

SB 408-4
(LC 2949)
4/5/21 (SCT/ps)

Requested by Senator PROZANSKI

**PROPOSED AMENDMENTS TO
SENATE BILL 408**

1 In line 2 of the printed bill, after “marijuana” insert “; creating new
2 provisions; amending ORS 475B.060, 475B.070, 475B.105, 475B.206, 475B.256,
3 475B.337, 475B.341, 475B.615 and 475B.625; and declaring an emergency”.

4 Delete lines 4 through 30 and insert:
5

6 **“ENFORCEMENT REFORM**
7

8 **“SECTION 1.** ORS 475B.060 is amended to read:

9 “475B.060. (1) The Oregon Liquor Control Commission shall approve or
10 deny an application to be licensed under ORS 475B.010 to 475B.545. **Except**
11 **as provided in subsection (2) of this section,** upon receiving an applica-
12 tion under ORS 475B.040, the commission may not [*unreasonably*] delay pro-
13 cessing, approving or denying the application or, if the application is
14 approved, issuing the license.

15 **“(2) The commission may delay processing, approving or denying**
16 **an application described in subsection (1) of this section only if:**

17 **“(a) The applicant, or a person named on the application, holds a**
18 **license issued under ORS 475B.010 to 475B.545 and the commission has**
19 **issued a notice proposing revocation of the license for one or more**
20 **violations of ORS 475B.010 to 475B.545 that are administrative in na-**
21 **ture, as determined by the commission, or a notice proposing suspen-**

1 **sion of the license pursuant to ORS 305.385;**

2 **“(b) The applicant is applying for a license at a premises where the**
3 **applicant seeks to assume ownership of an existing business for which**
4 **a license has been issued under ORS 475B.010 to 475B.545 and the**
5 **commission has issued a notice proposing revocation of the license for**
6 **the existing business or a notice proposing suspension of the license**
7 **for the existing business pursuant to ORS 305.385; or**

8 **“(c) The commission has received information from law enforce-**
9 **ment that the applicant or a person named on the application is en-**
10 **gaging, or has engaged, in the unregulated commerce of marijuana**
11 **items or unlawful manufacture or delivery of controlled substances.**

12 **“[(2)] (3) The licenses described in ORS 475B.010 to 475B.545 must be is-**
13 **sued by the commission, subject to the provisions of ORS 475B.010 to**
14 **475B.545 and rules adopted under ORS 475B.010 to 475B.545.**

15 **“[(3)] (4) The commission may not license a premises that does not have**
16 **defined boundaries. A premises does not need to be enclosed by a wall, fence**
17 **or other structure, but the commission may require a premises to be enclosed**
18 **as a condition of issuing or renewing a license. The commission may not li-**
19 **cence a mobile premises.**

20 **“SECTION 2. The amendments to ORS 475B.060 by section 1 of this**
21 **2021 Act apply to applications received by the Oregon Liquor Control**
22 **Commission on or after the effective date of this 2021 Act.**

23 **“SECTION 3. ORS 475B.256 is amended to read:**

24 **“475B.256. (1) Subject to subsection (3) of this section, the Oregon**
25 **Liquor Control Commission may revoke, suspend or restrict a license issued**
26 **under ORS 475B.010 to 475B.545 or require a licensee or licensee represen-**
27 **tative to undergo training if the commission finds or has reasonable ground**
28 **to believe [any of the following to be true:]**

29 **“[(a)] that the licensee or licensee representative:**

30 **“[(A)] (a) Has violated a provision of ORS 475B.010 to 475B.545 or a rule**

1 adopted under ORS 475B.010 to 475B.545.

2 **“(b) Has diverted marijuana to the interstate market or an illicit**
3 **market or has diverted resources to a criminal enterprise.**

4 “[*B*] (c) Has made any false representation or statement to the com-
5 mission **regarding compliance with a provision of ORS 475B.010 to**
6 **475B.545 or a rule adopted under ORS 475B.010 to 475B.545** in order to
7 induce or prevent action by the commission.

8 “[*C*] *Is insolvent or incompetent or physically unable to carry on the*
9 *management of the establishment of the licensee.*]

10 “[*D*] (d) Is in the habit of using alcoholic liquor, habit-forming drugs,
11 marijuana or controlled substances to excess.

