266, 475B.276, 475B.281 and 475B.550 by sections 1 to 6 of this 2021 Act.

MEDICAL MARIJUANA GROW SITES

1 **SECTION 8.** Sections 9 to 13 of this 2021 Act are added to and made a part of ORS
2 475B.010 to 475B.545.

3 **SECTION 9.** As used in sections 9 to 13 of this 2021 Act, “medical marijuana grow site”:

4 (1) Means a location at which marijuana is produced for use by registry identification
5 cardholders.

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

7 **SECTION 10.** (1) The Oregon Liquor Control Commission shall establish by rule a process
8 to register medical marijuana grow sites. To hold a registration under this section, an ap-
9 plicant shall:

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

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

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

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

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

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

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

18 (B) To any location other than the original location at which the applicant produces
19 marijuana.

20 (4) All seeds, immature marijuana plants, mature marijuana plants and usable marijuana
21 produced by the medical marijuana grow site are the property of the medical marijuana grow
22 site.

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

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

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

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

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

30 (b) Subject to the limits described in ORS 475B.825 that apply to a marijuana grow site
31 as defined in ORS 475B.791, usable marijuana to a marijuana processor licensed under ORS
32 475B.090 or a marijuana wholesaler licensed under ORS 475B.100; and

33 (c) Subject to the limits established in ORS 475B.825, 475B.831 and 475B.834, marijuana
34 seeds and immature marijuana plants to another medical marijuana grow site or other per-
35 son as specified by the commission by rule.

36 (6) A medical marijuana grow site may receive marijuana seeds and immature marijuana
37 plants from:

38 (a) A medical marijuana grow site;

39 (b) A marijuana producer licensed under ORS 475B.070;

40 (c) A marijuana wholesaler licensed under ORS 475B.100; and

41 (d) Other persons as specified by the commission by rule.

42 (7)(a) The commission shall establish application, registration and renewal fees under this
43 section.

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

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

3 (8)(a) The commission shall consult with the Oregon Health Authority in adopting rules
4 under this section.

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

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

8 **SECTION 11.** (1) A medical marijuana grow site registered under section 10 of this 2021
9 Act is subject to the following production limits:

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

12 (A) 12 mature marijuana plants;

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

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

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

19 (A) 48 mature marijuana plants;

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

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

23 (c) If the medical marijuana grow site, on or before April 1, 2021, is in compliance with
24 the production limits in ORS 475B.831 (3)(b) or (4)(b) in effect on January 1, 2015, was ap-
25 proved by the Oregon Health Authority as a grandfathered grow site under rules adopted by
26 the authority and:

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

28 (i) 24 mature marijuana plants;

29 (ii) 48 immature marijuana plants that are 24 inches or more in height; and

30 (iii) The number established by the commission by rule of immature marijuana plants
31 that are less than 24 inches in height.

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

34 (i) 96 mature marijuana plants;

35 (ii) 192 immature marijuana plants that are 24 inches or more in height; and

36 (iii) The number established by the commission by rule of immature marijuana plants
37 that are less than 24 inches in height.

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

41 **SECTION 12.** (1) The Oregon Liquor Control Commission shall:

42 (a) Ensure the system developed and maintained under ORS 475B.177 is capable of
43 tracking the transfer of marijuana items produced at a medical marijuana grow site regis-
44 tered under section 10 of this 2021 Act.

45 (b) Treat information related to medical marijuana grow sites registered under section

1 **10 of this 2021 Act in the same manner as the information described in ORS 475B.541.**

2 **(2) The commission may suspend, revoke or refuse to issue a registration under section**
3 **10 of this 2021 Act or require a registrant or representative of a registrant to complete**
4 **training specified by the commission if the commission finds, or has reasonable grounds to**
5 **believe, that the registrant or representative of the registrant:**

6 **(a) Has violated a provision of ORS 475B.010 to 475B.545 or a rule adopted under ORS**
7 **475B.010 to 475B.545;**

8 **(b) Has made any false representation or statement to the commission in order to induce**
9 **or prevent action by the commission;**

10 **(c) Is insolvent or incompetent or physically unable to carry on the management of the**
11 **medical marijuana grow site;**

12 **(d) Is in the habit of using alcoholic liquor, habit-forming drugs, marijuana or controlled**
13 **substances to excess;**

14 **(e) Has misrepresented to a registry identification cardholder, consumer or the public**
15 **any marijuana items transferred by the registrant or representative of the registrant; or**

