SENATE AMENDMENTS TO SENATE BILL 408

By COMMITTEE ON LABOR AND BUSINESS

April 16

1	In line 2 of the printed bill, after "marijuana" insert "; creating new provisions; amending ORS
2	$475B.060,\ 475B.070,\ 475B.105,\ 475B.206,\ 475B.256,\ 475B.337,\ 475B.341,\ 475B.615\ \text{and}\ 475B.625;\ \text{and}\ 475B.625;\ \text{and}\ 475B.615\ \text{and}\ 475B.625;\ \text{and}\ 475B.615\ \text{and}\ 475B.625;\ \text{and}\ 475B.615\ \text{and}\ 475B.625;\ \text{and}\ 475B.615\ \text{and}\ 475B.615\ \text{and}\ 475B.625;\ \text{and}\ 475B.615\ \text{and}\ 475B.615\ \text{and}\ 475B.625;\ \text{and}\ 475B.615\ $
3	declaring an emergency".
4	Delete lines 4 through 30 and insert:
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6	"ENFORCEMENT REFORM
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8	" <u>SECTION 1.</u> ORS 475B.060 is amended to read:
9	"475B.060. (1) The Oregon Liquor Control Commission shall approve or deny an application to
10	be licensed under ORS 475B.010 to 475B.545. Except as provided in subsection (2) of this section,
11	upon receiving an application under ORS 475B.040, the commission may not [unreasonably] delay
12	processing, approving or denying the application or, if the application is approved, issuing the li-
13	cense.
14	"(2) The commission may delay processing, approving or denying an application described
15	in subsection (1) of this section only if:
16	"(a) The applicant, or a person named on the application, holds a license issued under
17	ORS 475B.010 to 475B.545 and the commission has issued a notice proposing revocation of the
18	license for one or more violations of ORS 475B.010 to 475B.545 that are administrative in
19	nature, as determined by the commission, or a notice proposing suspension of the license
20	pursuant to ORS 305.385;
21	"(b) The applicant is applying for a license at a premises where the applicant seeks to
22	assume ownership of an existing business for which a license has been issued under ORS
23	475B.010 to 475B.545 and the commission has issued a notice proposing revocation of the li-
24	cense for the existing business or a notice proposing suspension of the license for the exist-
25	ing business pursuant to ORS 305.385; or
26	"(c) The commission has received information from law enforcement that the applicant
27	or a person named on the application is engaging, or has engaged, in the unregulated com-
28	merce of marijuana items or unlawful manufacture or delivery of controlled substances.
29	"[(2)] (3) The licenses described in ORS 475B.010 to 475B.545 must be issued by the commission,
30	subject to the provisions of ORS 475B.010 to 475B.545 and rules adopted under ORS 475B.010 to
31	475B.545.
32	"[(3)] (4) The commission may not license a premises that does not have defined boundaries. A
33	premises does not need to be enclosed by a wall, fence or other structure, but the commission may
34	require a premises to be enclosed as a condition of issuing or renewing a license. The commission
35	may not license a mobile premises.

