

# Senate Bill 758

Sponsored by Senator PROZANSKI (at the request of Compassionate Oregon)

## 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**.

Changes "Oregon Medical Marijuana Act" to "Oregon Medical and Therapeutic Cannabis Act." Allows person designated to produce marijuana by registry identification cardholder to enter into agreement with registry identification cardholder to transfer marijuana to another registry identification cardholder or primary caregiver. Directs Oregon Health Authority to adopt policies and make public statement regarding equitable access to marijuana for medical use. Allows medical marijuana dispensary and recreational marijuana retailer to transfer marijuana to individual who holds valid out-of-state medical marijuana patient card. Requires authority to ensure cybersecurity of personally identifiable information in authority databases and electronic systems. Exempts out-of-state medical marijuana patient from taxation on retail sale of marijuana items. Specifies health care providers who may recommend medical use of marijuana to registry identification cardholder. Provides that authority may not charge fee greater than \$20 for registry identification card for certain individuals. Directs authority to issue permanent registry identification card to individual with lifetime debilitating medical condition. Requires organizations designated as primary caregivers to allow consumption of marijuana for medical use. Removes criminal records check requirements for applicants for authority registration. Provides that certain marijuana grow sites are not subject to tracking requirements or marijuana plant limits.

Requires marijuana retailers and medical marijuana dispensaries to make available online terpene testing results.

Directs Oregon Liquor Control Commission to establish care and accommodation program to ensure long-term access to marijuana products for registry identification cardholders. Allows certain recreational marijuana processors to receive marijuana from medical marijuana grow site for purposes of processing marijuana.

Requires distribution of moneys from Oregon Marijuana Account for purposes of administering medical marijuana program.

Takes effect on 91st day following adjournment sine die.

## A BILL FOR AN ACT

Relating to medical marijuana; creating new provisions; amending ORS 475B.020, 475B.139, 475B.220, 475B.531, 475B.570, 475B.630, 475B.707, 475B.759, 475B.788, 475B.791, 475B.797, 475B.801, 475B.807, 475B.810, 475B.816, 475B.822, 475B.831, 475B.837, 475B.840, 475B.858, 475B.885, 475B.898, 475B.901, 475B.904, 475B.913, 475B.916, 475B.952 and 475B.961; repealing ORS 475B.794, 475B.843 and 475B.861; and prescribing an effective date.

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

## OREGON MEDICAL AND THERAPEUTIC CANNABIS ACT

**SECTION 1. Sections 2 to 5 of this 2021 Act are added to and made a part of ORS 475B.785 to 475B.949.**

**SECTION 2. (1) A person designated to produce marijuana by a registry identification cardholder may transfer, pursuant to an agreement entered into with the registry identification cardholder and subject to the limits established in ORS 475B.825, 475B.831 and 475B.834, all or part of the seeds, immature marijuana plants and usable marijuana associated with the production of marijuana described in this subsection to another registry identification cardholder or the other registry identification cardholder's designated primary**

**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 caregiver.

2 (2) A transfer made under this section is subject to tracking under ORS 475B.895.

3 (3) The Oregon Health Authority may adopt rules to carry out this section.

4 **SECTION 3.** The Oregon Health Authority shall include on a website dedicated to the  
 5 program administered under ORS 475B.785 to 475B.949 a statement declaring that cannabis  
 6 is to be treated as a medicine, the program administered under ORS 475B.785 to 475B.949 is  
 7 a public health program and the authority is dedicated to ensuring equitable access to the  
 8 program for all Oregonians. The authority shall adopt and abide by internal policies that  
 9 focus on ensuring equitable access to the program for all Oregonians.

10 **SECTION 4.** (1) A medical marijuana dispensary may transfer usable marijuana, imma-  
 11 ture marijuana plants, seeds, medical cannabinoid products, cannabinoid concentrates and  
 12 cannabinoid extracts to an individual who provides to the medical marijuana dispensary proof  
 13 that the individual is the holder of a medical marijuana patient card issued by another state.

14 (2) A medical marijuana dispensary shall post in an area visible to the public a notice that  
 15 an individual described in subsection (1) of this section is not exempt from ORS 475B.227 or  
 16 475B.381.

17 (3) The Oregon Health Authority:

18 (a) May adopt rules regarding the validity of medical marijuana patient cards described  
 19 under subsection (1) of this section; and

20 (b) Shall adopt rules to establish requirements for the notice described under subsection  
 21 (2) of this section.

22 **SECTION 5.** The Oregon Health Authority shall, in consultation with the Oregon Liquor  
 23 Control Commission and other state agencies as necessary:

24 (1) Ensure the highest level of protection and privacy for information submitted and  
 25 maintained in the databases established under ORS 475B.879 and 475B.882, the electronic  
 26 system established under ORS 475B.892 and the tracking system established under ORS  
 27 475B.177;

28 (2) Continually revise information handling and submission processes to reduce multiple  
 29 submissions of personally identifiable information in the databases established under ORS  
 30 475B.879 and 475B.882, the electronic system established under ORS 475B.892 and the tracking  
 31 system established under ORS 475B.177; and

32 (3) Ensure any third party vendors with which the authority or the commission contracts  
 33 for the management of the databases established under ORS 475B.879 and 475B.882, the  
 34 electronic system established under ORS 475B.892 and the tracking system established under  
 35 ORS 475B.177 prevent cybersecurity breaches.

36 **SECTION 6.** ORS 475B.788 is amended to read:

37 475B.788. ORS 475B.785 to 475B.949 shall be known as the Oregon Medical [*Marijuana*] and  
 38 Therapeutic Cannabis Act.

39 **SECTION 7.** ORS 475B.791 is amended to read:

40 475B.791. As used in ORS 475B.785 to 475B.949:

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

44 (a) A physician licensed under ORS chapter 677;

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

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

2 (d) **A naturopathic physician licensed under ORS chapter 685;**

3 (e) **A dentist licensed under ORS chapter 679; or**

4 (f) **An optometrist licensed under ORS 683.010 to 683.340.**

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

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

9 (a) A mechanical extraction process;

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

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

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

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

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

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

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

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

26 (6) “Debilitating medical condition” means:

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

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

32 (A) Cachexia;

33 (B) Severe pain;

34 (C) Severe nausea;

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

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

37 (c) Post-traumatic stress disorder, **presumptive post-traumatic stress disorder based on the**  
38 **person’s history of arrest or imprisonment or a medical condition related to post-traumatic**  
39 **stress disorder, including:**

40 (A) **Chronic anxiety; and**

41 (B) **Chronic depression; or**

42 (d) Any other medical condition or side effect related to the treatment of a medical condition  
43 adopted by the Oregon Health Authority by rule [or], approved by the authority pursuant to a pe-  
44 tition filed under ORS 475B.946 **or as determined by an attending provider in the professional**  
45 **judgment and ongoing medical oversight of the attending provider.**

- 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*] **provider**.
- 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*] **provider**  
18 of a person diagnosed with a debilitating medical condition or copies of the person's relevant med-  
19 ical records.

20 **SECTION 8.** ORS 475B.797 is amended to read:

21 475B.797. (1) The Oregon Health Authority shall establish a program for the issuance of registry  
22 identification cards to applicants who meet the requirements of this section.

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

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

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

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

32 [*(d) Proof of residency, submitted in a form required by the authority by rule;*]

33 [*(e)*] **(d)** The name and address of the applicant's designated primary caregiver, if the applicant  
34 is designating a primary caregiver under ORS 475B.804; [*and*]

35 [*(f)*] **(e)** The information described in ORS 475B.810 (2), if the applicant is applying to produce  
36 marijuana or designate another person under ORS 475B.810 to produce marijuana[.]; **and**

37 **(f) Whether the applicant is enrolled in the state medical assistance program.**

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

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

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

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

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

3 (iii) The custodial parent or legal guardian agrees to serve as the applicant’s designated primary  
 4 caregiver; and

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

7 (b) An applicant who is under 18 years of age may not apply to produce marijuana under sub-  
 8 section [(2)(f)] (2)(e) of this section.

9 (4) The authority shall:

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

13 (b) Approve or deny an application received under subsection (2) or (3) of this section within  
 14 30 days after receiving the application.

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

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

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

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

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

23 (b) If the registry identification cardholder designated a primary caregiver under ORS 475B.804,  
 24 the authority shall issue an identification card to the designated primary caregiver. The identifica-  
 25 tion card must contain the information required by paragraph (a) of this subsection.

