HB 2263-2 (LC 2420) 3/25/21 (SCT/ps)

Requested by Representative WILDE

## PROPOSED AMENDMENTS TO HOUSE BILL 2263

- In line 2 of the printed bill, after the semicolon delete the rest of the line and insert "creating new provisions; amending ORS 475B.177, 475B.539 and
- 3 475B.825; and prescribing an effective date.".
- Delete lines 4 through 11 and insert:
- 5 "SECTION 1. Sections 2 and 3 of this 2021 Act are added to and 6 made a part of ORS 475B.010 to 475B.545.
- "SECTION 2. (1)(a) The Oregon Liquor Control Commission may allow a marijuana producer that holds a license issued under ORS 475B.070 and a marijuana processor that holds a license issued under ORS 475B.090 to establish an internal inventory tracking system to track the propagation of immature marijuana plants and the production of marijuana by the marijuana producer and the processing of marijuana by the marijuana processor.
- "(b) An internal tracking system established under this subsection may provide for tracking by batch, as defined by the commission by rule.
- "(2) The commission may audit and review an internal tracking system established under subsection (1) of this section and continue to allow a marijuana producer or marijuana processor to use an internal tracking system in lieu of the system developed and maintained under ORS 475B.177 if the commission determines that the

- internal tracking system achieves the purposes described in ORS 475B.177 (2).
- "SECTION 3. The Oregon Liquor Control Commission may not require the use of individual plant tags for purposes of tracking under ORS 475B.177 or section 2 of this 2021 Act.
- **"SECTION 4.** ORS 475B.177 is amended to read:
- "475B.177. (1) The Oregon Liquor Control Commission shall develop and maintain a system for tracking the transfer of marijuana items between premises for which licenses have been issued under ORS 475B.010 to 475B.545.
- 11 "(2) The purposes of the system developed and maintained under this 12 section include, but are not limited to:
  - "(a) Preventing the diversion of marijuana items to criminal enterprises, gangs, cartels and other states;
- 15 "(b) Preventing persons from substituting or tampering with marijuana 16 items;
- "(c) Ensuring an accurate accounting of the [production,] processing and sale of marijuana items;
- "(d) Ensuring that laboratory testing results are accurately reported; and
- "(e) Ensuring compliance with ORS 475B.010 to 475B.545, rules adopted under ORS 475B.010 to 475B.545 and any other law of this state that charges the commission with a duty, function or power related to marijuana.
- 23 "(3) **The commission shall track, through** the system developed and maintained under this section [must be capable of tracking, at a minimum]:
- "(a) **Except as provided in section 2 of this 2021 Act,** the propagation of immature marijuana plants and the production of marijuana by a marijuana producer;
- 28 "(b) Except as provided in section 2 of this 2021 Act, the processing
  29 of marijuana by a marijuana processor;
- 30 "(c) The receiving, storing and delivering of marijuana items by a

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- 1 marijuana wholesaler;
- 2 "(d) The sale of marijuana items by a marijuana retailer to a consumer;
- 3 "(e) The sale and purchase of marijuana items between licensees, as per-
- 4 mitted by ORS 475B.010 to 475B.545;
- 5 "(f) The transfer of marijuana items between premises for which licenses
- 6 have been issued under ORS 475B.010 to 475B.545; and
- 7 "(g) Any other information that the commission determines is reasonably
- 8 necessary to accomplish the duties, functions and powers of the commission
- 9 under ORS 475B.010 to 475B.545.

## **"SECTION 5.** ORS 475B.539 is amended to read:

- "475B.539. (1) Notwithstanding ORS 475B.206 or any other provision pro-
- 12 hibiting the transportation of marijuana items to or from a location for
- which a license has not been issued under ORS 475B.010 to 475B.545 or pro-
- 14 hibiting the possession of marijuana items at a location for which a license
- has not been issued under ORS 475B.010 to 475B.545, a licensee may trans-
- port marijuana items to and exhibit marijuana items at a trade show, the
- 17 Oregon State Fair or a similar event if:
- 18 "(a) The marijuana items are tracked using the system developed and
  - maintained under ORS 475B.177 or established under section 2 of this 2021

## 20 **Act**;

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- 21 "(b) All of the marijuana items are returned to a premises for which a
- license has been issued under ORS 475B.010 to 475B.545 immediately after the
- 23 conclusion of the event; and
- "(c) The licensee complies with any other requirement imposed by the
- Oregon Liquor Control Commission by rule or order for the purpose of en-
- 26 suring the security of the marijuana items, for the purpose of preventing
- 27 minors from having access to the marijuana items or for any other purpose
- 28 deemed relevant by the commission.
- "(2) The commission shall adopt rules to implement this section.
  - **"SECTION 6.** ORS 475B.825 is amended to read:

- "475B.825. (1) Subject to subsection (2) of this section, a marijuana grow site may transfer up to 20 pounds of usable marijuana per year to a person that holds a license issued under ORS 475B.090 or 475B.100, provided that:
- "(a) The transfer is tracked using the system developed and maintained under ORS 475B.177 or established under section 2 of this 2021 Act;
- 6 "(b) More than 12 mature marijuana plants are produced at the marijuana 7 grow site;
- 8 "(c) The usable marijuana has been assigned to the person responsible for 9 the marijuana grow site pursuant to ORS 475B.822;
- "(d) The usable marijuana has been tested in accordance with the provisions of ORS 475B.550 to 475B.590; and
  - "(e) The marijuana grow site first registered with the Oregon Health Authority under ORS 475B.810 on or before August 2, 2017.
  - "(2) If the Oregon Liquor Control Commission determines that the supply of marijuana items offered for sale by marijuana retailers that hold a license issued under ORS 475B.105 is exceeding consumer demand for the marijuana items, and if the commission determines that the market for marijuana items in this state will not self-correct for the excess, the commission may issue an order that temporarily reduces the amount of usable marijuana that may be transferred pursuant to this section or that temporarily suspends the ability to transfer usable marijuana pursuant to this section.
  - "SECTION 7. (1) Section 2 of this 2021 Act and the amendments to ORS 475B.177, 475B.539 and 475B.825 by sections 4 to 6 of this 2021 Act become operative on January 1, 2022.
    - "(2) Section 3 of this 2021 Act becomes operative on July 1, 2022.
  - "(2) The Oregon Liquor Control Commission may take any action before the operative date specified in subsection (1) of this section that is necessary to enable the commission to exercise, on and after the operative date specified in subsection (1) of this section, all of the duties, functions and powers conferred on the commission by section 2

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of this 2021 Act and the amendments to ORS 475B.177, 475B.539 and 475B.825 by sections 4 to 6 of this 2021 Act.

"SECTION 8. This 2021 Act takes effect on the 91st day after the date on which the 2021 regular session of the Eighty-first Legislative Assembly adjourns sine die.".

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