"SECTION 2. The amendments to ORS 475B.060 by section 1 of this 2021 Act apply to 1 $\mathbf{2}$ applications received by the Oregon Liquor Control Commission on or after the effective date of this 2021 Act. 3 "SECTION 3. ORS 475B.256 is amended to read: 4 "475B.256. (1) Subject to subsection (3) of this section, the Oregon Liquor Control Commis-5 sion may revoke, suspend or restrict a license issued under ORS 475B.010 to 475B.545 or require a 6 7 licensee or licensee representative to undergo training if the commission finds or has reasonable 8 ground to believe [any of the following to be true:] "[(a)] that the licensee or licensee representative: 9 "[(A)] (a) Has violated a provision of ORS 475B.010 to 475B.545 or a rule adopted under ORS 10 475B.010 to 475B.545. 11 (b) Has diverted marijuana to the interstate market or an illicit market or has diverted 1213resources to a criminal enterprise. (c) Has introduced into the marijuana industry regulated under ORS 475B.010 to 14 15475B.545 cannabinoids or marijuana not produced or processed by a licensee and not tracked 16 in the system developed and maintained under ORS 475B.177. (B) (d) Has made any false representation or statement to the commission regarding com-1718 pliance with a provision of ORS 475B.010 to 475B.545 or a rule adopted under ORS 475B.010 19 to 475B.545 in order to induce or prevent action by the commission. 20"(C) Is insolvent or incompetent or physically unable to carry on the management of the estab-21lishment of the licensee.] 22(D) (e) Is in the habit of using alcoholic liquor, habit-forming drugs, marijuana or controlled 23substances to excess. "[(E)] (f) Has misrepresented to a customer or the public any marijuana items sold by the 2425licensee or licensee representative. 26[(F)] (g) Since the issuance of the license, has been convicted of a felony, of violating any of 27the marijuana laws of this state, general or local, or of any misdemeanor or violation of any municipal ordinance committed on the premises for which the license has been issued. 28 29"(h) Has sold a marijuana item to a person under 21 years of age. 30 "[(b) That there is any other reason that, in the opinion of the commission, based on public convenience or necessity, warrants revoking, suspending or restricting the license.] 31"(2) In addition to the grounds listed in subsection (1) of this section, the commission 3233 may take an action described in subsection (1) of this section if there is a history of a lack of institutional control involving the premises for which a license has been issued under ORS 34475B.010 to 475B.545. 35 "(3)(a) The commission may revoke a license under subsection (1)(a) of this section only 36 37 when the conduct poses a significant risk to public health or safety. "(b) The commission shall consider as mitigating factors to the conduct described in 38 subsection (1) of this section the following: 39 40 "(A) Self-reporting by a licensee or applicant;

41 "(B) A demonstration that, to the satisfaction of the commission, the conduct of the 42 licensee or applicant is not persistent or serious; and

43 "(C) A demonstration that, to the satisfaction of the commission, the licensee's willing 44 ness and ability to adequately control the premises for which a license has been issued under
 45 ORS 475B.010 to 475B.545 and any inventory stored at the premises.

1 "(4) The commission may suspend or restrict a license issued under ORS 475B.010 to 2 475B.545 or require a licensee or licensee representative to undergo training if the commis-3 sion finds or has reasonable grounds to believe that the licensee or licensee representative 4 has violated a provision of ORS 475B.010 to 475B.545 or a rule adopted under ORS 475B.010 5 to 475B.545.

6 "(5) The commission may suspend or revoke a permit issued under ORS 475B.266 to an 7 individual rather than suspend or revoke a license issued under ORS 475B.010 to 475B.545 if 8 the commission determines that permit suspension or revocation is more appropriate.

9 "[(2)(a)] (6)(a) The commission shall revoke a marijuana retailer license issued under ORS
475B.105 if the licensee fails to:

"(A) Pay the tax as required under ORS 475B.710 twice in any four consecutive quarters and the Department of Revenue has issued to the licensee a distraint warrant under ORS 475B.715 for the nonpayment of tax; or

"(B) File a return as required under ORS 475B.710 twice in any four consecutive quarters and the department has issued to the licensee a notice of determination and assessment under ORS 475B.715 for failure to file a return.

17 "(b) The department's written notice to the commission that a licensee described under this 18 subsection has failed to pay a tax or file a return twice in any four consecutive quarters, and that 19 the department has issued a distraint warrant or notice of determination and assessment, shall 20 constitute prima facie evidence of the licensee's failure to pay the tax or file a return.

"<u>SECTION 4.</u> Section 5 of this 2021 Act is added to and made a part of ORS 475B.010 to
 475B.545.

23"SECTION 5. The Oregon Liquor Control Commission shall establish by rule a schedule outlining the numbers and types of violations described in ORS 475B.256 that, if committed 2425within a two-year period by an applicant for a license issued under ORS 475B.010 to 475B.545 26or a licensee indicate a disregard for the law or a failure to control the premises for which 27a license has been issued under ORS 475B.010 to 475B.545. The schedule adopted under this section must include a definition of the categories of violations, elements of the violations 28 and a method by which to apply any aggravating or mitigating circumstances to the vio-2930 lations.