26 **(c) If an applicant under subsection (2) of this section provides written documentation**  
 27 **from the applicant’s attending provider that the attending provider has diagnosed the appli-**  
 28 **cant as having a debilitating medical condition of which the applicant cannot be cured and**  
 29 **the authority approves the applicant’s application, the authority shall issue to the applicant**  
 30 **a permanent registry identification card that contains the information described in para-**  
 31 **graph (a)(A), (C) and (D) of this subsection and that is not subject to the renewal require-**  
 32 **ments under subsection (6)(b) of this section.**

33 (6) A registry identification cardholder shall:

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

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

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

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

42 (b) **Except as provided in subsection (5)(c) of this section**, annually renew the registry  
 43 identification card by paying a fee in an amount established by the authority by rule and submitting  
 44 to the authority an application that contains the following information:

45 (A) Updated written documentation from the registry identification cardholder’s attending [*phy-*

1 *sician*] **provider** stating that the registry identification cardholder still has a debilitating medical  
2 condition and that the medical use of marijuana may mitigate the symptoms or effects of the registry  
3 identification cardholder's debilitating medical condition;

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

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

8 (7) The authority shall:

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

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

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

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

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

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

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

30 (C) The authority determines that the applicant or registry identification cardholder violated a  
31 provision of ORS 475B.785 to 475B.949 or a rule adopted under ORS 475B.785 to 475B.949.

32 (b) If a registry identification card is revoked, any associated identification card issued under  
33 subsection (5)(b) of this section, or marijuana grow site registration card issued under ORS 475B.810  
34 [(6)] (5), shall also be revoked.

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

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

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

45 (11)(a) Notwithstanding subsection (2) or (6)(b) of this section, if an applicant for a registry

1 identification card, or a registry identification cardholder applying for renewal of a registry identification card, submits to the authority [*proof of having served in the Armed Forces of the United States*] **applicable documentation listed in paragraph (c) of this subsection**, the authority may not impose a fee that is greater than \$20 for the issuance or renewal of the registry identification card.

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

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

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

16 (c) **The following are acceptable documentation for the purposes of paragraph (a) of this subsection:**

18 (A) **Proof of having served in the Armed Forces of the United States;**

19 (B) **Proof of receiving Supplemental Security Income; or**

20 (C) **Proof of receiving Social Security Disability Insurance benefits.**

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

26 **SECTION 9.** ORS 475B.801 is amended to read:

27 475B.801. A designated primary caregiver may assist the designating registry identification cardholder with any matter related to the medical use of marijuana, including:

29 (1) The production of marijuana at the address provided by the registry identification cardholder to the Oregon Health Authority pursuant to ORS 475B.797 [(2)(f)] (2)(e); and

31 (2) The processing of marijuana into cannabinoid concentrates or medical cannabinoid products.

32 **SECTION 10.** ORS 475B.807 is amended to read:

33 475B.807. (1) Notwithstanding ORS 475B.804, an organization that provides hospice, palliative or home health care services, or a residential facility as defined in ORS 443.400, that has significant responsibility for managing the well-being of a person who has been diagnosed with a debilitating medical condition may be designated, in addition to an individual designated pursuant to ORS 475B.804, as an additional caregiver for a registry identification cardholder in the same manner that an individual is designated as the primary caregiver for a registry identification cardholder under ORS 475B.804.

40 (2) An organization or residential facility that is designated under this section has all the duties, functions and powers of a designated primary caregiver as prescribed by ORS 475B.785 to 475B.949 or a rule adopted under ORS 475B.785 to 475B.949.

43 (3) **An organization or residential facility designated under this section:**

44 (a) **Shall allow the registry identification cardholder described in subsection (1) of this section to consume marijuana for medical use in the facility operated by or on behalf of the**



1 **organization or residential facility.**

2 **(b) May not confiscate marijuana from a registry identification cardholder described in**  
3 **subsection (1) of this section.**

4 **SECTION 11.** ORS 475B.810 is amended to read:

5 475B.810. (1)(a) The Oregon Health Authority shall establish by rule a marijuana grow site  
6 registration system to track and regulate the production of marijuana by a registry identification  
7 cardholder or a person designated by the registry identification cardholder to produce marijuana for  
8 the registry identification cardholder.

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

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

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

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

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

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

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

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

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

28 *[(b) A person convicted of a Class A or Class B felony under ORS 475.752 to 475.920 for the*  
29 *manufacture or delivery of a controlled substance in Schedule I or Schedule II may not act as or be*  
30 *designated a person responsible for a marijuana grow site for two years from the date of conviction.]*

31 *[(c) A person convicted more than once of a Class A or Class B felony under ORS 475.752 to*  
32 *475.920 for the manufacture or delivery of a controlled substance in Schedule I or Schedule II may not*  
33 *act as or be designated a person responsible for a marijuana grow site.]*

34 **[(4)] (3)** Subject to subsection **[(11)] (10)** of this section, the authority shall issue a marijuana  
35 grow site registration card if the requirements of **[subsections (2) and (3)] subsection (2)** of this  
36 section are met.

37 **[(5)] (4)** A person who holds a marijuana grow site registration card under this section must  
38 display the card at the marijuana grow site at all times.

39 **[(6)] (5)** A marijuana grow site registration card must be obtained and posted for each registry  
40 identification cardholder for whom marijuana is being produced at a marijuana grow site.

41 **[(7)(a)] (6)(a) Except as provided in section 2 of this 2021 Act,** all seeds, immature marijuana  
42 plants, mature marijuana plants and usable marijuana associated with the production of marijuana  
43 for a registry identification cardholder by a person responsible for a marijuana grow site are the  
44 property of the registry identification cardholder.

45 **(b) Except as provided in section 2 of this 2021 Act,** all seeds, immature marijuana plants,

1 mature marijuana plants and usable marijuana associated with the production of marijuana for a  
2 registry identification cardholder by a person responsible for a marijuana grow site must be trans-  
3 ferred to the registry identification cardholder upon the request of the registry identification  
4 cardholder.

5 (c) **Except as provided in section 2 of this 2021 Act**, all usable marijuana associated with the  
6 production of marijuana for a registry identification cardholder by a person responsible for a  
7 marijuana grow site must be transferred to a marijuana processing site upon the request of the  
8 registry identification cardholder. For purposes of this paragraph, a request to transfer usable  
9 marijuana constitutes an assignment of the right to possess the usable marijuana.

10 (d) **Except as provided in section 2 of this 2021 Act**, all seeds, immature marijuana plants and  
11 usable marijuana associated with the production of marijuana for a registry identification cardholder  
12 by a person responsible for a marijuana grow site must be transferred to a medical marijuana  
13 dispensary upon request of the registry identification cardholder. For purposes of this paragraph, a  
14 request to transfer seeds, immature marijuana plants or usable marijuana constitutes an assignment  
15 of the right to possess the seeds, immature marijuana plants or usable marijuana.

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

18 [(8)] (7) A registry identification cardholder, or the designated caregiver of a registry identifi-  
19 cation cardholder, may reimburse a person responsible for a marijuana grow site for all costs asso-  
20 ciated with the production of marijuana for the registry identification cardholder.

21 [(9)] (8) The authority may inspect:

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

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

28 [(10)] (9) The authority may refuse to register a registry identification cardholder or a designee  
29 under this section or may suspend or revoke the registration of a person responsible for a marijuana  
30 grow site if the authority determines that the applicant or the person responsible for a marijuana  
31 grow site violated a provision of ORS 475B.785 to 475B.949, a rule adopted under ORS 475B.785 to  
32 475B.949 or an ordinance adopted pursuant to ORS 475B.928.

33 [(11)] (10) The authority may require a person responsible for a marijuana grow site, prior to  
34 issuing a marijuana grow site registration card under subsection [(4)] (3) of this section, to pay a  
35 fee reasonably calculated to pay costs incurred under this section and ORS 475B.816 and 475B.879.

