

SB 408-5
(LC 2949)
4/10/21 (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 **“(c) Has introduced into the marijuana industry regulated under**
5 **ORS 475B.010 to 475B.545 cannabinoids or marijuana not produced or**
6 **processed by a licensee and not tracked in the system developed and**
7 **maintained under ORS 475B.177.**

8 “[B] (d) Has made any false representation or statement to the com-
9 mission **regarding compliance with a provision of ORS 475B.010 to**
10 **475B.545 or a rule adopted under ORS 475B.010 to 475B.545** in order to
11 induce or prevent action by the commission.

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

14 “[D] (e) Is in the habit of using alcoholic liquor, habit-forming drugs,
15 marijuana or controlled substances to excess.

16 “[E] (f) Has misrepresented to a customer or the public any marijuana
17 items sold by the licensee or licensee representative.

18 “[F] (g) Since the issuance of the license, has been convicted of a felony,
19 of violating any of the marijuana laws of this state, general or local, or of
20 any misdemeanor or violation of any municipal ordinance committed on the
21 premises for which the license has been issued.

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

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

26 **“(2) In addition to the grounds listed in subsection (1) of this sec-**
27 **tion, the commission may take an action described in subsection (1)**
28 **of this section if there is a history of a lack of institutional control**
29 **involving the premises for which a license has been issued under ORS**
30 **475B.010 to 475B.545.**

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

4 **“(b) The commission shall consider as mitigating factors to the**
5 **conduct described in subsection (1) of this section the following:**

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

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

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

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

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

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

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

29 **“(B) File a return as required under ORS 475B.710 twice in any four**
30 **consecutive quarters and the department has issued to the licensee a notice**

1 of determination and assessment under ORS 475B.715 for failure to file a
2 return.

3 “(b) The department’s written notice to the commission that a licensee
4 described under this subsection has failed to pay a tax or file a return twice
5 in any four consecutive quarters, and that the department has issued a
6 distraint warrant or notice of determination and assessment, shall constitute
7 prima facie evidence of the licensee’s failure to pay the tax or file a return.

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

10 **“SECTION 5. The Oregon Liquor Control Commission shall estab-
11 lish by rule a schedule outlining the numbers and types of violations
12 described in ORS 475B.256 that, if committed within a two-year period
13 by an applicant for a license issued under ORS 475B.010 to 475B.545 or
14 a licensee indicate a disregard for the law or a failure to control the
15 premises for which a license has been issued under ORS 475B.010 to
16 475B.545. The schedule adopted under this section must include a de-
17 finition of the categories of violations, elements of the violations and
18 a method by which to apply any aggravating or mitigating circum-
19 stances to the violations.**

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

29 **“(2) Not later than December 31, 2022, the commission shall submit
30 a report, in the manner provided under ORS 192.245, to an interim**

1 committee of the Legislative Assembly related to the judiciary, that
2 summarizes the commission’s rulemaking activities under section 5
3 of this 2021 Act between January 1, 2022 and December 31, 2022. The
4 report must include a summary of at least the following:

5 “(a) Rulemaking focused on the commission’s mission to support
6 businesses, public safety and community livability through public ed-
7 ucation and the enforcement of marijuana laws; and

8 “(b) The cannabis industry’s participation in the rulemaking pro-
9 cess, the number of violations in each category defined under section
10 5 of this 2021 Act with which the commission has charged an applicant
11 or licensee, as defined in ORS 475B.015, and an analysis of voluntary
12 compliance by applicants and licensees that receive warnings of vio-
13 lations from the commission.

14 “SECTION 7. Section 6 of this 2021 Act is repealed on January 1,
15 2024.

16
17 **“TRANSFER OF MARIJUANA**

18
19 “SECTION 8. Sections 9 and 10 of this 2021 Act are added to and
20 made a part of ORS 475B.010 to 475B.545.

21 “SECTION 9. (1) As used in this section, ‘commonly owned’ means,
22 as further defined by the Oregon Liquor Control Commission by rule,
23 that a person included on an application for a license under ORS
24 475B.070 has an interest in or authority over the management of an-
25 other entity for which a license has been issued under ORS 475B.070.

26 “(2) A marijuana producer that holds a license issued under ORS
27 475B.070 may deliver to or receive from a marijuana processor that
28 holds a license issued under ORS 475B.090:

29 “(a) Cannabinoid products, cannabinoid extracts and cannabinoid
30 concentrates processed by the marijuana processor from marijuana

1 produced by the marijuana producer and that do not contain
2 marijuana produced by any other marijuana producer; and

3 “(b) Marijuana produced by the marijuana producer that the
4 marijuana processor received from the marijuana producer but that
5 the marijuana processor did not process.