SECTION 6. (1) Not later than December 31, 2021, the Oregon Liquor Control Commission shall submit a report, in the manner provided under ORS 192.245, to an interim committee of the Legislative Assembly related to the judiciary. The report must summarize the commission's rulemaking activities under section 5 of this 2021 Act between the effective date of this 2021 Act and December 31, 2021, including but not limited to rulemaking focused on the commission's mission to support businesses, public safety and community livability through public education and the enforcement of marijuana laws.

"(2) Not later than December 31, 2022, the commission shall submit a report, in the manner provided under ORS 192.245, to an interim committee of the Legislative Assembly related to the judiciary, that summarizes the commission's rulemaking activities under section 5 of this 2021 Act between January 1, 2022 and December 31, 2022. The report must include a summary of at least the following:

43 "(a) Rulemaking focused on the commission's mission to support businesses, public
 44 safety and community livability through public education and the enforcement of marijuana
 45 laws; and

(b) The cannabis industry's participation in the rulemaking process, the number of vio-1 2 lations in each category defined under section 5 of this 2021 Act with which the commission has charged an applicant or licensee, as defined in ORS 475B.015, and an analysis of voluntary 3 4 compliance by applicants and licensees that receive warnings of violations from the commission. 5 6 "SECTION 7. Section 6 of this 2021 Act is repealed on January 1, 2024. 7 **"TRANSFER OF MARIJUANA** 8 9 "SECTION 8. Sections 9 and 10 of this 2021 Act are added to and made a part of ORS 10 11 475B.010 to 475B.545. "SECTION 9. (1) As used in this section, 'commonly owned' means, as further defined 12by the Oregon Liquor Control Commission by rule, that a person included on an application 13for a license under ORS 475B.070 has an interest in or authority over the management of 14 15another entity for which a license has been issued under ORS 475B.070. 16 "(2) A marijuana producer that holds a license issued under ORS 475B.070 may deliver to or receive from a marijuana processor that holds a license issued under ORS 475B.090: 17 18 "(a) Cannabinoid products, cannabinoid extracts and cannabinoid concentrates processed 19 by the marijuana processor from marijuana produced by the marijuana producer and that do not contain marijuana produced by any other marijuana producer; and 2021(b) Marijuana produced by the marijuana producer that the marijuana processor re-22ceived from the marijuana producer but that the marijuana processor did not process. 23"(3) Two or more marijuana producers that hold licenses issued under ORS 475B.070 and are commonly owned by the same person may deliver to and receive from one another 2425marijuana and usable marijuana. "SECTION 10. (1) In order to transport marijuana items, a licensee must create a mani-2627fest that contains the following information: 28 "(a) The name of the driver of the transport vehicle; "(b) Identifying information for the driver's permit issued under ORS 475B.266; 29 "(c) The license plate number, make and model of the transport vehicle; 30 "(d) The name of the licensee from which the marijuana or marijuana items are being 3132transported; 33 (e) A detailed inventory of the marijuana and marijuana items being transported; "(f) The location of any overnight stop during transportation, and the estimated time of 3435 the overnight stop; and "(g) The destination of the marijuana and marijuana items being transported. 36 37 "(2) Except as provided in subsection (1)(f) of this section, a manifest created under this 38 section is not required to include transport route information. "(3) The transport driver shall carry in the transport vehicle a copy of the manifest. 39 40 "SECTION 11. ORS 475B.105 is amended to read: 41 "475B.105. (1) The retail sale of marijuana items is subject to regulation by the Oregon Liquor Control Commission. 42"(2) A marijuana retailer must have a retail license issued by the commission for the premises 43 44 at which marijuana items are sold. To hold a retail license under this section, a marijuana retailer: 45 "(a) Must apply for a license in the manner described in ORS 475B.040;

1 "(b) Must provide proof that the applicant is 21 years of age or older;

2 "(c) May not be located in an area that is zoned exclusively for residential use;

3 "(d) Except as provided in ORS 475B.109, may not be located within 1,000 feet of:

4 "(A) A public elementary or secondary school for which attendance is compulsory under ORS
5 339.020; or

6 "(B) A private or parochial elementary or secondary school, teaching children as described in 7 ORS 339.030 (1)(a); and

8 "(e) Must meet the requirements of any rule adopted by the commission under subsection (3) of 9 this section.