36 **SECTION 12.** ORS 475B.816 is amended to read:

37 475B.816. (1) A person designated to produce marijuana by a registry identification cardholder  
38 must submit to the Oregon Health Authority, in a form and manner established by the authority by  
39 rule, the following information related to the production of marijuana:

40 (a) The number of mature marijuana plants and immature marijuana plants, the amount of  
41 marijuana leaves and flowers being dried, and the amount of usable marijuana, in the person's pos-  
42 session;

43 (b) The number of mature marijuana plants and immature marijuana plants, and the amount of  
44 usable marijuana, that the person transfers to each registry identification cardholder for whom the  
45 person produces marijuana;

1 (c) The amount of usable marijuana that the person transfers to each marijuana processing site;  
2 and

3 (d) The number of immature marijuana plants, and the amount of usable marijuana, that the  
4 person transfers to each medical marijuana dispensary.

5 (2) The authority shall by rule require a person designated to produce marijuana by a registry  
6 identification cardholder to submit the information described in subsection (1) of this section once  
7 each month. The authority may not employ any method other than that described in this section to  
8 obtain information related to the production of marijuana from a person designated to produce  
9 marijuana by a registry identification cardholder.

10 (3) In addition to submitting the information as required by subsection (1) of this section, a  
11 person designated to produce marijuana by a registry identification cardholder must keep a record  
12 of the information described in subsection (1) of this section for two years after the date on which  
13 the person submits the information to the authority.

14 **(4) A person designated to produce marijuana by a registry identification cardholder is**  
15 **not subject to this section if the person designated to produce marijuana possesses 12 or**  
16 **fewer mature marijuana plants.**

17 **SECTION 13.** ORS 475B.822 is amended to read:

18 475B.822. Notwithstanding ORS 475B.810 [(7)] (6), a person responsible for a marijuana grow site  
19 may enter into an agreement with a registry identification cardholder under which the registry  
20 identification cardholder assigns, to the person responsible for the marijuana grow site, a portion  
21 of the right to possess the seeds, immature marijuana plants and usable marijuana that are the  
22 property of the registry identification cardholder.

23 **SECTION 14.** ORS 475B.831 is amended to read:

24 475B.831. (1)(a) A registry identification cardholder and the designated primary caregiver of the  
25 registry identification cardholder may jointly possess:

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

27 (B) Twelve or fewer immature marijuana plants.

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

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

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

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

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

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

45 (2)(a) A person may be designated to produce marijuana under ORS 475B.810 by no more than

1 eight registry identification cardholders.

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

4 (A) Six mature marijuana plants;

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

6 (C) The amount, established by the Oregon Health Authority by rule, of immature marijuana  
7 plants that are less than 24 inches in height.

8 (3) If the address of a person responsible for a marijuana grow site registered under ORS  
9 475B.810 is located within city limits in an area zoned for residential use:

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

12 (A) 12 mature marijuana plants;

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

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

16 (b) Subject to subsection (5) of this section, if each person responsible for a marijuana grow site  
17 located at the address first registered with the authority under ORS 475B.810 before January 1,  
18 2015, no more than the following amounts of marijuana plants may be produced at the address:

19 (A) The amount of mature marijuana plants located at that address on December 31, 2014, in  
20 excess of 12 mature marijuana plants, not to exceed 24 mature marijuana plants;

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

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

24 (4) If the address of a person responsible for a marijuana grow site registered under ORS  
25 475B.810 is located in an area other than an area described in subsection (3) of this section:

26 (a) Except as provided in paragraph (b) of this subsection, no more than the following amounts  
27 of marijuana plants may be produced at the address:

28 (A) 48 mature marijuana plants;

29 (B) 96 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; or

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

36 (A) The amount of mature marijuana plants located at that address on December 31, 2014, in  
37 excess of 48 mature marijuana plants, not to exceed 96 mature marijuana plants;

38 (B) 192 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 (5)(a) If the authority suspends or revokes the registration of a person responsible for a  
42 marijuana grow site that is located at an address described in subsection (3)(b) of this section, no  
43 more than the following amounts of marijuana plants may subsequently be produced at any address  
44 described in subsection (3) of this section at which the person responsible for the marijuana grow  
45 site produces marijuana:

1 (A) 12 mature marijuana plants;

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

3 (C) The amount, established by the authority by rule, of immature marijuana plants that are less  
4 than 24 inches in height.

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

10 (A) 48 mature marijuana plants;

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

12 (C) The amount, established by the authority by rule, of immature marijuana plants that are less  
13 than 24 inches in height.

14 (6) If a registry identification cardholder who designated a person to produce marijuana for the  
15 registry identification cardholder pursuant to ORS 475B.810 terminates the designation, the person  
16 responsible for the marijuana grow site whose designation has been terminated may not be desig-  
17 nated to produce marijuana by another registry identification cardholder, except that the person  
18 may be designated by another registry identification cardholder if no more than 48 mature  
19 marijuana plants and no more than 96 immature marijuana plants that are 24 or more inches in  
20 height are produced at the address for the marijuana grow site at which the person produces  
21 marijuana.

22 (7) Subject to the limits described in subsections (2) to (6) of this section, if multiple persons  
23 responsible for a marijuana grow site under ORS 475B.810 are located at the same address, the  
24 persons designated to produce marijuana by registry identification cardholders who are located at  
25 that address may collectively produce marijuana plants for any number of registry identification  
26 cardholders who designate the persons to produce marijuana.

27 (8) If a law enforcement officer determines that there is a number of marijuana plants at an  
28 address in excess of the quantities specified in this section, or that an address is being used to  
29 produce a number of marijuana plants in excess of the quantities specified in subsection (1)(b) of this  
30 section, the law enforcement officer may confiscate only the excess number of marijuana plants.

31 **(9) This section does not apply to a marijuana grow site that:**

32 **(a) Is located at an address within city limits, or within an urban growth boundary,**  
33 **where a marijuana grow site may be restricted in size;**

34 **(b) Does not exceed 250 square feet in total area;**

35 **(c) Cannot be seen by normal unaided vision from a public place at ground level; and**

36 **(d) Is not used to produce marijuana for more than two registry identification**  
37 **cardholders.**

38 **SECTION 15.** ORS 475B.837 is amended to read:

39 475B.837. A person to whom a registry identification card has been issued under ORS 475B.797  
40 (5)(a) **or** (c), an identification card has been issued under ORS 475B.797 (5)(b), or a marijuana grow  
41 site registration card has been issued under ORS 475B.810, may not possess marijuana, usable  
42 marijuana, medical cannabinoid products, cannabinoid concentrates or cannabinoid extracts in a  
43 location other than the address on file with the Oregon Health Authority unless the person is car-  
44 rying the card.

45 **SECTION 16.** ORS 475B.840 is amended to read:

1 475B.840. (1)(a) The Oregon Health Authority shall establish by rule a marijuana processing site  
 2 registration system to track and regulate the processing of marijuana by a person responsible for  
 3 a marijuana processing site.

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

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

8 (2) The registration system established under subsection (1) of this section must require an ap-  
 9 plicant for a marijuana processing site to submit an application to the authority that includes:

10 (a) The name of the individual who owns the marijuana processing site or, if a business entity  
 11 owns the marijuana processing site, the name of each individual who has a financial interest in the  
 12 marijuana processing site;

13 (b) The name of the individual or individuals responsible for the marijuana processing site, if  
 14 different from the name of the individual who owns the marijuana processing site;

15 (c) The address of the marijuana processing site;

16 (d) Proof that each individual responsible for the marijuana processing site is 21 years of age  
 17 or older;

18 (e) Documentation, as required by the authority by rule, that demonstrates the marijuana pro-  
 19 cessing site meets the requirements of subsection (3) of this section; and

20 (f) Any other information that the authority considers necessary.

21 (3) To qualify for registration under this section, a marijuana processing site:

22 (a) May not be located in an area that is zoned for residential use if the marijuana processing  
 23 site processes cannabinoid extracts;

24 (b) Must be registered as a business, or have filed an application to register as a business, with  
 25 the office of the Secretary of State; and

26 (c) Must meet the requirements of any rule adopted by the authority under subsection [(10)] (9)  
 27 of this section.