12 “[*E*] (e) Has misrepresented to a customer or the public any marijuana
13 items sold by the licensee or licensee representative.

14 “[*F*] (f) Since the issuance of the license, has been convicted of a felony,
15 of violating any of the marijuana laws of this state, general or local, or of
16 any misdemeanor or violation of any municipal ordinance committed on the
17 premises for which the license has been issued.

18 **“(g) Has sold a marijuana item to a person under 21 years of age.**

19 “[*b*] *That there is any other reason that, in the opinion of the commission,*
20 *based on public convenience or necessity, warrants revoking, suspending or*
21 *restricting the license.*]

22 **“(2) In addition to the grounds listed in subsection (1) of this sec-**
23 **tion, the commission may take an action described in subsection (1)**
24 **of this section if there is a history of a lack of institutional control**
25 **involving the premises for which a license has been issued under ORS**
26 **475B.010 to 475B.545.**

27 **“(3)(a) The commission may revoke a license under subsection (1)(a)**
28 **of this section only when the conduct poses a significant risk to public**
29 **health or safety.**

30 **“(b) The commission shall consider as mitigating factors to the**

1 **conduct described in subsection (1) of this section the following:**

2 **“(A) Self-reporting by a licensee or applicant;**

3 **“(B) A demonstration that, to the satisfaction of the commission,**
4 **the conduct of the licensee or applicant is not persistent or serious;**
5 **and**

6 **“(C) A demonstration that, to the satisfaction of the commission,**
7 **the licensee’s willingness and ability to adequately control the prem-**
8 **ises for which a license has been issued under ORS 475B.010 to 475B.545**
9 **and any inventory stored at the premises.**

10 **“(4) The commission may suspend or restrict a license issued under**
11 **ORS 475B.010 to 475B.545 or require a licensee or licensee represen-**
12 **tative to undergo training if the commission finds or has reasonable**
13 **grounds to believe that the licensee or licensee representative has vi-**
14 **olated a provision of ORS 475B.010 to 475B.545 or a rule adopted under**
15 **ORS 475B.010 to 475B.545.**

16 **“(5) The commission may suspend or revoke a permit issued under**
17 **ORS 475B.266 to an individual rather than suspend or revoke a license**
18 **issued under ORS 475B.010 to 475B.545 if the commission determines**
19 **that permit suspension or revocation is more appropriate.**

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

22 **“(A) Pay the tax as required under ORS 475B.710 twice in any four con-**
23 **secutive quarters and the Department of Revenue has issued to the licensee**
24 **a distraint warrant under ORS 475B.715 for the nonpayment of tax; or**

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

29 **“(b) The department’s written notice to the commission that a licensee**
30 **described under this subsection has failed to pay a tax or file a return twice**

1 in any four consecutive quarters, and that the department has issued a
2 distraint warrant or notice of determination and assessment, shall constitute
3 prima facie evidence of the licensee’s failure to pay the tax or file a return.

4 **“SECTION 4. Section 5 of this 2021 Act is added to and made a part
5 of ORS 475B.010 to 475B.545.**

6 **“SECTION 5. The Oregon Liquor Control Commission shall estab-
7 lish by rule a schedule outlining the numbers and types of violations
8 described in ORS 475B.256 that, if committed within a two-year period
9 by an applicant for a license issued under ORS 475B.010 to 475B.545 or
10 a licensee indicate a disregard for the law or a failure to control the
11 premises for which a license has been issued under ORS 475B.010 to
12 475B.545. The schedule adopted under this section must include a de-
13 finition of the categories of violations, elements of the violations and
14 a method by which to apply any aggravating or mitigating circum-
15 stances to the violations.**

16 **“SECTION 6. (1) Not later than December 31, 2021, the Oregon Li-
17 quor Control Commission shall submit a report, in the manner pro-
18 vided under ORS 192.245, to an interim committee of the Legislative
19 Assembly related to the judiciary. The report must summarize the
20 commission’s rulemaking activities under section 5 of this 2021 Act
21 between the effective date of this 2021 Act and December 31, 2021, in-
22 cluding but not limited to rulemaking focused on the commission’s
23 mission to support businesses, public safety and community livability
24 through public education and the enforcement of marijuana laws.**

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

1 the marijuana processor did not process.