10 "(3) The commission shall adopt rules that:

11 "(a) Require a marijuana retailer to annually renew a license issued under this section;

12 "(b) Establish application, licensure and renewal of licensure fees for marijuana retailers;

"(c) Require marijuana items sold by a marijuana retailer to be tested in accordance with ORS
 475B.555;

15 "(d) Notwithstanding ORS 475B.206, allow a marijuana retailer to deliver marijuana items to 16 another marijuana retailer that [*is owned by the same or substantially the same persons*] has on the 17 marijuana retailer's license application a person that has an interest in or authority over the 18 management of the other marijuana retailer;

19 "(e) Subject to the limitations and privileges described in ORS 475B.146 (3), allow a marijuana retailer registered under ORS 475B.146 to sell medical grade cannabinoid products, cannabinoid 2021concentrates and cannabinoid extracts at retail in the same manner that rules adopted under ORS 22475B.010 to 475B.545 allow a marijuana retailer to sell general use cannabinoid products, 23cannabinoid concentrates and cannabinoid extracts at retail, excepting those circumstances where 24differentiating between the sale of medical grade cannabinoid products, cannabinoid concentrates 25and cannabinoid extracts and the sale of general use cannabinoid products, cannabinoid concen-26trates and cannabinoid extracts is necessary to protect the public health and safety; and

27 "(f) Require a marijuana retailer to meet any public health and safety standards and industry 28 best practices established by the commission by rule.

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"(4) Fees adopted under subsection (3)(b) of this section:

30 "(a) May not exceed, together with other fees collected under ORS 475B.010 to 475B.545, the 31 cost of administering ORS 475B.010 to 475B.545; and

"(b) Shall be deposited in the Marijuana Control and Regulation Fund established under ORS
 475B.296.

"MARIJUANA PLANT DIVERSITY

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"SECTION 12. ORS 475B.070 is amended to read:

38 "475B.070. (1) The production of marijuana is subject to regulation by the Oregon Liquor Con-39 trol Commission.

"(2) A marijuana producer must have a production license issued by the commission for the
premises at which the marijuana is produced. To hold a production license issued under this section,
a marijuana producer:

43 "(a) Must apply for a license in the manner described in ORS 475B.040;

44 "(b) Must provide proof that the applicant is 21 years of age or older; and

45 "(c) Must meet the requirements of any rule adopted by the commission under subsections (3)

1 and (4) of this section.

2 "(3)(a) If the applicant is not the owner of the premises at which the marijuana is to be 3 produced, the applicant shall submit to the commission signed informed consent from the owner of 4 the premises to produce marijuana at the premises.

5 "(b) The commission may adopt rules regarding the informed consent described in this sub-6 section.

7 "(4) The commission shall adopt rules that:

8 "(a) Require a marijuana producer to annually renew a license issued under this section;

9 "(b) Establish application, licensure and renewal of licensure fees for marijuana producers;

"(c) Require marijuana produced by marijuana producers to be tested in accordance with ORS
 475B.555;

"(d) Assist the viability of marijuana producers that are independently owned and operated and that are limited in size and revenue with respect to other marijuana producers, by minimizing barriers to entry into the regulated system and by expanding, to the extent practicable, transportation options that will support their access to the retail market;

"(e) Allow a marijuana producer registered under ORS 475B.136 to produce marijuana for medical purposes in the same manner that rules adopted under ORS 475B.010 to 475B.545 allow a marijuana producer to produce marijuana for nonmedical purposes, excepting those circumstances where differentiating between the production of marijuana for medical purposes and the production of marijuana for nonmedical purposes is necessary to protect the public health and safety;

"(f) Require marijuana producers to submit, at the time of applying for or renewing a license under ORS 475B.040, a report describing the applicant's or licensee's electrical or water usage; [and]

24 "(g) Require a marijuana producer to meet any public health and safety standards and industry 25 best practices established by the commission by rule related to the production of marijuana or the 26 propagation of immature marijuana plants and marijuana seeds; and

"(h) Support marijuana plant diversity by allowing a qualified marijuana producer to re ceive marijuana seeds from any source in this state.