28 [(4)(a) *The authority shall conduct a criminal records check under ORS 181A.195 for each indi-*  
 29 *vidual named in an application under subsection (2) of this section.*]

30 [(b) *An individual convicted for the manufacture or delivery of a controlled substance in Schedule*  
 31 *I or Schedule II may not own or be responsible for a marijuana processing site for two years from the*  
 32 *date the individual is convicted.*]

33 [(c) *An individual convicted more than once for the manufacture or delivery of a controlled sub-*  
 34 *stance in Schedule I or Schedule II may not own or be responsible for a marijuana processing site.*]

35 [(5)] (4) If a person submits the application required under subsection (2) of this section, if the  
 36 marijuana processing site identified in the application meets the requirements of this section and  
 37 any rules adopted under this section [*and if each individual named in the application passes the*  
 38 *criminal records check required under subsection (4) of this section*], the authority shall register the  
 39 marijuana processing site and issue proof of registration. Proof of registration must be displayed on  
 40 the premises of the marijuana processing site at all times.

41 [(6)] (5) A marijuana processing site that is registered under this section is not required to  
 42 register with the State Board of Pharmacy under ORS 475.125.

43 [(7)] (6) The individual or individuals responsible for a marijuana processing site shall maintain  
 44 documentation of each transfer of usable marijuana, medical cannabinoid products, cannabinoid  
 45 concentrates and cannabinoid extracts.

1        [(8)] (7) The authority may inspect:

2        (a) The premises of a proposed marijuana processing site or a registered marijuana processing  
3 site to ensure compliance with this section and ORS 475B.846 and 475B.849 and any rules adopted  
4 under this section and ORS 475B.846 and 475B.849; and

5        (b) The records of a registered marijuana processing site to ensure compliance with subsection  
6 [(7)] (6) of this section.

7        [(9)] (8) Subject to the provisions of ORS chapter 183, the authority may refuse to register an  
8 applicant under this section or may suspend or revoke the registration of a marijuana processing  
9 site if the authority determines that the applicant, the owner of the marijuana processing site, a  
10 person responsible for the marijuana processing site, or an employee of the marijuana processing  
11 site, violated a provision of ORS 475B.785 to 475B.949, a rule adopted under ORS 475B.785 to  
12 475B.949 or an ordinance adopted pursuant to ORS 475B.928.

13        [(10)] (9) The authority shall adopt rules to implement this section, including rules that:

14        (a) Require a registered marijuana processing site to annually renew the registration for that  
15 site;

16        (b) Establish fees for registering, and renewing the registration of, a marijuana processing site;

17        (c) Require that medical cannabinoid products, cannabinoid concentrates and cannabinoid ex-  
18 tracts transferred by a marijuana processing site be tested to ensure the public health and safety;  
19 and

20        (d) Impose any other standard on the operation of a marijuana processing site to ensure the  
21 public health and safety.

22        **SECTION 17.** ORS 475B.858 is amended to read:

23        475B.858. (1)(a) The Oregon Health Authority shall establish by rule a medical marijuana  
24 dispensary registration system for the purpose of tracking and regulating the transfer of:

25        (A) Usable marijuana, immature marijuana plants and seeds from registry identification  
26 cardholders, designated primary caregivers and persons responsible for marijuana grow sites to  
27 medical marijuana dispensaries;

28        (B) Medical cannabinoid products, cannabinoid concentrates and cannabinoid extracts from  
29 persons responsible for marijuana processing sites to medical marijuana dispensaries; and

30        (C) Usable marijuana, immature marijuana plants, seeds, medical cannabinoid products,  
31 cannabinoid concentrates and cannabinoid extracts from medical marijuana dispensaries to registry  
32 identification cardholders and designated primary caregivers.

33        (b) A person may not operate an establishment for the purpose of providing the services de-  
34 scribed in paragraph (a) of this subsection unless the person is registered under this section.

35        (2) The registration system established under subsection (1) of this section must require an ap-  
36 plicant for a medical marijuana dispensary to submit an application to the authority that includes:

37        (a) The name of the individual who owns the medical marijuana dispensary or, if a business  
38 entity owns the medical marijuana dispensary, the name of each individual who has a financial in-  
39 terest in the medical marijuana dispensary;

40        (b) The name of the individual or individuals responsible for the medical marijuana dispensary,  
41 if different from the name of the individual who owns the medical marijuana dispensary;

42        (c) The address of the medical marijuana dispensary;

43        (d) Proof that each individual responsible for the medical marijuana dispensary is 21 years of  
44 age or older;

45        (e) Documentation, as required by the authority by rule, that demonstrates the medical

1 marijuana dispensary meets the requirements of subsection (3) of this section; and

2 (f) Any other information that the authority considers necessary.

3 (3) To qualify for registration under this section, a medical marijuana dispensary:

4 (a) May not be located in an area that is zoned for residential use;

5 (b) May not be located at the same address as a marijuana grow site;

6 (c) Must be registered as a business, or have filed an application to register as a business, with  
7 the office of the Secretary of State;

8 (d) Except as provided under ORS 475B.864, may not be located within 1,000 feet of:

9 (A) A public elementary or secondary school for which attendance is compulsory under ORS  
10 339.020; or

11 (B) A private or parochial elementary or secondary school, teaching children as described in  
12 ORS 339.030 (1)(a);

13 (e) Must not be located within 1,000 feet of another medical marijuana dispensary; and

14 (f) Must meet the requirements of any rule adopted by the authority under subsection [(10)] (9)  
15 of this section.

16 [(4)(a) *The authority shall conduct a criminal records check under ORS 181A.195 for each indi-*  
17 *vidual named in an application submitted under subsection (2) of this section.*]

18 [(b) *An individual convicted for the manufacture or delivery of a controlled substance in Schedule*  
19 *I or Schedule II may not own or be responsible for a medical marijuana dispensary for two years from*  
20 *the date the individual is convicted.*]

21 [(c) *An individual convicted more than once for the manufacture or delivery of a controlled sub-*  
22 *stance in Schedule I or Schedule II may not own or be responsible for a medical marijuana*  
23 *dispensary.*]

24 [(5)] (4) If a person submits the application required under subsection (2) of this section, if the  
25 medical marijuana dispensary identified in the application meets the requirements of this section and  
26 any rules adopted under this section [*and if each individual named in the application passes the*  
27 *criminal records check required under subsection (4) of this section*], the authority shall register the  
28 medical marijuana dispensary and issue proof of registration. Proof of registration must be displayed  
29 on the premises of the medical marijuana dispensary at all times.

30 [(6)] (5) A medical marijuana dispensary that is registered under this section is not required to  
31 register with the State Board of Pharmacy under ORS 475.125.

32 [(7)] (6) The individual or individuals responsible for a medical marijuana dispensary shall  
33 maintain documentation of each transfer of usable marijuana, medical cannabinoid products,  
34 cannabinoid concentrates, cannabinoid extracts, immature marijuana plants and seeds.

35 [(8)] (7) The authority may inspect:

36 (a) The premises of a proposed medical marijuana dispensary or a registered medical marijuana  
37 dispensary to ensure compliance with this section and ORS 475B.867 and any rules adopted under  
38 this section or ORS 475B.867; and

39 (b) The records of a registered medical marijuana dispensary to ensure compliance with sub-  
40 section [(7)] (6) of this section.

41 [(9)] (8) Subject to the provisions of ORS chapter 183, the authority may refuse to register an  
42 applicant under this section or may suspend or revoke the registration of a medical marijuana  
43 dispensary if the authority determines that the applicant, the owner of the medical marijuana  
44 dispensary, a person responsible for the medical marijuana dispensary, or an employee of the med-  
45 ical marijuana dispensary, violated a provision of ORS 475B.785 to 475B.949, a rule adopted under



1 ORS 475B.785 to 475B.949 or an ordinance adopted pursuant to ORS 475B.928.

2 [(10)] (9) The authority shall adopt rules to implement this section, including rules that:

3 (a) Require a registered medical marijuana dispensary to annually renew the registration for  
4 that dispensary;

5 (b) Establish fees for registering, and renewing the registration of, a medical marijuana  
6 dispensary;

7 (c) Require that each medical marijuana dispensary install and maintain a minimum security  
8 system that includes video surveillance, an alarm system and a safe;

9 (d) Require that usable marijuana, medical cannabinoid products, cannabinoid concentrates,  
10 cannabinoid extracts and immature marijuana plants transferred by a medical marijuana dispensary  
11 be tested to ensure the public health and safety; and

12 (e) Impose any other standard on the operation of a medical marijuana dispensary to ensure the  
13 public health and safety.