2 “(3) Two or more marijuana producers that hold licenses issued
3 under ORS 475B.070 and are commonly owned by the same person may
4 deliver to and receive from one another marijuana and usable
5 marijuana.

6 **“SECTION 10.** (1) In order to transport marijuana items, a licensee
7 must create a manifest that contains the following information:

8 “(a) The name of the driver of the transport vehicle;

9 “(b) Identifying information for the driver’s permit issued under
10 ORS 475B.266;

11 “(c) The license plate number, make and model of the transport
12 vehicle;

13 “(d) The name of the licensee from which the marijuana or
14 marijuana items are being transported;

15 “(e) A detailed inventory of the marijuana and marijuana items
16 being transported;

17 “(f) The location of any overnight stop during transportation, and
18 the estimated time of the overnight stop; and

19 “(g) The destination of the marijuana and marijuana items being
20 transported.

21 “(2) Except as provided in subsection (1)(f) of this section, a mani-
22 fest created under this section is not required to include transport
23 route information.

24 “(3) The transport driver shall carry in the transport vehicle a copy
25 of the manifest.

26 **“SECTION 11.** ORS 475B.105 is amended to read:

27 “475B.105. (1) The retail sale of marijuana items is subject to regulation
28 by the Oregon Liquor Control Commission.

29 “(2) A marijuana retailer must have a retail license issued by the com-
30 mission for the premises at which marijuana items are sold. To hold a retail

1 license under this section, a marijuana retailer:

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

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

4 “(c) May not be located in an area that is zoned exclusively for residen-
5 tial use;

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

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

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

12 “(e) Must meet the requirements of any rule adopted by the commission
13 under subsection (3) of this section.

14 “(3) The commission shall adopt rules that:

15 “(a) Require a marijuana retailer to annually renew a license issued un-
16 der this section;

17 “(b) Establish application, licensure and renewal of licensure fees for
18 marijuana retailers;

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

21 “(d) Notwithstanding ORS 475B.206, allow a marijuana retailer to deliver
22 marijuana items to another marijuana retailer that *[is owned by the same or*
23 *substantially the same persons]* **has on the marijuana retailer’s license**
24 **application a person that has an interest in or authority over the**
25 **management of the other marijuana retailer;**

26 “(e) Subject to the limitations and privileges described in ORS 475B.146
27 (3), allow a marijuana retailer registered under ORS 475B.146 to sell medical
28 grade cannabinoid products, cannabinoid concentrates and cannabinoid ex-
29 tracts at retail in the same manner that rules adopted under ORS 475B.010
30 to 475B.545 allow a marijuana retailer to sell general use cannabinoid pro-

1 ducts, cannabinoid concentrates and cannabinoid extracts at retail, excepting
2 those circumstances where differentiating between the sale of medical grade
3 cannabinoid products, cannabinoid concentrates and cannabinoid extracts
4 and the sale of general use cannabinoid products, cannabinoid concentrates
5 and cannabinoid extracts is necessary to protect the public health and safety;
6 and

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

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

10 “(a) May not exceed, together with other fees collected under ORS
11 475B.010 to 475B.545, the cost of administering ORS 475B.010 to 475B.545; and

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

14

15 **“MARIJUANA PLANT DIVERSITY**

16

17 **“SECTION 12.** ORS 475B.070 is amended to read:

18 “475B.070. (1) The production of marijuana is subject to regulation by the
19 Oregon Liquor Control Commission.

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

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

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

25 “(c) Must meet the requirements of any rule adopted by the commission
26 under subsections (3) and (4) of this section.

27 “(3)(a) If the applicant is not the owner of the premises at which the
28 marijuana is to be produced, the applicant shall submit to the commission
29 signed informed consent from the owner of the premises to produce
30 marijuana at the premises.

1 “(b) The commission may adopt rules regarding the informed consent de-
2 scribed in this subsection.