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"(5) Fees adopted under subsection (4)(b) of this section:

"(a) May not exceed, together with other fees collected under ORS 475B.010 to 475B.545, the
 cost of administering ORS 475B.010 to 475B.545;

"(b) Shall be in the form of a schedule that imposes a greater fee for premises with more square footage or on which more marijuana plants are grown; and

"(c) Shall be deposited in the Marijuana Control and Regulation Fund established under ORS
 475B.296.

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"SECTION 13. ORS 475B.206 is amended to read:

"475B.206. (1) Except as provided in ORS 475B.136 and 475B.873 and rules adopted pursuant to ORS 475B.070, a marijuana producer that holds a license issued under ORS 475B.070, marijuana processor that holds a license issued under ORS 475B.090 or marijuana wholesaler that holds a license issued under ORS 475B.100 may deliver marijuana items only to or on a premises for which a license has been issued under ORS 475B.070, 475B.090, 475B.100 or 475B.105, or to a registry identification cardholder or designated primary caregiver as allowed under ORS 475B.010 to 475B.545.

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

"(a) A marijuana producer that holds a license issued under ORS 475B.070, marijuana processor
that holds a license issued under ORS 475B.090, marijuana wholesaler that holds a license issued
under ORS 475B.100, marijuana retailer that holds a license issued under ORS 475B.105 or a laboratory licensed under ORS 475B.560;

5 "(b) A researcher of cannabis that holds a certificate issued under ORS 475B.286 and that 6 transfers limited amounts of marijuana, usable marijuana, cannabinoid products, cannabinoid con-7 centrates and cannabinoid extracts in accordance with procedures adopted under ORS 475B.286 8 (3)(d) and (e);

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

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

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

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

"POSSESSION AND CONCENTRATION LIMITS

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"SECTION 14. ORS 475B.337 is amended to read:

"475B.337. (1) Except for licensees and licensee representatives acting in accordance with ORS
475B.010 to 475B.545 and any rule adopted under ORS 475B.010 to 475B.545, it is unlawful for any
person 21 years of age or older to possess, knowingly or intentionally:

"(a) An amount of plants in the genus Cannabis within the plant family Cannabaceae in excess
 of the amount allowed under ORS 475B.301 (1).

32 "(b) More than [one ounce] two ounces of usable marijuana in a public place.

33 "(c) More than eight ounces of usable marijuana.

34 "(d) More than 16 ounces of cannabinoid products in solid form or cannabinoid concentrates.

35 "(e) More than 72 ounces of cannabinoid products in liquid form.

36 "(f) More than one ounce of cannabinoid extracts.

"(g) A cannabinoid extract that was not purchased from a marijuana retailer that holds a license
 issued under ORS 475B.105.

"(2) Except as provided in subsection (3) of this section, unlawful possession of a marijuana item
 is a Class A misdemeanor.

41 "(3) Unlawful possession of a marijuana item is:

42 "(a) A Class B violation, if the amount possessed is not more than two times the applicable
43 maximum amount specified in subsection (1)(a) to (f) of this section.

44 "(b) A Class B misdemeanor, if the amount possessed is more than two times, but not more than 45 four times, the applicable maximum amount specified in subsection (1)(a) to (f) of this section.