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

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

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

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

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

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

19 “(e) A detailed inventory of the marijuana and marijuana items
20 being transported;

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

23 “(g) The destination of the marijuana and marijuana items being
24 transported.

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

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

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

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

3 “(2) A marijuana retailer must have a retail license issued by the com-
4 mission for the premises at which marijuana items are sold. To hold a retail
5 license under this section, a marijuana retailer:

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

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

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

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

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

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

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

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

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

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

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

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

30 “(e) Subject to the limitations and privileges described in ORS 475B.146

1 (3), allow a marijuana retailer registered under ORS 475B.146 to sell medical
2 grade cannabinoid products, cannabinoid concentrates and cannabinoid ex-
3 tracts at retail in the same manner that rules adopted under ORS 475B.010
4 to 475B.545 allow a marijuana retailer to sell general use cannabinoid pro-
5 ducts, cannabinoid concentrates and cannabinoid extracts at retail, excepting
6 those circumstances where differentiating between the sale of medical grade
7 cannabinoid products, cannabinoid concentrates and cannabinoid extracts
8 and the sale of general use cannabinoid products, cannabinoid concentrates
9 and cannabinoid extracts is necessary to protect the public health and safety;
10 and

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

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

14 “(a) May not exceed, together with other fees collected under ORS
15 475B.010 to 475B.545, the cost of administering ORS 475B.010 to 475B.545; and

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

18

19 **“MARIJUANA PLANT DIVERSITY**

20

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

22 “475B.070. (1) The production of marijuana is subject to regulation by the
23 Oregon Liquor Control Commission.

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

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

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

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

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

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

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

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

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

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

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

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

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

29 “(g) Require a marijuana producer to meet any public health and safety
30 standards and industry best practices established by the commission by rule

1 related to the production of marijuana or the propagation of immature
2 marijuana plants and marijuana seeds; **and**

3 **“(h) Support marijuana plant diversity by allowing a qualified**
4 **marijuana producer to receive marijuana seeds from any source in this**
5 **state.**

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

7 “(a) May not exceed, together with other fees collected under ORS
8 475B.010 to 475B.545, the cost of administering ORS 475B.010 to 475B.545;

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

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

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

15 “475B.206. (1) Except as provided in ORS 475B.136 and 475B.873 **and rules**
16 **adopted pursuant to ORS 475B.070**, a marijuana producer that holds a li-
17 cense issued under ORS 475B.070, marijuana processor that holds a license
18 issued under ORS 475B.090 or marijuana wholesaler that holds a license is-
19 sued under ORS 475B.100 may deliver marijuana items only to or on a
20 premises for which a license has been issued under ORS 475B.070, 475B.090,
21 475B.100 or 475B.105, or to a registry identification cardholder or designated
22 primary caregiver as allowed under ORS 475B.010 to 475B.545.

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

25 “(a) A marijuana producer that holds a license issued under ORS
26 475B.070, marijuana processor that holds a license issued under ORS
27 475B.090, marijuana wholesaler that holds a license issued under ORS
28 475B.100, marijuana retailer that holds a license issued under ORS 475B.105
29 or a laboratory licensed under ORS 475B.560;

30 “(b) A researcher of cannabis that holds a certificate issued under ORS

1 475B.286 and that transfers limited amounts of marijuana, usable marijuana,
2 cannabinoid products, cannabinoid concentrates and cannabinoid extracts in
3 accordance with procedures adopted under ORS 475B.286 (3)(d) and (e);

4 “(c) A marijuana grow site registered under ORS 475B.810, marijuana
5 processing site registered under ORS 475B.840, or a medical marijuana
6 dispensary registered under ORS 475B.858, acting in accordance with proce-
7 dures adopted by the Oregon Liquor Control Commission under ORS
8 475B.167; or

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

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

17 “(4) The commission may by order waive the requirements of subsections
18 (1) and (2) of this section to ensure compliance with ORS 475B.010 to
19 475B.545 or a rule adopted under ORS 475B.010 to 475B.545. An order issued
20 under this subsection does not constitute a waiver of any other requirement
21 of ORS 475B.010 to 475B.545 or any other rule adopted under ORS 475B.010
22 to 475B.545.