3 “(4) The commission shall adopt rules that:

4 “(a) Require a marijuana producer to annually renew a license issued
5 under this section;

6 “(b) Establish application, licensure and renewal of licensure fees for
7 marijuana producers;

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

10 “(d) Assist the viability of marijuana producers that are independently
11 owned and operated and that are limited in size and revenue with respect to
12 other marijuana producers, by minimizing barriers to entry into the regu-
13 lated system and by expanding, to the extent practicable, transportation
14 options that will support their access to the retail market;

15 “(e) Allow a marijuana producer registered under ORS 475B.136 to
16 produce marijuana for medical purposes in the same manner that rules
17 adopted under ORS 475B.010 to 475B.545 allow a marijuana producer to
18 produce marijuana for nonmedical purposes, excepting those circumstances
19 where differentiating between the production of marijuana for medical pur-
20 poses and the production of marijuana for nonmedical purposes is necessary
21 to protect the public health and safety;

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

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

29 **“(h) Support marijuana plant diversity by allowing a qualified**
30 **marijuana producer to receive marijuana seeds from any source in this**

1 **state.**

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

3 “(a) May not exceed, together with other fees collected under ORS
4 475B.010 to 475B.545, the cost of administering ORS 475B.010 to 475B.545;

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

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

10 **“SECTION 13.** ORS 475B.206 is amended to read:

11 “475B.206. (1) Except as provided in ORS 475B.136 and 475B.873 **and rules**
12 **adopted pursuant to ORS 475B.070**, a marijuana producer that holds a li-
13 cense issued under ORS 475B.070, marijuana processor that holds a license
14 issued under ORS 475B.090 or marijuana wholesaler that holds a license is-
15 sued under ORS 475B.100 may deliver marijuana items only to or on a
16 premises for which a license has been issued under ORS 475B.070, 475B.090,
17 475B.100 or 475B.105, or to a registry identification cardholder or designated
18 primary caregiver as allowed under ORS 475B.010 to 475B.545.

19 “(2) A licensee to which marijuana items may be delivered under sub-
20 section (1) of this section may receive marijuana items only from:

21 “(a) A marijuana producer that holds a license issued under ORS
22 475B.070, marijuana processor that holds a license issued under ORS
23 475B.090, marijuana wholesaler that holds a license issued under ORS
24 475B.100, marijuana retailer that holds a license issued under ORS 475B.105
25 or a laboratory licensed under ORS 475B.560;

26 “(b) A researcher of cannabis that holds a certificate issued under ORS
27 475B.286 and that transfers limited amounts of marijuana, usable marijuana,
28 cannabinoid products, cannabinoid concentrates and cannabinoid extracts in
29 accordance with procedures adopted under ORS 475B.286 (3)(d) and (e);

30 “(c) A marijuana grow site registered under ORS 475B.810, marijuana

1 processing site registered under ORS 475B.840, or a medical marijuana
2 dispensary registered under ORS 475B.858, acting in accordance with proce-
3 dures adopted by the Oregon Liquor Control Commission under ORS
4 475B.167; or

5 “(d) A marijuana grow site registered under ORS 475B.810, acting in ac-
6 cordance with ORS 475B.825 and any procedures adopted by rule by the
7 commission.

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

13 “(4) The commission may by order waive the requirements of subsections
14 (1) and (2) of this section to ensure compliance with ORS 475B.010 to
15 475B.545 or a rule adopted under ORS 475B.010 to 475B.545. An order issued
16 under this subsection does not constitute a waiver of any other requirement
17 of ORS 475B.010 to 475B.545 or any other rule adopted under ORS 475B.010
18 to 475B.545.

19

20

“POSSESSION AND CONCENTRATION LIMITS

21

22 “**SECTION 14.** ORS 475B.337 is amended to read:

23 “475B.337. (1) Except for licensees and licensee representatives acting in
24 accordance with ORS 475B.010 to 475B.545 and any rule adopted under ORS
25 475B.010 to 475B.545, it is unlawful for any person 21 years of age or older
26 to possess, knowingly or intentionally:

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

29 “(b) More than [*one ounce*] **two ounces** of usable marijuana in a public
30 place.

1 “(c) More than eight ounces of usable marijuana.

2 “(d) More than 16 ounces of cannabinoid products in solid form or
3 cannabinoid concentrates.

4 “(e) More than 72 ounces of cannabinoid products in liquid form.

5 “(f) More than one ounce of cannabinoid extracts.

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

8 “(2) Except as provided in subsection (3) of this section, unlawful pos-
9 session of a marijuana item is a Class A misdemeanor.

10 “(3) Unlawful possession of a marijuana item is:

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

14 “(b) A Class B misdemeanor, if the amount possessed is more than two
15 times, but not more than four times, the applicable maximum amount speci-
16 fied in subsection (1)(a) to (f) of this section.