14 **SECTION 18.** ORS 475B.885 is amended to read:

15 475B.885. (1) Any personally identifiable information, as defined in ORS 432.005, other than a  
16 name of an individual or an address submitted with an application under ORS 475B.840 or 475B.858,  
17 that the Oregon Health Authority collects and maintains for purposes of registering a marijuana  
18 grow site under ORS 475B.810, a marijuana processing site under ORS 475B.840, or a medical  
19 marijuana dispensary under ORS 475B.858, is confidential and not subject to public disclosure under  
20 ORS 192.311 to 192.478, except that the authority may provide personally identifiable information to  
21 a person registered under ORS 475B.785 to 475B.949 if the registrant requests the information and  
22 the information is related to a designation made under ORS 475B.785 to 475B.949.

23 (2) Any personally identifiable information, as defined in ORS 432.005, submitted to the authority  
24 under ORS 475B.816, 475B.846 or 475B.867 or pursuant to ORS 475B.879 is confidential and not  
25 subject to public disclosure under ORS 192.311 to 192.478.

26 (3) Any record that the authority keeps or maintains for purposes related to the installation or  
27 maintenance of a security system by a medical marijuana dispensary pursuant to rules adopted un-  
28 der ORS 475B.858 [(10)] (9) is confidential and not subject to public disclosure under ORS 192.311  
29 to 192.478.

30 **SECTION 19.** ORS 475B.898 is amended to read:

31 475B.898. (1) A person responsible for a marijuana processing site, or a person responsible for  
32 a medical marijuana dispensary, may designate that responsibility to another person.

33 (2) If a designation is made under this section, the designee must submit to the Oregon Health  
34 Authority proof that the designee meets the requirements and restrictions set forth in:

35 (a) For marijuana processing sites, ORS 475B.840 (2)(d) [*and (4)*]; or

36 (b) For medical marijuana dispensaries, ORS 475B.858 (2)(d) [*and (4)*].

37 (3) The authority may prescribe the form and manner of submitting proof under subsection (2)  
38 of this section.

39 **SECTION 20.** ORS 475B.901 is amended to read:

40 475B.901. (1) A person responsible for a marijuana processing site, or a person responsible for  
41 a medical marijuana dispensary, may assign that responsibility to another person.

42 (2) If an assignment is made under this section, the assignee must submit to the Oregon Health  
43 Authority proof that the assignee meets the requirements and restrictions set forth in:

44 (a) For marijuana processing sites, ORS 475B.840 (2)(d) [*and (4)*]; or

45 (b) For medical marijuana dispensaries, ORS 475B.858 (2)(d) [*and (4)*].

1 (3) The authority may prescribe the form and manner of submitting proof under subsection (2)  
 2 of this section.

3 **SECTION 21.** ORS 475B.904 is amended to read:

4 475B.904. (1) In the event that a marijuana processing site or a medical marijuana dispensary  
 5 is foreclosed or otherwise ceases operations as described in ORS chapter 79, a secured party, as  
 6 defined in ORS 79.0102, may continue operations at the marijuana processing site or medical  
 7 marijuana dispensary upon submitting to the Oregon Health Authority proof that the secured party  
 8 or, if the secured party is a business entity, any individual who has a financial interest in the se-  
 9 cured party, meets the requirements and restrictions set forth in:

10 (a) For marijuana processing sites, ORS 475B.840 (2)(d) [*and (4)*]; or

11 (b) For medical marijuana dispensaries, ORS 475B.858 (2)(d) [*and (4)*].

12 (2) The authority may prescribe the form and manner of submitting proof under subsection (1)  
 13 of this section.

14 **SECTION 22.** ORS 475B.913 is amended to read:

15 475B.913. (1) Except as provided in ORS 475B.910, a person has an affirmative defense to a  
 16 criminal charge of possession, delivery or manufacture of marijuana, or any other criminal offense  
 17 in which possession, delivery or manufacture of marijuana is an element, if the person charged with  
 18 the offense:

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

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

24 (c) Possesses, delivers or manufactures marijuana only in quantities permitted under ORS  
 25 475B.831.

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

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

33 (a) The person possesses, delivers or manufactures marijuana only as permitted under ORS  
 34 475B.831 (1); and

35 (b) The person has taken a substantial step toward complying with the provisions of ORS  
 36 475B.785 to 475B.949.

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

44 **SECTION 23.** ORS 475B.916 is amended to read:

45 475B.916. The **Oregon Board of Dentistry, Oregon Board of Naturopathic Medicine, Oregon**

1 **Board of Optometry, Oregon Medical Board and Oregon State Board of Nursing** may not impose  
2 a civil penalty or take other disciplinary action against an attending [*physician*] **provider** for:

3 (1) Advising a person diagnosed as having a debilitating medical condition by the attending  
4 [*physician*] **provider** or another physician licensed under ORS chapter 677, **physician assistant li-**  
5 **censed under ORS 677.505 to 677.525, nurse practitioner licensed under ORS 678.375 to 678.390,**  
6 **naturopathic physician licensed under ORS chapter 685, dentist licensed under ORS chapter**  
7 **679 or optometrist licensed under ORS 683.010 to 683.340** about the risks and benefits associated  
8 with the medical use of marijuana or that the medical use of marijuana may mitigate the symptoms  
9 or effects of the person's debilitating medical condition, provided that the advice is based on the  
10 attending [*physician's*] **provider's** personal assessment of the person's medical history and current  
11 medical condition; or

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

17 **SECTION 24. (1) The Oregon Health Authority and the Oregon Liquor Control Commis-**  
18 **sion shall, in collaboration, study and determine:**

19 (a) **A method for the commission to provide to the authority information related to the**  
20 **transfer of marijuana items from marijuana retailers, as defined in ORS 475B.015 and li-**  
21 **censed under ORS 475B.105, to registry identification cardholders, as defined in ORS**  
22 **475B.791; and**

23 (b) **How to efficiently anonymize the information described in paragraph (a) of this sub-**  
24 **section and make the anonymized information available for observational research studies.**

25 (2) **Not later than December 31, 2022, the authority and the commission shall submit, in**  
26 **the manner provided in ORS 192.245, a report of the determinations described in subsection**  
27 **(1) of this section to an interim committee of the Legislative Assembly related to public**  
28 **health. The authority and the commission may include in the report recommendations for**  
29 **legislation.**

30 **SECTION 25. Section 24 of this 2021 Act is repealed on January 2, 2023.**

31 **SECTION 26. ORS 475B.794, 475B.843 and 475B.861 are repealed.**

32 **SECTION 27. (1) Sections 2 to 5 of this 2021 Act, the amendments to ORS 475B.788,**  
33 **475B.791, 475B.797, 475B.801, 475B.807, 475B.810, 475B.816, 475B.822, 475B.831, 475B.837,**  
34 **475B.840, 475B.858, 475B.885, 475B.898, 475B.901, 475B.904, 475B.913 and 475B.916 by sections 6**  
35 **to 23 of this 2021 Act and the repeal of ORS 475B.794, 475B.843 and 475B.861 by section 26 of**  
36 **this 2021 Act become operative on January 1, 2022.**

37 (2) **The Oregon Board of Dentistry, Oregon Board of Naturopathic Medicine, Oregon**  
38 **Board of Optometry, Oregon Health Authority, Oregon Liquor Control Commission, Oregon**  
39 **Medical Board and Oregon State Board of Nursing may take any action before the operative**  
40 **date specified in subsection (1) of this section that is necessary to enable the authority, the**  
41 **commission and the boards to exercise, on and after the operative date specified in sub-**  
42 **section (1) of this section, all of the duties, functions and powers conferred on the authority,**  
43 **the commission and the boards by sections 2 to 5 of this 2021 Act, the amendments to ORS**  
44 **475B.788, 475B.791, 475B.797, 475B.801, 475B.807, 475B.810, 475B.816, 475B.822, 475B.831,**  
45 **475B.837, 475B.840, 475B.858, 475B.885, 475B.898, 475B.901, 475B.904, 475B.913 and 475B.916 by**

1 sections 6 to 23 of this 2021 Act and the repeal of ORS 475B.794, 475B.843 and 475B.861 by  
 2 section 26 of this 2021 Act.

3  
 4 **TESTING RESULTS**

5  
 6 **SECTION 28.** Section 29 of this 2021 Act is added to and made a part of ORS 475B.550 to  
 7 475B.590.

