

House Bill 4010

Sponsored by Representatives STARK, LIVELY (Presession filed.)

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**.

Prohibits sale of kratom products unless kratom product derives from processor registered with Department of Revenue. Directs department to adopt rules to carry out regulations. Authorizes imposition of civil penalty for certain violations.

Creates crime of unlawful distribution, sale or exposure for sale to individual under 21 years of age. Punishes by maximum of 30 days' imprisonment, \$1,250 fine, or both.

Appropriates moneys from General Fund to Department of Revenue for carrying out provisions of Act.

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to kratom; and prescribing an effective date.

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

4 **SECTION 1. Sections 2 to 5 of this 2022 Act shall be known and may be cited as the**
5 **Oregon Kratom Consumer Protection Act.**

6 **SECTION 2. As used in sections 2 to 5 of this 2022 Act:**

7 (1) **"Kratom product" means a food, food product, food ingredient, dietary ingredient,**
8 **dietary supplement or beverage for human consumption containing any part of the leaf of**
9 **the plant *Mitragyna speciosa*.**

10 (2) **"Processor" means a person that sells, distributes or exposes for sale kratom pro-**
11 **ducts on a wholesale basis to a retailer.**

12 (3) **"Retailer" means a person that sells, distributes or exposes for sale kratom products**
13 **to individuals for personal consumption.**

14 **SECTION 3. (1) A processor may not sell, distribute or expose for sale a kratom product**
15 **prior to registering with the Department of Revenue under section 5 of this 2022 Act.**

16 (2) **A retailer may not sell, distribute or expose for sale a kratom product sold, distrib-**
17 **uted or exposed for sale by a processor that is not registered with the department.**

18 (3) **A processor that violates subsection (1) of this section or a retailer that violates**
19 **subsection (2) of this section is subject to a civil penalty of not more than \$500 for the first**
20 **offense and not more than \$1,000 for the second or subsequent offense. Upon request by the**
21 **processor or retailer to whom an administrative fine is issued, the department shall conduct**
22 **a hearing in accordance with contested case proceedings under ORS chapter 183.**

23 **SECTION 4. (1) A retailer may not sell, distribute or expose for sale a kratom product**
24 **to an individual under 21 years of age.**

25 (2) **A retailer that violates subsection (1) of this section is guilty of a Class C**
26 **misdemeanor for each violation.**

27 **SECTION 5. The Department of Revenue shall adopt rules necessary to carry out**
28 **sections 2 and 3 of this 2022 Act, including rules establishing:**

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 (1) Procedures for a processor to register annually with the department, including a re-
2 quirement that a processor certify that all of the kratom products the processor will sell,
3 distribute or expose for sale are third-party tested to satisfy standards for adulteration as
4 established by the department by rule;

5 (2) A reasonable registration fee to be paid to the department by a processor; and

6 (3) Any other requirements the department deems appropriate.

7 **SECTION 6.** (1) Sections 2 to 5 of this 2022 Act become operative on July 1, 2023.

8 (2) The Department of Revenue may take any action before the operative date specified
9 in subsection (1) of this section that is necessary to enable the department to exercise, on
10 and after the operative date specified in subsection (1) of this section, all of the duties,
11 functions and powers conferred on the department by sections 2 to 5 of this 2022 Act.

12 **SECTION 7.** In addition to and not in lieu of any other appropriation, there is appropri-
13 ated to the Department of Revenue, for the biennium ending June 30, 2023, out of the General
14 Fund, the amount of _____, for implementing the Oregon Kratom Consumer Protection
15 Act.

16 **SECTION 8.** This 2022 Act takes effect on the 91st day after the date on which the 2022
17 regular session of the Eighty-first Legislative Assembly adjourns sine die.

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