

## HB 3049 A STAFF MEASURE SUMMARY

### House Committee On Business and Labor

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**Action Date:** 03/27/23

**Action:** Do pass with amendments and be referred to Ways and Means. (Printed A-Eng.)

**Vote:** 10-1-0-0

**Yeas:** 10 - Elmer, Grayber, Holvey, Hudson, Nelson, Nosse, Osborne, Owens, Scharf, Sosa

**Nays:** 1 - Boshart Davis

**Fiscal:** Fiscal impact issued

**Revenue:** Has minimal revenue impact

**Prepared By:** Erin Seiler, LPRO Analyst

**Meeting Dates:** 3/8, 3/27

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#### WHAT THE MEASURE DOES:

Requires Oregon Liquor and Cannabis Commission (OLCC) to establish annual registration program and labeling requirements for industrial hemp commodity or product that contains cannabinoids and is intended for human or animal consumption. Requires person responsible for manufacturing, packaging, or distributing industrial hemp product that contains cannabinoids and is intended for human or animal consumption or use to register product with OLCC, label product, and pay annual registration fee, prior to selling, transferring or delivering product directly to consumer or retailer in Oregon. For purposes of registration, person must submit to OLCC: name and type of the product; name and physical address of the manufacturer of the product; mailing address of manufacturer of product certificate of analysis for a batch of the product; copy of label for product; statement about whether product is for adult-use only; and any other information required by OLCC. Product label must include: name and type of product; name and physical address of manufacturer of product; ingredients of product; net weight or volume of product; serving size and number of servings contained in package of product; potency of product and list of cannabinoid contents of product; address of publicly accessible website that contains certificate of analysis for product; health and safety warnings required by law or rule; if product is food product, any other information required by law or rule for food products; and any other information required by OLCC. Specifies actions that retailer must take if product differs in form, or contains label that differs from information about industrial hemp product available from registration program and actions retailer may take if product is not registered with OLCC. Requirements do not apply to industrial hemp product that: does not contain cannabinoids; is industrial fiber or grain product; is commercial feed product for animals; or is for topical use. Repeals ORS 571.312 related to the transfer of industrial hemp commodities and products intended for human consumption. Provides rulemaking authority to OLCC. Appropriates OLCC the amount of \$256,000. Registration and labelling requirements become operative on January 1, 2024. Takes effect on 91<sup>st</sup> day following adjournment sine die.

#### ISSUES DISCUSSED:

- Task Force on Cannabis-Derived Intoxicants and Illegal Cannabis Production
- Oregon Liquor and Cannabis Commission (OLCC) rulemaking
- Implementation of registry and labeling requirements
- Products that contain cannabinoids and intended for human or animal consumption

#### EFFECT OF AMENDMENT:

Replaces the measure.

#### BACKGROUND:

## **HB 3049 A STAFF MEASURE SUMMARY**

The Federal Drug Administration (FDA) currently prohibits cannabinoids in foods or dietary supplements, but unregulated cannabinoid products, such as tinctures and gummies are popular consumer products. As a result of the FDA prohibition, there are no labeling standards for cannabinoid products intended for human or animal consumption or use, so consumers do not have information about ingredients, potency, serving sizes, or whether the products are intended for adults only.

In 2021, the Legislative Assembly passed House Bill 3000 which established the Task Force (Task Force) on Cannabis-Derived Intoxicants to consider regulation of intoxicating cannabis-derived products, consolidation of administrative functions, methods to prevent sales to minors, testing and enforcement requirements, changes to state policies and regulations, and input from marijuana and industrial hemp industries. The Task Force created a Cannabinoid Subcommittee (Subcommittee) to address cannabis testing, tacking requirements, ways to ensure children are not able to purchase intoxicating cannabis products, and current regulations regarding artificially derived cannabinoids. The Subcommittee emphasized balancing regulations to avoid disadvantaging Oregon manufacturers in the national market, while still recognizing the importance of centering public health and safety in finished product regulations. The Subcommittee recommended the creation of a scalable, fee-based annual product registration administered by the Oregon Liquor and Cannabis Commission (OLCC) for all hemp items for human and animal consumption that contain cannabinoids, excluding topical products and grain or fiber hemp products that do not contain added cannabinoids.

House Bill 3049 A establishes an annual registration program and labeling standards for industrial hemp commodity or product that contains cannabinoids and is intended for human or animal consumption. The measure specifies the information required to be submitted with the registration, as well the information required to be on the label for an industrial hemp commodity or product that contains cannabinoids and is intended for human or animal consumption.