

Requested by Representative FAHEY

**PROPOSED AMENDMENTS TO  
HOUSE BILL 3112**

1 On page 7 of the printed bill, delete lines 17 through 45 and insert:

2 **“SECTION 16. (1) The Oregon Liquor Control Commission shall is-**  
3 **sue an equity license to an applicant who:**

4 **“(a) Applies for issuance or renewal of a license under ORS 475B.070,**  
5 **475B.090, 475B.100 or 475B.105 or section 22, 27, 32 or 34 of this 2021 Act;**

6 **“(b) Can demonstrate that the entity on behalf of which the appli-**  
7 **cant applies is at least 51 percent owned by one or more individuals**  
8 **who:**

9 **“(A) Have been convicted of a marijuana-related crime in any state,**  
10 **each have a household income that does not exceed the area median**  
11 **income for the individual’s county of residence, as adjusted for**  
12 **household size as determined by the Oregon Housing Stability Council**  
13 **based on information from the United States Department of Housing**  
14 **and Urban Development, and who are residents of this state; or**

15 **“(B) Are American Indian, Alaska Native, Black, Hispanic or**  
16 **Latinx, or are members of another minority group that, through em-**  
17 **pirical evidence that is subject to review by the Cannabis Equity**  
18 **Board, shows historically disproportionate community impact, dis-**  
19 **ruption and collateral consequences from enforcement of drug-related**  
20 **laws at a similar level to the adverse effects experienced by members**  
21 **of the American Indian, Alaska Native, Black, Hispanic or Latinx**

1 communities; and

2 “(c) Submits a declaration under penalty of perjury that the infor-  
3 mation contained in the application is true and accurate.

4 “(2) The commission shall begin processing an application for a li-  
5 cense under this section not more than 30 days after the date on which  
6 the application was submitted.

7 “(3) The commission shall issue a provisional license under this  
8 section to an applicant who meets the requirements of subsection (1)  
9 of this section prior to the applicant obtaining a land use compatibility  
10 statement under ORS 475B.063. A provisional license may not be re-  
11 newed.

12 “(4) An application for an equity license under this section is not  
13 subject to any rules of the commission that require the applicant to  
14 complete an application process within a specified timeframe.

15 “(5) The commission may suspend or revoke a license issued under  
16 this section if the commission determines that the licensee does not  
17 meet the requirements of subsection (1)(b) of this section or submitted  
18 a false declaration under subsection (1)(c) of this section.

19 “(6)(a) Except as provided in paragraph (b) of this subsection, the  
20 holder of an equity license may transfer not more than 49 percent of  
21 the ownership of the licensed entity until the date established by the  
22 commission and the board pursuant to section 16a of this 2021 Act.

23 “(b) The holder of an equity license may transfer more than 49  
24 percent ownership to another individual who meets the requirements  
25 of subsection (1) of this section, subject to rules adopted by the com-  
26 mission.

27 “(c) The commission, in consultation with the board, shall adopt  
28 rules to define ownership for purposes of this section. The rules  
29 adopted under this paragraph must ensure that an individual licensed  
30 under this section has the right to own, control and financially benefit

1 from the entity licensed under ORS 475B.070, 475B.090, 475B.100 or  
2 475B.105 or section 22, 27, 32 or 34 of this 2021 Act through reasonable  
3 voting rights or net profits.

4 “(7) The commission may not charge the holder of an equity license  
5 who applies for a license or renewal of a license under ORS 475B.070,  
6 475B.090, 475B.100 or 475B.105 or section 22, 27, 32 or 34 of this 2021 Act  
7 a fee in an amount greater than 40 percent of the fee otherwise es-  
8 tablished for issuance or renewal of that license.

9 “(8) The commission, with the advice of the equity liaison of the  
10 commission, may adopt rules to carry out this section.

11 **“SECTION 16a. (1) Subject to subsection (2) of this section, the date**  
12 **on which the holder of a license issued under section 16 of this 2021**  
13 **Act may transfer more than 49 percent ownership of the licensed en-**  
14 **tity is January 1, 2028.**

15 **“(2) Not later than December 31, 2027, the Oregon Liquor Control**  
16 **Commission, in consultation with the Cannabis Equity Board, may**  
17 **review the issuance of licenses under section 16 of this 2021 Act and,**  
18 **based on the review, provide by rule that the holder of a license issued**  
19 **under section 16 of this 2021 Act may transfer not more than 49 per-**  
20 **cent ownership of the licensed entity until January 1, 2032.”.**

21 On page 8, delete lines 1 through 9.

22 On page 12, after line 16, insert:

23 **“SECTION 22b. The Oregon Liquor Control Commission may issue**  
24 **a license under section 22 of this 2021 Act, as amended by section 22a**  
25 **of this 2021 Act, on the date established under section 16a of this 2021**  
26 **Act.”.**

27 In line 33, delete “2032” and insert “2028”.

28 On page 14, after line 19, insert:

29 **“SECTION 28a. The Oregon Liquor Control Commission may issue**  
30 **a license under section 27 of this 2021 Act, as amended by section 28**

1 **of this 2021 Act, on the date established under section 16a of this 2021**  
2 **Act.”.**

3 On page 15, line 25, delete “2032” and insert “2028”.

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