16 **(f) Since the issuance of a registration under section 10 of this 2021 Act, has been con-**
17 **vinced of a felony, violating any of the marijuana laws of this state or ordinances of a local**
18 **government in this state or any misdemeanor if the felony, violation or misdemeanor was**
19 **committed on the premises for which the registration was issued.**

20 **(3) Adopt rules as necessary to carry out this section.**

21 **SECTION 13. (1) In addition to any other penalty provided by law, the Oregon Liquor**
22 **Control Commission may impose, for each violation of ORS 475B.010 to 475B.545 or of a rule**
23 **adopted under ORS 475B.010 to 475B.545, by a medical marijuana grow site a civil penalty that**
24 **does not exceed \$500 for each day that the violation occurs.**

25 **(2) The commission shall impose civil penalties under this section in the manner provided**
26 **in ORS 183.745.**

27 **(3) All moneys collected pursuant to this section shall be deposited into the Marijuana**
28 **Control and Regulation Fund established under ORS 475B.296.**

29 **SECTION 14. ORS 475B.136 is amended to read:**

30 **475B.136. (1) To produce marijuana for medical purposes, a marijuana producer that holds a li-**
31 **cence issued under ORS 475B.070 must register with the Oregon Liquor Control Commission under**
32 **this section.**

33 **(2) The commission shall register a marijuana producer for the purpose of producing marijuana**
34 **for medical purposes if the marijuana producer:**

35 **(a) Holds a license issued under ORS 475B.070;**

36 **(b) Meets any qualifications adopted by the commission by rule;**

37 **(c) Applies to the commission in a form and manner prescribed by the commission; and**

38 **(d) Pays any fee adopted by the commission by rule.**

39 **(3) Subject to subsection (4) of this section, a marijuana producer registered under this section**
40 **may produce marijuana plants on a medically designated grow canopy in addition to producing**
41 **marijuana plants on the grow canopy allowed under rules adopted under ORS 475B.085. The com-**
42 **mission shall specify the size of medically designated grow canopies by rule, provided that the size**
43 **of any medically designated grow canopy does not exceed 10 percent of the total size of both the**
44 **medically designated grow canopy and the grow canopy allowed under rules adopted under ORS**
45 **475B.085 at the time that the marijuana producer applies for registration under this section.**

1 (4) A marijuana producer registered under this section must provide, for no consideration, at
 2 least 75 percent of the annual yield of usable marijuana harvested from the marijuana producer's
 3 medically designated grow canopy to registry identification cardholders and designated primary
 4 caregivers.

5 (5) A marijuana producer registered under this section may not, during a single transaction,
 6 provide a registry identification cardholder or the designated primary caregiver of a registry iden-
 7 tification cardholder an amount of usable marijuana that exceeds the amount of usable marijuana
 8 that a registry identification cardholder and a designated primary caregiver may jointly possess
 9 under ORS 475B.834.

10 (6) A marijuana producer registered under this section may provide immature marijuana plants
 11 to a person responsible for a marijuana grow site registered under ORS 475B.810, **a medical**
 12 **marijuana grow site**, a registry identification cardholder or a designated primary caregiver of a
 13 registry identification cardholder.

14 (7)(a) The commission shall adopt rules necessary to administer this section.

15 (b) The rules must establish sanctions for failure to meet the requirements of this section or a
 16 rule adopted under this section, including revocation of permission for the marijuana producer's
 17 medically designated grow canopy.

18 (c) The rules must provide that any fee adopted by the commission under subsection (2)(d) of this
 19 section be in an amount reasonably calculated to not exceed, together with other fees collected
 20 under ORS 475B.010 to 475B.545, the cost of administering ORS 475B.010 to 475B.545.

21 **SECTION 15.** ORS 475B.206 is amended to read:

22 475B.206. (1) Except as provided in ORS 475B.136 and 475B.873 **and section 10 of this 2021**
 23 **Act**, a marijuana producer that holds a license issued under ORS 475B.070, marijuana processor that
 24 holds a license issued under ORS 475B.090 [*or*], marijuana wholesaler that holds a license issued
 25 under ORS 475B.100 **or medical marijuana grow site registered under section 10 of this 2021**
 26 **Act** may deliver marijuana items only to or on a premises for which a license has been issued under
 27 ORS 475B.070, 475B.090, 475B.100 or 475B.105, or to a registry identification cardholder or desig-
 28 nated primary caregiver as allowed under ORS 475B.010 to 475B.545.