8 **SECTION 29.** (1) A marijuana retailer licensed under ORS 475B.105 and a medical  
 9 marijuana dispensary, as defined in ORS 475B.791, shall publish on a website operated by or  
 10 on behalf of the marijuana retailer or medical marijuana dispensary the results of testing  
 11 required under ORS 475B.555 for each marijuana item sold by the marijuana retailer or  
 12 medical marijuana dispensary if the testing included a complete terpene profile.

13 (2)(a) The Oregon Liquor Control Commission shall adopt rules to carry out this section  
 14 with regard to marijuana retailers.

15 (b) The Oregon Health Authority shall adopt rules to carry out this section with regard  
 16 to medical marijuana dispensaries.

17 **SECTION 30.** (1) Section 29 of this 2021 Act becomes operative on January 1, 2022.

18 (2) The Oregon Health Authority and the Oregon Liquor Control Commission may take  
 19 any action before the operative date specified in subsection (1) of this section that is neces-  
 20 sary to enable the authority and the commission to exercise, on and after the operative date  
 21 specified in subsection (1) of this section, all of the duties, functions and powers conferred  
 22 on the authority and the commission by section 29 of this 2021 Act.

23  
 24 **OREGON LIQUOR CONTROL COMMISSION LICENSEES**

25  
 26 **SECTION 31.** Sections 32 and 34 of this 2021 Act are added to and made a part of ORS  
 27 475B.010 to 475B.545.

28 **SECTION 32.** (1) The Oregon Liquor Control Commission shall collaborate with the  
 29 Oregon Health Authority and the Oregon Cannabis Commission to establish a registry iden-  
 30 tification cardholder care and accommodation program to ensure that registry identification  
 31 cardholders have long-term access to marijuana for medical use from marijuana retailers  
 32 licensed under ORS 475B.105. The program established under this section must include, but  
 33 is not limited to, the following:

- 34 (a) Minimum standards for availability and quality of marijuana items;
- 35 (b) Expanded registry identification cardholder services;
- 36 (c) Compensation for licensees;
- 37 (d) Access for registry identification cardholders to marijuana items at no cost and to  
 38 package doses of marijuana items; and
- 39 (e) For individuals who hold permits issued under ORS 475B.266, training related to ac-  
 40 cess to and use of marijuana for medical use.

41 (2) An applicant for a license or renewal of a license issued under ORS 475B.070, 475B.090,  
 42 475B.100 and 475B.105 shall submit with the application a care and accommodation plan that  
 43 meets the program requirements established by rule by the Oregon Liquor Control Commis-  
 44 sion.

45 **SECTION 33.** Section 32 of this 2021 Act applies to applications for licenses or renewal

1 of licenses under ORS 475B.070, 475B.090, 475B.100 or 475B.105 submitted on or after the op-  
 2 erative date specified in section 36 of this 2021 Act.

3 **SECTION 34.** (1) A marijuana retailer licensed under ORS 475B.105 may transfer  
 4 marijuana items to an individual who provides to the marijuana retailer proof that the indi-  
 5 vidual is the holder of a medical marijuana patient card issued by another state.

6 (2) A marijuana retailer licensed under ORS 475B.105 shall post in an area visible to the  
 7 public a notice that an individual described in subsection (1) of this section is not exempt  
 8 from ORS 475B.227 or 475B.381.

9 (3) The Oregon Liquor Control Commission shall adopt by reference rules adopted by the  
 10 Oregon Health Authority under section 4 of this 2021 Act.

11 **SECTION 35.** ORS 475B.139 is amended to read:

12 475B.139. (1) To process marijuana for medical purposes, a marijuana processor that holds a li-  
 13 cense issued under ORS 475B.090 must register with the Oregon Liquor Control Commission under  
 14 this section.

15 (2) The commission shall register a marijuana processor for the purpose of processing marijuana  
 16 for medical purposes if the marijuana processor:

- 17 (a) Holds a license issued under ORS 475B.090;
- 18 (b) Meets any qualifications adopted by the commission by rule;
- 19 (c) Applies to the commission in a form and manner prescribed by the commission; and
- 20 (d) Pays any fee adopted by the commission by rule.

21 (3) A marijuana processor registered under this section may:

- 22 (a) Process marijuana and usable marijuana into medical grade cannabinoid products,  
 23 cannabinoid concentrates and cannabinoid extracts; and
- 24 (b) Notwithstanding ORS 475B.206[.],

25 (A) Receive marijuana and usable marijuana from, and for a fee process that marijuana and  
 26 usable marijuana into cannabinoid products, cannabinoid concentrates and cannabinoid extracts for,  
 27 a registry identification cardholder or the designated primary caregiver of a registry identification  
 28 cardholder, provided that the cannabinoid products, cannabinoid concentrates and cannabinoid ex-  
 29 tracts meet the requirements of ORS 475B.550 to 475B.590 and the concentration standards adopted  
 30 under ORS 475B.625[.]; and

31 (B) Receive marijuana and usable marijuana from a marijuana grow site registered under  
 32 ORS 475B.810 to process into medical grade cannabinoid products, cannabinoid concentrates  
 33 and cannabinoid extracts.

34 (4)(a) The commission shall adopt rules necessary to administer this section.

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

38 **SECTION 36.** (1) Sections 32 and 34 of this 2021 Act and the amendments to ORS 475B.139  
 39 by section 35 of this 2021 Act become operative on January 1, 2022.

40 (2) The Oregon Liquor Control Commission, the Oregon Health Authority and the Oregon  
 41 Cannabis Commission may take any action before the operative date specified in subsection  
 42 (1) of this section that is necessary to enable the commissions and the authority to exercise,  
 43 on and after the operative date specified in subsection (1) of this section, all of the duties,  
 44 functions and powers conferred on the commissions and the authority by sections 32 and 34  
 45 of this 2021 Act and the amendments to ORS 475B.139 by section 35 of this 2021 Act.

**OREGON CANNABIS COMMISSION**

**SECTION 37.** ORS 475B.952 is amended to read:

475B.952. (1) The Oregon Cannabis Commission is established within the Oregon Health Authority. The commission consists of:

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

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

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

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

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

(D) A person representing the Oregon Health Authority;

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

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

(G) A law enforcement officer; and

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

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

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

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

**SECTION 38.** ORS 475B.961 is amended to read:

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

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

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

*[(3)]* (c) Develop a long-term strategic plan for ensuring that cannabis will remain a therapeutic option for persons with debilitating medical conditions as defined in ORS 475B.791;

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

*[(5)]* (e) Monitor and study federal laws, regulations and policies regarding marijuana.

**(2) On or before September 2 of each odd-numbered year, the Oregon Cannabis Commission shall submit a report about the long-term strategic plans described in subsection (1)(c) and (d) of this section, in the manner prescribed in ORS 192.245, to the interim committees of the Legislative Assembly related to health and the judiciary. The Oregon Cannabis Commission may include with the submission described in this subsection any recommendations**

1 for legislation.

2 **SECTION 39.** (1) The amendments to ORS 475B.952 and 475B.961 by sections 37 and 38 of  
 3 this 2021 Act become operative on January 1, 2022.

4 (2) The Oregon Cannabis Commission may take any action before the operative date  
 5 specified in subsection (1) of this section that is necessary to enable the commission to ex-  
 6 ercise, on and after the operative date specified in subsection (1) of this section, all of the  
 7 duties, functions and powers conferred on the commission by the amendments to ORS  
 8 475B.952 and 475B.961 by sections 37 and 38 of this 2021 Act.

9  
 10 **OTHER AMENDMENTS**

11  
 12 **SECTION 40.** ORS 475B.020 is amended to read:

13 475B.020. ORS 475B.010 to 475B.545 may not be construed:

14 (1) To amend or affect state or federal law pertaining to employment matters;

15 (2) To amend or affect state or federal law pertaining to landlord-tenant matters;

16 (3) To prohibit a recipient of a federal grant or an applicant for a federal grant from prohibiting  
 17 the manufacture, delivery, possession or use of marijuana to the extent necessary to satisfy federal  
 18 requirements for the grant;

19 (4) To prohibit a party to a federal contract or a person applying to be a party to a federal  
 20 contract from prohibiting the manufacture, delivery, possession or use of marijuana to the extent  
 21 necessary to comply with the terms and conditions of the contract or to satisfy federal requirements  
 22 for the contract;

23 (5) To require a person to violate a federal law;

24 (6) To exempt a person from a federal law or obstruct the enforcement of a federal law; or

25 (7) To amend or affect the Oregon Medical [*Marijuana*] and Therapeutic Cannabis Act.

