

SB 353 A STAFF MEASURE SUMMARY

Senate Committee On Judiciary

Action Date: 04/04/23

Action: Do pass with amendments and requesting referral to Ways and Means. (Printed A-Engrossed.)

Vote: 3-2-0-0

Yeas: 3 - Gelser Blouin, Manning Jr, Prozanski

Nays: 2 - Linthicum, Thatcher

Fiscal: Fiscal impact issued

Revenue: Has minimal revenue impact

Prepared By: Patricia Pascone, LPRO Analyst

Meeting Dates: 3/29, 4/4

WHAT THE MEASURE DOES:

Directs the Oregon Liquor and Cannabis Commission (OLCC) to establish a registration program for industrial hemp commodities and products that contain cannabinoids intended for human or animal consumption. Specifies information that must be submitted for the product and sets labeling requirements. Specifies registration requirements apply only to cannabinoid-containing industrial hemp products in their final form ready for sale, transfer, or delivery to a consumer in this state. Exempts from registration program products for topical use, grain or fiber products, commercial feed product, and any product that is being transported through the state to another final destination. Permits the retailer to sell a product received different in form or label from information available in the registration, if the retailer provides the correct information. Provides that OLCC may establish a registration fee by rule, not to exceed administration costs of the registration program. Directs the OLCC in consultation with the Oregon Department of Agriculture (ODA) to adopt rules to establish standards for retail sale of products containing artificially derived cannabinoids. Exempts marijuana seeds and industrial hemp seeds imported or exported in accordance with state or federal law from prohibition against import or export. Provides temporary worker permits may be issued to persons working for marijuana retailers or laboratory licensees, and allows OLCC to make rules for the process and conditions for issuance.

Modifies commercial marijuana offense factors that may be considered in establishing the crime by removing delivery for consideration as a factor, increasing the possession of cash amount from \$300 to \$2,500, and includes paraphernalia designed for producing or processing marijuana items such as extraction equipment. Shifts primary responsibility for program to identify and certify private and public cannabis researchers from OLCC to the Oregon Health Authority in consultation with ODA and OLCC, and includes medical cannabinoid products among subjects of permissible research. Removes certified cannabis researchers from rules and requirements applicable to commercial production, processing, manufacture, sale, and delivery. Moves city and county governing bodies' authority to regulate cannabis research from commercial cannabis production and processing provisions to medical marijuana production and processing provisions. Prohibits fees for application or renewal for eligible medical marijuana registry applicants who are minors. Limits renewal fees for persons who provide proof of service in the Armed Forces of the United States or proof of Social Security Disability benefits. Removes maximum limit for a medical marijuana grow site's transfer of usable marijuana to a licensed processor and specifies that transfers are not confidential. Permits medical marijuana grow site to transfer usable marijuana to any other medical marijuana registry identification cardholder or their designated caregiver. Increases quantities and types of marijuana and marijuana products that a registered cardholder and caregiver may jointly possess.

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ISSUES DISCUSSED:

- Omnibus provisions resulted from conversations spurred by the Task Force on Cannabis-Derived Intoxicants and Illegal Cannabis Production
- Provisions did not fit squarely within Task Force directives
- Have not had an omnibus cannabis bill since 2016
- Need for regulation of nonintoxicating cannabinoids for consumption to food safety standards

EFFECT OF AMENDMENT:

Replaces the measure.

BACKGROUND:

This measure is an omnibus collection relating to cannabis and cannabinoid regulation, commercial marijuana offenses, and the medical marijuana program. Section 2 of the measure mirrors that of Section 2 in House Bill 3049 (2023), which moved out of the House Committee on Business and Labor on March 27, 2023, and was referred to the Joint Committee on Ways and Means.

Senate Bill 353 A directs the Oregon Liquor and Cannabis Commission to establish a registration program for cannabinoid products, permits rulemaking for artificial cannabinoids, allows temporary permits for marijuana retail or laboratory workers, exempts marijuana and hemp seeds from prohibition on import and export, modifies certain commercial marijuana offense factors, and makes certain modifications to cannabis researcher certifications and the medical marijuana program.