29 (2) **Except as provided in section 10 of this 2021 Act for medical marijuana grow sites**, a
 30 licensee to which marijuana items may be delivered under subsection (1) of this section may receive
 31 marijuana items only from:

32 (a) A marijuana producer that holds a license issued under ORS 475B.070, marijuana processor
 33 that holds a license issued under ORS 475B.090, marijuana wholesaler that holds a license issued
 34 under ORS 475B.100, marijuana retailer that holds a license issued under ORS 475B.105 or a labo-
 35 ratory licensed under ORS 475B.560;

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

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

44 (d) A marijuana grow site registered under ORS 475B.810[,] acting in accordance with ORS
 45 475B.825 and any procedures adopted by rule by the commission; **or**

1 (e) A medical marijuana grow site registered under section 10 of this 2021 Act acting in
 2 accordance with section 10 of this 2021 Act and any procedures adopted by rule by the com-
 3 mission.

4 (3) The sale of marijuana items by a marijuana retailer that holds a license issued under ORS
 5 475B.105 must be restricted to the premises for which the license has been issued, but deliveries
 6 may be made by a marijuana retailer to consumers pursuant to a bona fide order received at the
 7 premises prior to delivery.

8 (4) The commission may by order waive the requirements of subsections (1) and (2) of this sec-
 9 tion to ensure compliance with ORS 475B.010 to 475B.545 or a rule adopted under ORS 475B.010 to
 10 475B.545. An order issued under this subsection does not constitute a waiver of any other require-
 11 ment of ORS 475B.010 to 475B.545 or any other rule adopted under ORS 475B.010 to 475B.545.

12 **SECTION 16.** ORS 475B.477 is amended to read:

13 475B.477. (1) As used in this section, “designated primary caregiver,” “immature marijuana
 14 plant,” “marijuana,” “medical cannabinoid product” and “registry identification cardholder” have
 15 the meanings given those terms in ORS 475B.791.

16 (2) A city or county may not adopt an ordinance, by referral or otherwise, that prohibits or
 17 otherwise limits:

18 (a) The privileges described in ORS 475B.301; [or]

19 (b) The right of a registry identification cardholder and the designated primary caregiver of a
 20 registry identification cardholder to:

21 (A) Possess the seeds of marijuana, immature marijuana plants or medical cannabinoid products
 22 as described in ORS 475B.785 to 475B.949; **or**

23 *[(B) Jointly possess up to six mature marijuana plants and up to 12 immature marijuana plants*
 24 *under ORS 475B.831 (1); or]*

25 *[(C)] (B) Jointly possess up to 24 ounces of usable marijuana under ORS 475B.834 (1)[.]; **or***

26 **(c) The right of a person designated to produce marijuana under ORS 475B.810 to produce**
 27 **up to the number of marijuana plants described in ORS 475B.831 (2).**

28 **SECTION 17.** 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 10 of this 2021 Act.**

6 **SECTION 18.** ORS 475B.791 is amended to read:

7 475B.791. As used in ORS 475B.785 to 475B.949:

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

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

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

14 (a) A mechanical extraction process;

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

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

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

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

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

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

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

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

31 (6) "Debilitating medical condition" means:

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

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

37 (A) Cachexia;

38 (B) Severe pain;

39 (C) Severe nausea;