26 **SECTION 41.** ORS 475B.220 is amended to read:

27 475B.220. (1) As used in this section, “information that may be used to identify a consumer”  
 28 means information that may be acquired through the production of a piece of identification as de-  
 29 scribed in ORS 475B.216, whether the information is contained in a piece of identification described  
 30 in ORS 475B.216 or in a different document or record.

31 (2) A consumer may not be required to procure for the purpose of acquiring or purchasing a  
 32 marijuana item a piece of identification other than:

33 (a) A piece of identification described in ORS 475B.216; and

34 (b)(A) If the consumer is a registry identification cardholder, as defined in ORS 475B.791, a  
 35 registry identification card, as defined in ORS 475B.791[.]; or

36 **(B) If the person is the holder of a medical marijuana patient card issued by another**  
 37 **state, the person’s medical marijuana patient card.**

38 (3) A marijuana retailer may not record and retain any information that may be used to identify  
 39 a consumer, except as necessary to make deliveries to consumers pursuant to ORS 475B.206 (3), as  
 40 required by any rules adopted under ORS 475B.206 (3).

41 (4) A marijuana retailer may not transfer any information that may be used to identify a con-  
 42 sumer to any other person.

43 (5)(a) Notwithstanding subsection (3) of this section, a marijuana retailer may record and retain  
 44 the name and contact information of a consumer for the purpose of notifying the consumer of ser-  
 45 vices that the marijuana retailer provides or of discounts, coupons and other marketing information

1 if:

2 (A) The marijuana retailer asks the consumer whether the marijuana retailer may record and  
3 retain the information; and

4 (B) The consumer consents to the recording and retention of the information.

5 (b) This subsection does not authorize a marijuana retailer to transfer information that may be  
6 used to identify a consumer.

7 (6) This section does not apply to deidentified information the documentation and transfer of  
8 which is required by the Department of Revenue for purposes of ORS 475B.707.

9 **SECTION 42.** ORS 475B.531 is amended to read:

10 475B.531. Except for ORS 475B.526 and 475B.529, ORS 475B.010 to 475B.545:

11 (1) Do not apply to the extent a person acts within the scope of and in compliance with the  
12 Oregon Medical [*Marijuana*] **and Therapeutic Cannabis** Act; and

13 (2) Do not amend or affect duties, functions and powers of the Oregon Health Authority under  
14 the Oregon Medical [*Marijuana*] **and Therapeutic Cannabis** Act.

15 **SECTION 43.** ORS 475B.570 is amended to read:

16 475B.570. ORS 475B.550 to 475B.590 do not apply to:

17 (1) A person responsible for a marijuana grow site under ORS 475B.810 if the person is trans-  
18 ferring usable marijuana or an immature marijuana plant, as defined in ORS 475B.015, to:

19 (a) A person who holds a registry identification card under ORS 475B.797 and who designated  
20 the person responsible for the marijuana grow site to grow marijuana for the person who holds a  
21 registry identification card; or

22 (b) A person who has been designated as the primary caregiver under ORS 475B.804 of a person  
23 who holds a registry identification card under ORS 475B.797 and who designated the person re-  
24 sponsible for the marijuana grow site to grow marijuana for the person who holds a registry iden-  
25 tification card; [*or*]

26 (2) A person who has been designated as the primary caregiver under ORS 475B.804 of a person  
27 who holds a registry identification card under ORS 475B.797 if the person is transferring a  
28 marijuana item to the person who holds a registry identification card[.]; **or**

29 **(3) A person designated to produce marijuana by a registry identification cardholder if**  
30 **the person is transferring all or part of the seeds, immature marijuana plants and usable**  
31 **marijuana pursuant to an agreement described in section 2 of this 2021 Act.**

32 **SECTION 44.** ORS 475B.630 is amended to read:

33 475B.630. (1) ORS 475B.600 to 475B.655 do not apply to:

34 (a) A person responsible for a marijuana grow site under ORS 475B.810 if the person is trans-  
35 ferring usable marijuana or an immature marijuana plant, as defined in ORS 475B.015, to:

36 (A) A person who holds a registry identification card under ORS 475B.797 and who designated  
37 the person responsible for the marijuana grow site to grow marijuana for the person who holds a  
38 registry identification card; or

39 (B) A person who has been designated as the primary caregiver under ORS 475B.804 of a person  
40 who holds a registry identification card under ORS 475B.797, and who designated the person re-  
41 sponsible for the marijuana grow site to grow marijuana for the person who holds a registry iden-  
42 tification card; [*or*]

43 (b) A person who has been designated as the primary caregiver under ORS 475B.804 of a person  
44 who holds a registry identification card under ORS 475B.797 if the person is transferring a  
45 marijuana item to the person who holds a registry identification card[.]; **or**



1       (c) **A person designated to produce marijuana by a registry identification cardholder if**  
 2 **the person is transferring all or part of the seeds, immature marijuana plants and usable**  
 3 **marijuana pursuant to an agreement described in section 2 of this 2021 Act.**

4       (2) The labeling and packaging requirements and standards of ORS 475B.600 to 475B.655 do not  
 5 apply to a marijuana processor registered under ORS 475B.139 when the marijuana processor re-  
 6 ceives marijuana and usable marijuana from, and for a fee processes that marijuana and usable  
 7 marijuana into cannabinoid products, cannabinoid concentrates and cannabinoid extracts for, a  
 8 registry identification cardholder or the designated primary caregiver of a registry identification  
 9 cardholder.

10       **SECTION 45.** ORS 475B.707 is amended to read:

11       475B.707. (1) As used in this section, “designated primary caregiver,” “registry identification  
 12 card” and “registry identification cardholder” have the meanings given those terms in ORS  
 13 475B.791.

14       (2) Notwithstanding ORS 475B.705:

15       (a) A tax is not imposed upon the retail sale of marijuana items in this state to a registry  
 16 identification cardholder, [*or*] to a designated primary caregiver who is purchasing a marijuana item  
 17 for a registry identification cardholder **or to an individual who holds a medical marijuana pa-**  
 18 **tient card issued by another state;** and

19       (b) A marijuana retailer may not collect the tax imposed under ORS 475B.705 from a consumer  
 20 if, at the time at which the retail sale of the marijuana item occurs, the consumer provides proof  
 21 to the marijuana retailer that the consumer:

22       (A) Holds a valid registry identification card under ORS 475B.797; [*or*]

23       (B) Holds a valid identification card under ORS 475B.797 (5)(b) and is purchasing the marijuana  
 24 item for a registry identification cardholder[.]; **or**

25       **(C) Holds a valid medical marijuana patient card issued by another state.**

26       (3) The Department of Revenue:

27       (a) Shall adopt rules establishing procedures by which a marijuana retailer shall document that  
 28 a consumer holds a valid registry identification card issued under ORS 475B.797 [*or*], a valid iden-  
 29 tification card issued under ORS 475B.797 (5)(b) **or a valid medical marijuana patient card issued**  
 30 **by another state;** and

31       (b) May adopt rules establishing procedures by which the department may verify that a  
 32 marijuana retailer collects the tax imposed under ORS 475B.705 from consumers of marijuana items  
 33 who are not registry identification cardholders [*or*], designated primary caregivers **or holders of**  
 34 **medical marijuana patient cards issued by other states.**

35       **SECTION 46.** ORS 475B.759, as amended by section 10, chapter 2, Oregon Laws 2021 (Ballot  
 36 Measure 110 (2020)), is amended to read:

37       475B.759. (1) There is established the Oregon Marijuana Account, separate and distinct from the  
 38 General Fund.

39       (2) The account shall consist of moneys transferred to the account under ORS 475B.760.

40       (3)(a) The Department of Revenue shall certify quarterly the amount of moneys available in the  
 41 Oregon Marijuana Account.