1 "(c) A Class C felony, if the amount possessed is: 2 "(A) More than 16 times the applicable maximum amount specified in subsection (1)(a), (c), (d), (e) or (f) of this subsection; 3 4 "(B) More than eight pounds of usable marijuana in a public place; or "(C) More than one-quarter ounce of cannabinoid extract that was not purchased from a 5 marijuana retailer that holds a license issued under ORS 475B.105. 6 7 "SECTION 15. ORS 475B.341 is amended to read: 8 "475B.341. (1) Except for licensees and licensee representatives acting in accordance with ORS 475B.010 to 475B.545 and any rule adopted under ORS 475B.010 to 475B.545, it is unlawful for any 9 person under 21 years of age to possess, knowingly or intentionally: 10 11 "(a) An amount of plants in the genus Cannabis within the plant family Cannabaceae in excess of the amount allowed under ORS 475B.301 (1). 12"(b) More than [one ounce] two ounces of usable marijuana in a public place. 13"(c) More than eight ounces of usable marijuana. 14 15"(d) More than 16 ounces of cannabinoid products in solid form or cannabinoid concentrates. 16 "(e) More than 72 ounces of cannabinoid products in liquid form. "(f) More than one ounce of cannabinoid extracts. 1718 "(g) A cannabinoid extract that was not purchased from a marijuana retailer that holds a license 19 under ORS 475B.105. "(2) Except as provided in subsection (3) of this section, unlawful possession of a marijuana item 2021by a person under 21 years of age is a Class A misdemeanor. 22(3) Unlawful possession of a marijuana item by a person under 21 years of age is a Class C 23felony, if the amount possessed is: 24"(a) More than 16 times the applicable maximum amount specified in subsection (1)(a), (c), (d), 25(e) or (f) of this subsection; 26(b) More than eight pounds of usable marijuana in a public place; or 27"(c) More than one-quarter ounce of cannabinoid extract that was not purchased from a marijuana retailer that holds a license issued under ORS 475B.105. 28"SECTION 16. ORS 475B.625 is amended to read: 29"475B.625. (1) The [Oregon Health Authority] Oregon Liquor Control Commission shall adopt 30 rules establishing: 31"(a) The maximum concentration of tetrahydrocannabinol that is permitted in a single serving 3233 of a cannabinoid product or cannabinoid concentrate or extract; and "(b) The number of servings that are permitted in a **package of** cannabinoid product or 3435 cannabinoid concentrate or extract [package]. 36 "(2)(a) In adopting rules under subsection (1)(a) of this section, the [authority] commission shall 37 prescribe the different levels of concentration of tetrahydrocannabinol that is permitted in a single 38 serving of a cannabinoid product or cannabinoid concentrate or extract for: 39 "(A) Consumers who hold a valid registry identification card issued under ORS 475B.797; and 40 "(B) Consumers who do not hold a valid registry identification card issued under ORS 475B.797. 41 "(b) In prescribing the levels of concentration of tetrahydrocannabinol that is permitted in a 42single serving of a cannabinoid product or cannabinoid concentrate or extract for consumers who hold a valid registry identification card issued under ORS 475B.797, the [authority] commission 43 44 shall consider the appropriate level of concentration necessary to mitigate the symptoms or effects 45 of a debilitating medical condition, as defined in ORS 475B.791.

1 "(3) In adopting rules under ORS 475B.785 to 475B.949, the **Oregon Health** Authority shall 2 **adopt by rule requirements established by the commission by rule to** require all usable 3 marijuana, cannabinoid products and cannabinoid concentrates and extracts transferred by a med-4 ical marijuana dispensary registered under ORS 475B.858 to meet the concentration standards and 5 [*packaging*] **servings per package** standards adopted by rule pursuant to this section.

6 "(4)(a) In adopting rules under ORS 475B.010 to 475B.545, the [Oregon Liquor Control] commis-7 sion shall require all usable marijuana, cannabinoid products and cannabinoid concentrates and ex-8 tracts sold or transferred by a marijuana retailer that holds a license under ORS 475B.105 to meet 9 the concentration standards and [packaging] servings per package standards adopted by rule pur-10 suant to this section.

"(b) The rules adopted by the commission under this subsection must allow for a con centration of up to 100 milligrams of tetrahydrocannabinol per package of cannabinoid
 edibles.