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

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

42 (c) Post-traumatic stress disorder; or

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

- 1 (7)(a) “Delivery” has the meaning given that term in ORS 475.005.
- 2 (b) “Delivery” does not include transfer of marijuana by a registry identification cardholder to
3 another registry identification cardholder if no consideration is paid for the transfer.
- 4 (8)(a) “Designated primary caregiver” means an individual:
- 5 (A) Who is 18 years of age or older;
- 6 (B) Who has significant responsibility for managing the well-being of a person who has been
7 diagnosed with a debilitating medical condition; and
- 8 (C) Who is designated as the person responsible for managing the well-being of a person who
9 has been diagnosed with a debilitating medical condition on that person’s application for a registry
10 identification card or in other written notification submitted to the authority.
- 11 (b) “Designated primary caregiver” does not include a person’s attending physician.
- 12 (9) “High heat” means a temperature exceeding 180 degrees.
- 13 (10) “Immature marijuana plant” means a marijuana plant that is not flowering.
- 14 (11)(a) “Marijuana” means the plant Cannabis family Cannabaceae, any part of the plant
15 Cannabis family Cannabaceae and the seeds of the plant Cannabis family Cannabaceae.
- 16 (b) “Marijuana” does not include:
- 17 (A) Industrial hemp, as defined in ORS 571.269; or
- 18 (B) Prescription drugs, as that term is defined in ORS 689.005, including those containing one
19 or more cannabinoids, that are approved by the United States Food and Drug Administration and
20 dispensed by a pharmacy, as defined in ORS 689.005.
- 21 (12) “Marijuana grow site” means a location registered under ORS 475B.810 where marijuana
22 is produced for use by a registry identification cardholder.
- 23 (13) “Marijuana processing site” means a marijuana processing site registered under ORS
24 475B.840 or a site for which an applicant has submitted an application for registration under ORS
25 475B.840.
- 26 (14) “Mature marijuana plant” means a marijuana plant that is not an immature marijuana
27 plant.
- 28 (15)(a) “Medical cannabinoid product” means a cannabinoid edible and any other product in-
29 tended for human consumption or use, including a product intended to be applied to a person’s skin
30 or hair, that contains cannabinoids or dried leaves or flowers of marijuana.
- 31 (b) “Medical cannabinoid product” does not include:
- 32 (A) Usable marijuana by itself;
- 33 (B) A cannabinoid concentrate by itself;
- 34 (C) A cannabinoid extract by itself; or
- 35 (D) Industrial hemp, as defined in ORS 571.269.
- 36 (16) “Medical marijuana dispensary” means a medical marijuana dispensary registered under
37 ORS 475B.858 or a site for which an applicant has submitted an application for registration under
38 ORS 475B.858.
- 39 (17) “Medical use of marijuana” means the production, processing, possession, delivery or ad-
40 ministration of marijuana, or use of paraphernalia used to administer marijuana, to mitigate the
41 symptoms or effects of a debilitating medical condition.
- 42 (18) “Person designated to produce marijuana by a registry identification cardholder” means a
43 person designated to produce marijuana by a registry identification cardholder under ORS 475B.810
44 who produces marijuana for a registry identification cardholder at an address other than the address
45 where the registry identification cardholder resides [*or at an address where more than 12 mature*

1 *marijuana plants are produced*].

2 (19) "Process" means the compounding or conversion of marijuana into medical cannabinoid
3 products, cannabinoid concentrates or cannabinoid extracts.

4 (20) "Production" means:

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

6 (b) Drying marijuana leaves or flowers.

7 (21) "Registry identification card" means a document issued by the Oregon Health Authority
8 under ORS 475B.797 that identifies a person authorized to engage in the medical use of marijuana
9 and, if the person has a designated primary caregiver under ORS 475B.804, the person's designated
10 primary caregiver.

11 (22) "Registry identification cardholder" means a person to whom a registry identification card
12 has been issued under ORS 475B.797.

13 (23)(a) "Usable marijuana" means the dried leaves and flowers of marijuana.

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

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

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

17 (24) "Written documentation" means a statement signed by the attending physician of a person
18 diagnosed with a debilitating medical condition or copies of the person's relevant medical records.

19 **SECTION 19.** ORS 475B.810 is amended to read:

20 475B.810. (1)(a) The Oregon Health Authority shall establish by rule a marijuana grow site
21 registration system to track and regulate the production of marijuana by a registry identification
22 cardholder or a person designated by the registry identification cardholder to produce marijuana for
23 the registry identification cardholder.

24 (b) Except as provided in paragraph (c) of this subsection, a person may not produce marijuana
25 unless the person is registered under this section.

26 (c) Paragraph (b) of this subsection does not apply to the production of marijuana as provided
27 in ORS 475B.010 to 475B.545 or as otherwise provided for by the statutory laws of this state.

28 (2) Rules adopted under this section must require an applicant for a registry identification card,
29 or a registry identification cardholder who produces marijuana or who designates another person
30 to produce marijuana, to submit an application to the authority containing the following information
31 at the time of making an application under ORS 475B.797 (2), renewing a registry identification card
32 under ORS 475B.797 (6)(b), or notifying the authority of a change under ORS 475B.797 (6)(a):

33 (a) The name of the person responsible for the marijuana grow site;

34 (b) Proof that the person is 21 years of age or older;

35 (c) If the registry identification cardholder or the person responsible for the marijuana grow site
36 is not the owner of the premises of the marijuana grow site, signed informed consent from the owner
37 of the premises to register the premises as a marijuana grow site;

38 (d) The address of the marijuana grow site; and

39 (e) Any other information that the authority considers necessary to track the production of
40 marijuana under ORS 475B.785 to 475B.949.