17 “(c) A Class C felony, if the amount possessed is:

18 “(A) More than 16 times the applicable maximum amount specified in
19 subsection (1)(a), (c), (d), (e) or (f) of this subsection;

20 “(B) More than eight pounds of usable marijuana in a public place; or

21 “(C) More than one-quarter ounce of cannabinoid extract that was not
22 purchased from a marijuana retailer that holds a license issued under ORS
23 475B.105.

24 **“SECTION 15.** ORS 475B.341 is amended to read:

25 “475B.341. (1) Except for licensees and licensee representatives acting in
26 accordance with ORS 475B.010 to 475B.545 and any rule adopted under ORS
27 475B.010 to 475B.545, it is unlawful for any person under 21 years of age to
28 possess, knowingly or intentionally:

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

1 “(b) More than [*one ounce*] **two ounces** of usable marijuana in a public
2 place.

3 “(c) More than eight ounces of usable marijuana.

4 “(d) More than 16 ounces of cannabinoid products in solid form or
5 cannabinoid concentrates.

6 “(e) More than 72 ounces of cannabinoid products in liquid form.

7 “(f) More than one ounce of cannabinoid extracts.

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

10 “(2) Except as provided in subsection (3) of this section, unlawful pos-
11 session of a marijuana item by a person under 21 years of age is a Class A
12 misdemeanor.

13 “(3) Unlawful possession of a marijuana item by a person under 21 years
14 of age is a Class C felony, if the amount possessed is:

15 “(a) More than 16 times the applicable maximum amount specified in
16 subsection (1)(a), (c), (d), (e) or (f) of this subsection;

17 “(b) More than eight pounds of usable marijuana in a public place; or

18 “(c) More than one-quarter ounce of cannabinoid extract that was not
19 purchased from a marijuana retailer that holds a license issued under ORS
20 475B.105.

21 “**SECTION 16.** ORS 475B.625 is amended to read:

22 “475B.625. (1) The [*Oregon Health Authority*] **Oregon Liquor Control**
23 **Commission** shall adopt rules establishing:

24 “(a) The maximum concentration of tetrahydrocannabinol that is permit-
25 ted in a single serving of a cannabinoid product or cannabinoid concentrate
26 or extract; and

27 “(b) The number of servings that are permitted in a **package of**
28 cannabinoid product or cannabinoid concentrate or extract [*package*].

29 “(2)(a) In adopting rules under subsection (1)(a) of this section, the [*au-*
30 *thority*] **commission** shall prescribe the different levels of concentration of

1 tetrahydrocannabinol that is permitted in a single serving of a cannabinoid
2 product or cannabinoid concentrate or extract for:

3 “(A) Consumers who hold a valid registry identification card issued under
4 ORS 475B.797; and

5 “(B) Consumers who do not hold a valid registry identification card issued
6 under ORS 475B.797.

7 “(b) In prescribing the levels of concentration of tetrahydrocannabinol
8 that is permitted in a single serving of a cannabinoid product or cannabinoid
9 concentrate or extract for consumers who hold a valid registry identification
10 card issued under ORS 475B.797, the [*authority*] **commission** shall consider
11 the appropriate level of concentration necessary to mitigate the symptoms
12 or effects of a debilitating medical condition, as defined in ORS 475B.791.

13 “(3) In adopting rules under ORS 475B.785 to 475B.949, the **Oregon**
14 **Health Authority shall adopt by rule requirements established by the**
15 **commission by rule to** require all usable marijuana, cannabinoid products
16 and cannabinoid concentrates and extracts transferred by a medical
17 marijuana dispensary registered under ORS 475B.858 to meet the concen-
18 tration standards and [*packaging*] **servings per package** standards adopted
19 by rule pursuant to this section.

20 “(4)(a) In adopting rules under ORS 475B.010 to 475B.545, the [*Oregon*
21 *Liquor Control*] commission shall require all usable marijuana, cannabinoid
22 products and cannabinoid concentrates and extracts sold or transferred by
23 a marijuana retailer that holds a license under ORS 475B.105 to meet the
24 concentration standards and [*packaging*] **servings per package** standards
25 adopted by rule pursuant to this section.