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"PACKAGING REQUIREMENTS

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"SECTION 17. ORS 475B.615 is amended to read:

"475B.615. (1) As is necessary to protect the public health and safety, and in consultation with the Oregon Health Authority and the State Department of Agriculture, the Oregon Liquor Control Commission shall adopt rules establishing standards for the packaging of marijuana items, including but not limited to:

- "(a) Ensuring that [*usable marijuana*,] cannabinoid concentrates and extracts, cannabinoid
 edibles and other cannabinoid products are:
- 24 "(A) Packaged in child-resistant safety packaging; and
- 25 "(B) Not marketed in a manner that:
- 26 "(i) Is untruthful or misleading;
- 27 "(ii) Is attractive to minors; or

28 "(iii) Otherwise creates a significant risk of harm to public health and safety; [and]

29 "(b) Ensuring that usable marijuana, including usable marijuana that is pre-rolled, is not 30 marketed in a manner that:

31 "(A) Is untruthful and misleading;

32 "(B) Is attractive to minors; or

33 "(C) Otherwise creates a significant risk of harm to public health and safety; and

"[(b)] (c) Ensuring that cannabinoid edibles and other cannabinoid products are not packaged
 in a manner that is attractive to minors.

"(2) In adopting rules under ORS 475B.785 to 475B.949, the authority shall require all usable marijuana, cannabinoid products and cannabinoid concentrates and extracts transferred by a medical marijuana dispensary registered under ORS 475B.858 to be packaged in accordance with subsection (1) of this section and rules adopted under subsection (1) of this section.

40 "(3) In adopting rules under ORS 475B.010 to 475B.545, the commission shall require all usable 41 marijuana, cannabinoid products and cannabinoid concentrates and extracts sold or transferred by 42 a marijuana retailer that holds a license under ORS 475B.105 to be packaged in accordance with 43 subsection (1) of this section and rules adopted under subsection (1) of this section.

44 "(4) In adopting rules under subsection (1) of this section, the commission:

45 "(a) May establish different packaging standards for different varieties of usable marijuana and

1	for different types of cannabinoid products and cannabinoid concentrates and extracts;
2	"(b) May establish different minimum packaging standards for persons registered under ORS
3	475B.785 to 475B.949 and persons licensed under ORS 475B.010 to 475B.545;
4	"(c) May consider the effect on the environment of requiring certain packaging;
5	"(d) Shall consider the cost of a potential requirement and how that cost will affect the cost to
6	the ultimate consumer of the marijuana item; and
7	"(e) May not adopt rules that are more restrictive than is reasonably necessary to protect the
8	public health and safety.
9	"SECTION 18. The Oregon Liquor Control Commission shall study the laws of this state
10	and the commission rules related to recreational marijuana and identify any changes to laws
11	or rules that would further reduce the use of plastics by the recreational marijuana industry.
12	Not later than December 31, 2022, the commission shall report its findings and recommen-
13	dations for legislation and rule changes to an interim committee of the Legislative Assembly
14	related to the environment.
15	" <u>SECTION 19.</u> Section 18 of this 2021 Act is repealed on January 2, 2023.
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17	"CAPTIONS
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19	"SECTION 20. The unit captions used in this 2021 Act are provided only for the conven-
20	ience of the reader and do not become part of the statutory law of this state or express any
21	legislative intent in the enactment of this 2021 Act.
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23	"OPERATIVE AND EFFECTIVE DATES
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25	"SECTION 21. (1) Sections 9 and 10 of this 2021 Act and the amendments to ORS 475B.070,
26	475B.105, 475B.206, 475B.256, 475B.337, 475B.341, 475B.615 and 475B.625 by sections 3 and 11 to
27	17 of this 2021 Act become operative on January 1, 2022.
28	"(2) The Oregon Liquor Control Commission and the Oregon Health Authority may take
29	any action before the operative date specified in subsection (1) of this section that is neces-
30	sary to enable the commission and the authority to exercise, on and after the operative date
31	specified in subsection (1) of this section, all of the duties, functions and powers conferred
32	on the commission and the authority by sections 9 and 10 of this 2021 Act and the amend-
33	ments to ORS 475B.070, 475B.105, 475B.206, 475B.256, 475B.337, 475B.341, 475B.615 and 475B.625
34	by sections 3 and 11 to 17 of this 2021 Act.
35	"SECTION 22. This 2021 Act being necessary for the immediate preservation of the public
36	peace, health and safety, an emergency is declared to exist, and this 2021 Act takes effect
37	on its passage.".