41 (3)(a) The authority shall conduct a criminal records check under ORS 181A.195 of any person
42 whose name is submitted under this section as the person responsible for a marijuana grow site.

43 (b) A person convicted of a Class A or Class B felony under ORS 475.752 to 475.920 for the
44 manufacture or delivery of a controlled substance in Schedule I or Schedule II may not act as or
45 be designated a person responsible for a marijuana grow site for two years from the date of con-

1 viction.

2 (c) A person convicted more than once of a Class A or Class B felony under ORS 475.752 to
3 475.920 for the manufacture or delivery of a controlled substance in Schedule I or Schedule II may
4 not act as or be designated a person responsible for a marijuana grow site.

5 (4) Subject to subsection [(11)] (12) of this section, the authority shall issue a marijuana grow
6 site registration card if the requirements of subsections (2) and (3) of this section are met.

7 (5) A person who holds a marijuana grow site registration card under this section must display
8 the card at the marijuana grow site at all times.

9 (6) A marijuana grow site registration card must be obtained and posted for each registry
10 identification cardholder for whom marijuana is being produced at a marijuana grow site.

11 (7)(a) All seeds, immature marijuana plants, mature marijuana plants and usable marijuana as-
12 sociated with the production of marijuana for a registry identification cardholder by a person re-
13 sponsible for a marijuana grow site are the property of the registry identification cardholder.

14 (b) All seeds, immature marijuana plants, mature marijuana plants and usable marijuana asso-
15 ciated with the production of marijuana for a registry identification cardholder by a person re-
16 sponsible for a marijuana grow site must be transferred to the registry identification cardholder
17 upon the request of the registry identification cardholder.

18 (c) All usable marijuana associated with the production of marijuana for a registry identification
19 cardholder by a person responsible for a marijuana grow site must be transferred to a marijuana
20 processing site upon the request of the registry identification cardholder. For purposes of this par-
21 agraph, a request to transfer usable marijuana constitutes an assignment of the right to possess the
22 usable marijuana.

23 (d) All seeds, immature marijuana plants and usable marijuana associated with the production
24 of marijuana for a registry identification cardholder by a person responsible for a marijuana grow
25 site must be transferred to a medical marijuana dispensary upon request of the registry identifica-
26 tion cardholder. For purposes of this paragraph, a request to transfer seeds, immature marijuana
27 plants or usable marijuana constitutes an assignment of the right to possess the seeds, immature
28 marijuana plants or usable marijuana.

29 (e) Information related to transfers made under this subsection must be submitted to the au-
30 thority in the manner required by ORS 475B.816.

31 (8) A registry identification cardholder, or the designated caregiver of a registry identification
32 cardholder, may reimburse a person responsible for a marijuana grow site for all costs associated
33 with the production of marijuana for the registry identification cardholder.

34 (9) The authority may inspect:

35 (a) The marijuana grow site of a person designated to produce marijuana by a registry identifi-
36 cation cardholder to ensure compliance with this section and ORS 475B.816 and 475B.831 and any
37 rule adopted under this section and ORS 475B.816 and 475B.831; and

38 (b) The records of the marijuana grow site of a person designated to produce marijuana by a
39 registry identification cardholder to ensure compliance with this section and ORS 475B.816 and any
40 rule adopted under this section and ORS 475B.816.

41 (10) The authority may refuse to register a registry identification cardholder or a designee under
42 this section or may suspend or revoke the registration of a person responsible for a marijuana grow
43 site if the authority determines that the applicant or the person responsible for a marijuana grow
44 site violated a provision of ORS 475B.785 to 475B.949, a rule adopted under ORS 475B.785 to
45 475B.949 or an ordinance adopted pursuant to ORS 475B.928.

1 **(11) A marijuana grow site registered under this section may not produce marijuana for**
 2 **more than two registry identification cardholders.**

3 [(11)] **(12)** The authority may require a person responsible for a marijuana grow site, prior to
 4 issuing a marijuana grow site registration card under subsection (4) of this section, to pay a fee
 5 reasonably calculated to pay costs incurred under this section and ORS 475B.816 and 475B.879.