42       (b) Subject to subsection (4) of this section, and after making the transfer of moneys required  
 43 by subsection (7) of this section, the department shall transfer quarterly 20 percent of the moneys  
 44 in the Oregon Marijuana Account as follows:

45       (A) Ten percent of the moneys in the account must be transferred to the cities of this state in

1 the following shares:

2 (i) Seventy-five percent of the 10 percent must be transferred in shares that reflect the popu-  
3 lation of each city of this state that is not exempt from this paragraph pursuant to subsection (4)(a)  
4 of this section compared to the population of all cities of this state that are not exempt from this  
5 paragraph pursuant to subsection (4)(a) of this section, as determined by Portland State University  
6 under ORS 190.510 to 190.610, on the date immediately preceding the date of the transfer; and

7 (ii) Twenty-five percent of the 10 percent must be transferred in shares that reflect the number  
8 of licenses held pursuant to ORS 475B.070, 475B.090, 475B.100 and 475B.105 on the last business day  
9 of the calendar quarter preceding the date of the transfer for premises located in each city compared  
10 to the number of licenses held pursuant to ORS 475B.070, 475B.090, 475B.100 and 475B.105 on the  
11 last business day of that calendar quarter for all premises in this state located in cities; and

12 (B) Ten percent of the moneys in the account must be transferred to counties in the following  
13 shares:

14 (i) Fifty percent of the 10 percent must be transferred in shares that reflect the total commer-  
15 cially available area of all grow canopies associated with marijuana producer licenses held pursuant  
16 to ORS 475B.070 on the last business day of the calendar quarter preceding the date of the transfer  
17 for all premises located in each county compared to the total commercially available area of all  
18 grow canopies associated with marijuana producer licenses held pursuant to ORS 475B.070 on the  
19 last business day of that calendar quarter for all premises located in this state; and

20 (ii) Fifty percent of the 10 percent must be transferred in shares that reflect the number of li-  
21 censes held pursuant to ORS 475B.090, 475B.100 and 475B.105 on the last business day of the cal-  
22 endar quarter preceding the date of the transfer for premises located in each county compared to  
23 the number of licenses held pursuant to ORS 475B.090, 475B.100 and 475B.105 on the last business  
24 day of that calendar quarter for all premises in this state.

25 (c) After making the transfer of moneys required by subsection (7) of this section, eighty percent  
26 of the remaining moneys in the Oregon Marijuana Account must be used as follows:

27 (A) [*Forty*] **Thirty-nine** percent of the moneys in the account must be used solely for purposes  
28 for which moneys in the State School Fund established under ORS 327.008 may be used;

29 (B) [*Twenty*] **Nineteen** percent of the moneys in the account must be used solely for mental  
30 health treatment or for alcohol and drug abuse prevention, early intervention and treatment;

31 (C) [*Fifteen*] **Fourteen** percent of the moneys in the account must be used solely for purposes  
32 for which moneys in the State Police Account established under ORS 181A.020 may be used; [*and*]

33 (D) [*Five*] **Four** percent of the moneys in the account must be used solely for purposes related  
34 to alcohol and drug abuse prevention, early intervention and treatment services[.]; **and**

35 (E) **Four percent of the moneys in the account must be used solely for the purposes of**  
36 **administering ORS 475B.785 to 475B.949.**

37 (4)(a) A city that has an ordinance prohibiting the establishment of a premises for which issu-  
38 ance of a license under ORS 475B.070, 475B.090, 475B.100 or 475B.105 is required is not eligible to  
39 receive transfers of moneys under subsection (3)(b)(A) of this section.

40 (b) A county that has an ordinance prohibiting the establishment of a premises for which issu-  
41 ance of a license under ORS 475B.070 is required is not eligible to receive transfers of moneys under  
42 subsection (3)(b)(B)(i) of this section.

43 (c) A county that has an ordinance prohibiting the establishment of a premises for which issu-  
44 ance of a license under ORS 475B.090, 475B.100 or 475B.105 is required is not eligible to receive  
45 transfers of moneys under subsection (3)(b)(B)(ii) of this section.

1 (5)(a) A city or county that is ineligible under subsection (4) of this section to receive a transfer  
2 of moneys from the Oregon Marijuana Account during a given quarter but has received a transfer  
3 of moneys for that quarter shall return the amount transferred to the Department of Revenue, with  
4 interest as described under paragraph (f) of this subsection. An ineligible city or county may vol-  
5 untarily transfer the moneys to the Department of Revenue immediately upon receipt of the ineligi-  
6 ble transfer.

7 (b) If the Director of the Oregon Department of Administrative Services determines that a city  
8 or county received a transfer of moneys under subsection (3)(b) of this section but was ineligible to  
9 receive that transfer under subsection (4) of this section, the director shall provide notice to the  
10 ineligible city or county and order the city or county to return the amount received to the Depart-  
11 ment of Revenue, with interest as described under paragraph (f) of this subsection. A city or county  
12 may appeal the order within 30 days of the date of the order under the procedures for a contested  
13 case under ORS chapter 183.

14 (c) As soon as the order under paragraph (b) of this subsection becomes final, the director shall  
15 notify the Department of Revenue and the ineligible city or county. Upon notification, the Depart-  
16 ment of Revenue immediately shall proceed to collect the amount stated in the notice.

17 (d) The Department of Revenue shall have the benefit of all laws of the state pertaining to the  
18 collection of income and excise taxes and may proceed to collect the amounts described in the no-  
19 tice under paragraph (c) of this subsection. An assessment of tax is not necessary and the collection  
20 described in this subsection is not precluded by any statute of limitations.

21 (e) If a city or county is subject to an order to return moneys from an ineligible transfer, the  
22 city or county shall be denied any further relief in connection with the ineligible transfer on or after  
23 the date that the order becomes final.

24 (f) Interest under this section shall accrue at the rate established in ORS 305.220 beginning on  
25 the date the ineligible transfer was made.

26 (g) Both the moneys and the interest collected from or returned by an ineligible city or county  
27 shall be redistributed to the cities or counties that were eligible to receive a transfer under sub-  
28 section (3)(b) of this section on the date the ineligible transfer was made.

29 (6)(a) Not later than July 1 of each year, each city and county in this state shall certify with  
30 the Oregon Department of Administrative Services whether the city or county has an ordinance  
31 prohibiting the establishment of a premises for which issuance of a license under ORS 475B.070,  
32 475B.090, 475B.100 or 475B.105 is required. The certification shall be made concurrently with the  
33 certifications under ORS 221.770, in a form and manner prescribed by the Oregon Department of  
34 Administrative Services.

35 (b) If a city fails to comply with this subsection, the city is not eligible to receive transfers of  
36 moneys under subsection (3)(b)(A) of this section. If a county fails to comply with this subsection,  
37 the county is not eligible to receive transfers of moneys under subsection (3)(b)(B) of this section.

38 (c) A city or county that repeals an ordinance as provided in ORS 475B.496 shall file an updated  
39 certification with the Oregon Department of Administrative Services in a form and manner pre-  
40 scribed by the department, noting the effective date of the change. A city or county that repeals an  
41 ordinance as provided in ORS 475B.496 is eligible to receive quarterly transfers of moneys under  
42 this section for quarters where the repeal is effective for the entire quarter and the updated certi-  
43 fication was filed at least 30 days before the date of transfer.

44 (7) Before making the transfer of moneys required by subsection (3) of this section, the depart-  
45 ment shall transfer quarterly to the Drug Treatment and Recovery Services Fund all moneys in the

1 Oregon Marijuana Account in excess of \$11,250,000.

2 **SECTION 47.** (1) The amendments to ORS 475B.020, 475B.220, 475B.531, 475B.570, 475B.630,  
3 475B.707 and 475B.759 by sections 40 to 46 of this 2021 Act become operative on January 1,  
4 2022.

5 (2) The Department of Revenue and the Oregon Liquor Control Commission may take any  
6 action before the operative date specified in subsection (1) of this section that is necessary  
7 to enable the department and commission to exercise, on and after the operative date spec-  
8 ified in subsection (1) of this section, all of the duties, functions and powers conferred on the  
9 department and the commission by the amendments to ORS 475B.020, 475B.220, 475B.531,  
10 475B.570, 475B.630, 475B.707 and 475B.759 by sections 40 to 46 of this 2021 Act.

11  
12 **CAPTIONS**

13  
14 **SECTION 48.** The unit captions used in this 2021 Act are provided only for the conven-  
15 ience of the reader and do not become part of the statutory law of this state or express any  
16 legislative intent in the enactment of this 2021 Act.

17  
18 **EFFECTIVE DATE**

19  
20 **SECTION 49.** This 2021 Act takes effect on the 91st day after the date on which the 2021  
21 regular session of the Eighty-first Legislative Assembly adjourns sine die.

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