23

24 **“POSSESSION AND CONCENTRATION LIMITS**

25

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

27 “475B.337. (1) Except for licensees and licensee representatives acting in
28 accordance with ORS 475B.010 to 475B.545 and any rule adopted under ORS
29 475B.010 to 475B.545, it is unlawful for any person 21 years of age or older
30 to possess, knowingly or intentionally:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

25 “(C) More than one-quarter ounce of cannabinoid extract that was not
26 purchased from a marijuana retailer that holds a license issued under ORS
27 475B.105.

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

29 “475B.341. (1) Except for licensees and licensee representatives acting in
30 accordance with ORS 475B.010 to 475B.545 and any rule adopted under ORS

1 475B.010 to 475B.545, it is unlawful for any person under 21 years of age to
2 possess, knowingly or intentionally:

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

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

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

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

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

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

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

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

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

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

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

22 “(c) More than one-quarter ounce of cannabinoid extract that was not
23 purchased from a marijuana retailer that holds a license issued under ORS
24 475B.105.

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

26 “475B.625. (1) The [*Oregon Health Authority*] **Oregon Liquor Control**
27 **Commission** shall adopt rules establishing:

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

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

3 “(2)(a) In adopting rules under subsection (1)(a) of this section, the [*au-*
4 *thority*] **commission** shall prescribe the different levels of concentration of
5 tetrahydrocannabinol that is permitted in a single serving of a cannabinoid
6 product or cannabinoid concentrate or extract for:

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

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

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

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

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

30 “(b) **The rules adopted by the commission under this subsection**

1 **must allow for a concentration of up to 100 milligrams of**
2 **tetrahydrocannabinol per package of cannabinoid edibles.**

3

4

“PACKAGING REQUIREMENTS

5

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

7 “475B.615. (1) As is necessary to protect the public health and safety, and
8 in consultation with the Oregon Health Authority and the State Department
9 of Agriculture, the Oregon Liquor Control Commission shall adopt rules es-
10 tablishing standards for the packaging of marijuana items, including but not
11 limited to:

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

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

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

16 “(i) Is untruthful or misleading;

17 “(ii) Is attractive to minors; or

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

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

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

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

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

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

28 “(2) In adopting rules under ORS 475B.785 to 475B.949, the authority shall
29 require all usable marijuana, cannabinoid products and cannabinoid concen-
30 trates and extracts transferred by a medical marijuana dispensary registered

1 under ORS 475B.858 to be packaged in accordance with subsection (1) of this
2 section and rules adopted under subsection (1) of this section.

3 “(3) In adopting rules under ORS 475B.010 to 475B.545, the commission
4 shall require all usable marijuana, cannabinoid products and cannabinoid
5 concentrates and extracts sold or transferred by a marijuana retailer that
6 holds a license under ORS 475B.105 to be packaged in accordance with sub-
7 section (1) of this section and rules adopted under subsection (1) of this
8 section.

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

10 “(a) May establish different packaging standards for different varieties
11 of usable marijuana and for different types of cannabinoid products and
12 cannabinoid concentrates and extracts;

13 “(b) May establish different minimum packaging standards for persons
14 registered under ORS 475B.785 to 475B.949 and persons licensed under ORS
15 475B.010 to 475B.545;

16 “(c) May consider the effect on the environment of requiring certain
17 packaging;

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

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

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

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

1 2023.

2

3

“CAPTIONS

4

5 **“SECTION 20. The unit captions used in this 2021 Act are provided**
6 **only for the convenience of the reader and do not become part of the**
7 **statutory law of this state or express any legislative intent in the**
8 **enactment of this 2021 Act.**

9

10 **“OPERATIVE AND EFFECTIVE DATES**

11

12 **“SECTION 21. (1) Sections 9 and 10 of this 2021 Act and the**
13 **amendments to ORS 475B.070, 475B.105, 475B.206, 475B.256, 475B.337,**
14 **475B.341, 475B.615 and 475B.625 by sections 3 and 11 to 17 of this 2021**
15 **Act become operative on January 1, 2022.**

16 **“(2) The Oregon Liquor Control Commission and the Oregon Health**
17 **Authority may take any action before the operative date specified in**
18 **subsection (1) of this section that is necessary to enable the commis-**
19 **sion and the authority to exercise, on and after the operative date**
20 **specified in subsection (1) of this section, all of the duties, functions**
21 **and powers conferred on the commission and the authority by sections**
22 **9 and 10 of this 2021 Act and the amendments to ORS 475B.070,**
23 **475B.105, 475B.206, 475B.256, 475B.337, 475B.341, 475B.615 and 475B.625 by**
24 **sections 3 and 11 to 17 of this 2021 Act.**

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

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