6 **SECTION 20.** ORS 475B.831 is amended to read:

7 475B.831. [(1)(a) *A registry identification cardholder and the designated primary caregiver of the*
 8 *registry identification cardholder may jointly possess:]*

9 [(A) *Six or fewer mature marijuana plants; and]*

10 [(B) *Twelve or fewer immature marijuana plants.*]

11 [(b)(A) *Unless an address is the marijuana grow site of a person designated to produce marijuana*
 12 *by a registry identification cardholder, the address where a registry identification cardholder or the*
 13 *primary caregiver of a registry identification cardholder produces marijuana may be used to produce*
 14 *not more than:]*

15 [(i) *Six or fewer mature marijuana plants per registry identification cardholder, up to 12 mature*
 16 *marijuana plants; and]*

17 [(ii) *Twelve or fewer immature marijuana plants per registry identification cardholder, up to 24*
 18 *immature marijuana plants.*]

19 [(B) *Except as provided in subparagraph (C) of this paragraph, an address that is subject to this*
 20 *paragraph may not be used to produce plants in the genus Cannabis within the plant family*
 21 *Cannabaceae pursuant to ORS 475B.301.*]

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

26 [(D) *An address that is subject to this paragraph may not be used to produce more than 12 total*
 27 *mature marijuana plants.*]

28 [(2)(a)] **(1)** A person may be designated to produce marijuana under ORS 475B.810 by no more
 29 than [eight] **two** registry identification cardholders.

30 [(b)] **(2)** A person responsible for a marijuana grow site may produce for a registry identification
 31 cardholder who designates the person to produce marijuana no more than:

32 [(A)] **(a)** Six mature marijuana plants;

33 [(B)] **(b)** 12 immature marijuana plants that are 24 inches or more in height; and

34 [(C)] **(c)** The [amount,] **number** established by the Oregon Health Authority by rule[,] of imma-
 35 ture marijuana plants that are less than 24 inches in height.

36 [(3) *If the address of a person responsible for a marijuana grow site registered under ORS*
 37 *475B.810 is located within city limits in an area zoned for residential use:]*

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

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

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

42 [(C) *The amount, established by the authority by rule, of immature marijuana plants that are less*
 43 *than 24 inches in height; or]*

44 [(b) *Subject to subsection (5) of this section, if each person responsible for a marijuana grow site*
 45 *located at the address first registered with the authority under ORS 475B.810 before January 1, 2015,*

1 *no more than the following amounts of marijuana plants may be produced at the address:]*

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

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

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

7 *[(4) If the address of a person responsible for a marijuana grow site registered under ORS*
8 *475B.810 is located in an area other than an area described in subsection (3) of this section:]*

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

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

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

13 *[(C) The amount, established by the authority by rule, of immature marijuana plants that are less*
14 *than 24 inches in height; or]*

15 *[(b) Subject to subsections (5) and (6) of this section, if each person responsible for a marijuana*
16 *grow site located at the address first registered with the authority under ORS 475B.810 before January*
17 *1, 2015, no more than the following amounts of marijuana plants may be produced at the address:]*

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

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

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

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

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

29 *[(B) 24 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 *[(b) If the authority suspends or revokes the registration of a person responsible for a marijuana*
33 *grow site that is located at an address described in subsection (4)(b) of this section, no more than the*
34 *following amounts of marijuana plants may subsequently be produced at any address described in*
35 *subsection (4) of this section at which the person responsible for the marijuana grow site produces*
36 *marijuana:]*

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

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

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

41 *[(6) If a registry identification cardholder who designated a person to produce marijuana for the*
42 *registry identification cardholder pursuant to ORS 475B.810 terminates the designation, the person re-*
43 *sponsible for the marijuana grow site whose designation has been terminated may not be designated*
44 *to produce marijuana by another registry identification cardholder, except that the person may be des-*
45 *ignated by another registry identification cardholder if no more than 48 mature marijuana plants and*

1 *no more than 96 immature marijuana plants that are 24 or more inches in height are produced at the*
 2 *address for the marijuana grow site at which the person produces marijuana.]*

3 *[(7) Subject to the limits described in subsections (2) to (6) of this section, if multiple persons re-*
 4 *sponsible for a marijuana grow site under ORS 475B.810 are located at the same address, the persons*
 5 *designated to produce marijuana by registry identification cardholders who are located at that address*
 6 *may collectively produce marijuana plants for any number of registry identification cardholders who*
 7 *designate the persons to produce marijuana.]*

8 **(3)(a) Subject to paragraph (b) of this subsection, an address at which a marijuana grow**
 9 **site is located may be used to produce plants in the genus Cannabis within the plant family**
 10 **Cannabaceae pursuant to ORS 475B.301.**