26 “(b) **The rules adopted by the commission under this subsection**
27 **must allow for a concentration of up to 100 milligrams of**
28 **tetrahydrocannabinol per package of cannabinoid edibles.**

29

30

“PACKAGING REQUIREMENTS

1 **“SECTION 17.** ORS 475B.615 is amended to read:

2 “475B.615. (1) As is necessary to protect the public health and safety, and
3 in consultation with the Oregon Health Authority and the State Department
4 of Agriculture, the Oregon Liquor Control Commission shall adopt rules es-
5 tablishing standards for the packaging of marijuana items, including but not
6 limited to:

7 “(a) Ensuring that [*usable marijuana*,] cannabinoid concentrates and ex-
8 tracts, cannabinoid edibles and other cannabinoid products are:

9 “(A) Packaged in child-resistant safety packaging; and

10 “(B) Not marketed in a manner that:

11 “(i) Is untruthful or misleading;

12 “(ii) Is attractive to minors; or

13 “(iii) Otherwise creates a significant risk of harm to public health and
14 safety; [*and*]

15 **“(b) Ensuring that usable marijuana, including usable marijuana
16 that is pre-rolled, is not marketed in a manner that:**

17 **“(A) Is untruthful and misleading;**

18 **“(B) Is attractive to minors; or**

19 **“(C) Otherwise creates a significant risk of harm to public health
20 and safety; and**

21 “[(*b*)] (c) Ensuring that cannabinoid edibles and other cannabinoid pro-
22 ducts are not packaged in a manner that is attractive to minors.

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

28 “(3) In adopting rules under ORS 475B.010 to 475B.545, the commission
29 shall require all usable marijuana, cannabinoid products and cannabinoid
30 concentrates and extracts sold or transferred by a marijuana retailer that

1 holds a license under ORS 475B.105 to be packaged in accordance with sub-
2 section (1) of this section and rules adopted under subsection (1) of this
3 section.

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

5 “(a) May establish different packaging standards for different varieties
6 of usable marijuana and for different types of cannabinoid products and
7 cannabinoid concentrates and extracts;

8 “(b) May establish different minimum packaging standards for persons
9 registered under ORS 475B.785 to 475B.949 and persons licensed under ORS
10 475B.010 to 475B.545;

11 “(c) May consider the effect on the environment of requiring certain
12 packaging;

13 “(d) Shall consider the cost of a potential requirement and how that cost
14 will affect the cost to the ultimate consumer of the marijuana item; and

15 “(e) May not adopt rules that are more restrictive than is reasonably
16 necessary to protect the public health and safety.

17 **“SECTION 18. The Oregon Liquor Control Commission shall study**
18 **the laws of this state and the commission rules related to recreational**
19 **marijuana and identify any changes to laws or rules that would fur-**
20 **ther reduce the use of plastics by the recreational marijuana industry.**
21 **Not later than December 31, 2022, the commission shall report its**
22 **findings and recommendations for legislation and rule changes to an**
23 **interim committee of the Legislative Assembly related to the envi-**
24 **ronment.**

25 **“SECTION 19. Section 18 of this 2021 Act is repealed on January 2,**
26 **2023.**

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“CAPTIONS

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30 **“SECTION 20. The unit captions used in this 2021 Act are provided**

1 only for the convenience of the reader and do not become part of the
2 statutory law of this state or express any legislative intent in the
3 enactment of this 2021 Act.

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“OPERATIVE AND EFFECTIVE DATES

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“SECTION 21. (1) Sections 9 and 10 of this 2021 Act and the amendments to ORS 475B.070, 475B.105, 475B.206, 475B.256, 475B.337, 475B.341, 475B.615 and 475B.625 by sections 3 and 11 to 17 of this 2021 Act become operative on January 1, 2022.

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“(2) The Oregon Liquor Control Commission and the Oregon Health Authority may take any action before the operative date specified in subsection (1) of this section that is necessary to enable the commission and the authority 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 and the authority by sections 9 and 10 of this 2021 Act and the amendments to ORS 475B.070, 475B.105, 475B.206, 475B.256, 475B.337, 475B.341, 475B.615 and 475B.625 by sections 3 and 11 to 17 of this 2021 Act.

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“SECTION 22. This 2021 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2021 Act takes effect on its passage.”.

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