11 **(b) An address described in this subsection may not be used to produce more than 12**
 12 **total mature marijuana plants.**

13 *[(8)] (4) If a law enforcement officer determines that there is a number of marijuana plants at*
 14 *an address in excess of the quantities specified in this section, or that an address is being used to*
 15 *produce a number of marijuana plants in excess of the quantities specified in subsection [(1)(b)] (2)*
 16 *or (3) of this section, the law enforcement officer may confiscate only the excess number of*
 17 *marijuana plants.*

18 **SECTION 21.** ORS 475B.913 is amended to read:

19 475B.913. (1) Except as provided in ORS 475B.910, a person has an affirmative defense to a
 20 criminal charge of possession, delivery or manufacture of marijuana, or any other criminal offense
 21 in which possession, delivery or manufacture of marijuana is an element, if the person charged with
 22 the offense:

23 (a) Was diagnosed with a debilitating medical condition within 12 months of the date on which
 24 the person was arrested and was advised by the person's attending physician that the medical use
 25 of marijuana may mitigate the symptoms or effects of that debilitating medical condition;

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

27 (c) Possesses, delivers or manufactures marijuana only in quantities permitted under ORS
 28 475B.831.

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

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

36 (a) The person possesses, delivers or manufactures marijuana only as permitted under ORS
 37 475B.831 [(1)]; and

38 (b) The person has taken a substantial step toward complying with the provisions of ORS
 39 475B.785 to 475B.949.

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

1 for good cause, otherwise.

2 **SECTION 22.** (1) Sections 9 to 13 of this 2021 Act and the amendments to ORS 475B.136,
3 475B.206, 475B.477, 475B.526, 475B.791, 475B.810, 475B.831 and 475B.913 by sections 14 to 21 of
4 this 2021 Act become operative on January 1, 2022.

5 (2) The Oregon Health Authority and the Oregon Liquor Control Commission may take
6 any action before the operative date specified in subsection (1) of this section that is neces-
7 sary to enable the authority or the commission to exercise, on or after the operative date
8 specified in subsection (1) of this section, all of the duties, functions and powers conferred
9 on the authority and the commission by sections 9 to 13 of this 2021 Act and the amendments
10 to ORS 475B.136, 475B.206, 475B.477, 475B.526, 475B.791, 475B.810, 475B.831 and 475B.913 by
11 sections 14 to 21 of this 2021 Act.

12 **SECTION 23.** (1) Until June 1, 2022, the Oregon Health Authority may renew a registra-
13 tion issued under ORS 475B.810 if the initial registration was issued before September 1, 2021.

14 (2) On or after September 1, 2021, the authority may not:

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

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

20 **SECTION 24.** (1) Not later than June 1, 2022, a medical marijuana grow site may apply
21 to the Oregon Liquor Control Commission for registration under section 10 of this 2021 Act
22 if:

23 (a) The medical marijuana grow site is a marijuana grow site registered with the Oregon
24 Health Authority under ORS 475B.810 on February 1, 2021;

25 (b) Before September 1, 2021, the medical marijuana grow site is designated to produce
26 marijuana for three or more registry identification cardholders or is a marijuana grow site
27 at which marijuana is produced by three or more persons designated to produce marijuana;
28 and

29 (c) Before September 1, 2021, the medical marijuana grow site is subject to tracking un-
30 der ORS 475B.177.

31 (2)(a) Notwithstanding section 10 (4) of this 2021 Act, not later than June 1, 2022, a reg-
32 istry identification cardholder who designated a person to produce marijuana under ORS
33 475B.810 may request that the person designated to produce marijuana transfer to the reg-
34 istry identification cardholder all seeds, immature marijuana plants, mature marijuana
35 plants and usable marijuana produced for the registry identification cardholder if the person
36 designated to produce marijuana applies for a medical marijuana grow site registration under
37 section 10 of this 2021 Act.

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

41 (3) The registration under ORS 475B.810 of a marijuana grow site at which marijuana is
42 produced for three or more registry identification cardholders, or by three or more persons
43 designated to produce marijuana for registry identification cardholders, and that does not
44 apply for registration under section 10 of this 2021 Act by June 1, 2022, expires on June 1,
45 2022. The expiration of a registration under this subsection may not be appealed. A marijuana

1 **grow site described in this subsection may not produce marijuana after September 1, 2022.**

2
3 **MARIJUANA TESTING**
4

5 **SECTION 25.** ORS 475B.555 is amended to read:

6 475B.555. (1) As is necessary to protect the public health and safety, and in consultation with
7 the Oregon Liquor Control Commission and the State Department of Agriculture, the Oregon Health
8 Authority shall adopt rules:

9 (a) Establishing standards for testing marijuana items.

10 (b) Identifying appropriate tests for marijuana items, depending on the type of marijuana item
11 and the manner in which the marijuana item was produced or processed, that are necessary to
12 protect the public health and safety, including, but not limited to, tests for:

13 (A) Microbiological contaminants;

14 (B) Pesticides;

15 (C) Other contaminants;

16 (D) Solvents or residual solvents; and

17 (E) Tetrahydrocannabinol and cannabidiol concentration.

18 (c) Establishing procedures for determining batch sizes, **up to 50 pounds**, and for sampling us-
19 able marijuana, cannabinoid products and cannabinoid concentrates or extracts.

20 (d) Establishing different minimum standards for different varieties of usable marijuana and dif-
21 ferent types of cannabinoid products and cannabinoid concentrates and extracts.

22 (2) In addition to the testing requirements established under subsection (1) of this section, the
23 authority or the commission may require cannabinoid edibles to be tested in accordance with any
24 applicable law of this state, or any applicable rule adopted under a law of this state, related to the
25 production and processing of food products or commodities.

26 (3) In adopting rules under ORS 475B.785 to 475B.949, the authority may require:

27 (a) A person responsible for a marijuana grow site under ORS 475B.810 to test usable marijuana
28 before transferring the usable marijuana to a registrant other than an individual who holds a reg-
29 istry identification card under ORS 475B.797; and

30 (b) A person processing marijuana to test cannabinoid products or cannabinoid concentrates or
31 extracts before transferring the cannabinoid products or cannabinoid concentrates or extracts to a
32 registrant other than an individual who holds a registry identification card under ORS 475B.797.

33 (4) In adopting rules under ORS 475B.010 to 475B.545, the commission may require:

34 (a) A marijuana producer that holds a license under ORS 475B.070 or a marijuana wholesaler
35 that holds a license under ORS 475B.100 to test usable marijuana before selling or transferring the
36 usable marijuana; and

37 (b) A marijuana processor that holds a license under ORS 475B.090 or a marijuana wholesaler
38 that holds a license under ORS 475B.100 to test cannabinoid products or cannabinoid concentrates
39 or extracts before selling or transferring the cannabinoid products or cannabinoid concentrates or
40 extracts.

41 (5) The authority and the commission may conduct random testing of marijuana items for the
42 purpose of determining whether a person subject to testing under subsection (3) of this section or
43 a licensee subject to testing under subsection (4) of this section is in compliance with this section.

44 (6) In adopting rules to implement this section, the authority and commission may not require
45 a marijuana item to undergo the same test more than once unless the marijuana item is processed

1 into a different type of marijuana item or the condition of the marijuana item has fundamentally
2 changed.

3 (7) The testing of marijuana items as required by this section must be conducted by a laboratory
4 licensed by the commission under ORS 475B.560 and accredited by the authority under ORS
5 475B.565.

6 (8) In adopting rules under subsection (1) of this section, the authority:

7 (a) Shall consider the cost of a potential testing procedure and how that cost will affect the cost
8 to the ultimate consumer of the marijuana item; and

9 (b) May not adopt rules that are more restrictive than is reasonably necessary to protect the
10 public health and safety.

11 **SECTION 26.** (1) The amendments to ORS 475B.555 by section 25 of this 2021 Act become
12 operative on January 1, 2022.

13 (2) The Oregon Health Authority may take any action before the operative date specified
14 in subsection (1) of this section that is necessary to enable the authority, on and after the
15 operative date specified in subsection (1) of this section, to exercise all of the duties, func-
16 tions and powers conferred on the authority by the amendments to ORS 475B.555 by section
17 25 of this 2021 Act.

18
19 **CAPTIONS**

20
21 **SECTION 27.** The unit and section captions used in this 2021 Act are provided only for
22 the convenience of the reader and do not become part of the statutory law of this state or
23 express any legislative intent in the enactment of this 2021 Act.

24
25 **EFFECTIVE DATE**

26
27 **SECTION 28.** This 2021 Act being necessary for the immediate preservation of the public
28 peace, health and safety, an emergency is declared to exist, and this 2021 Act takes effect
29 on its passage.
30

