

# A-Engrossed Senate Bill 353

Ordered by the Senate April 12  
Including Senate Amendments dated April 12

Printed pursuant to Senate Interim Rule 213.28 by order of the President of the Senate in conformance with pre-session filing rules, indicating neither advocacy nor opposition on the part of the President (at the request of Senate Interim Committee on Judiciary and Ballot Measure 110 Implementation)

## 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.

*[Requires Oregon Liquor and Cannabis Commission to study cannabis. Directs commission to submit findings to interim committees of Legislative Assembly related to judiciary not later than September 15, 2024.]* **Directs Oregon Liquor and Cannabis Commission 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. Directs commission to establish retail sale standards for industrial hemp products that contain artificially derived cannabinoids. Exempts cannabis seeds from prohibition on interstate commerce of marijuana items. Authorizes commission to adopt rules to issue temporary permit to qualified individual to perform work for or on behalf of marijuana licensee or laboratory. Modifies factors composing commercial marijuana offense.**

**Transfers oversight of marijuana research from commission to Oregon Health Authority. Prohibits authority from imposing registry identification card application or renewal fee on applicant who is under 18 years of age. Limits registry identification card application and renewal fee to \$20 for applicant who receives Social Security Disability Insurance benefits. Removes limit on amount of usable marijuana that marijuana grow site may transfer to marijuana processor or marijuana wholesaler licensed by commission. Allows marijuana grow site to transfer usable marijuana to any registry identification cardholder. Increases marijuana possession limits for registry identification cardholder.**

**Declares emergency, effective on passage.**

## A BILL FOR AN ACT

Relating to cannabis; creating new provisions; amending ORS 475C.117, 475C.141, 475C.197, 475C.209, 475C.229, 475C.265, 475C.269, 475C.273, 475C.289, 475C.293, 475C.301, 475C.305, 475C.353, 475C.449, 475C.473, 475C.485, 475C.742, 475C.746, 475C.783, 475C.800, 475C.809, 475C.894, 475C.897 and 571.309; and declaring an emergency.

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

## INDUSTRIAL HEMP PRODUCTS

**SECTION 1. Section 2 of this 2023 Act is added to and made a part of ORS 571.260 to 571.348.**

**SECTION 2. (1) As used in this section, "cannabinoid" means any of the chemical compounds that are the active constituents derived from industrial hemp.**

**(2)(a) The Oregon Liquor and Cannabis Commission shall establish a registration program for industrial hemp products that contain cannabinoids and are intended for human or animal consumption or use. Except as provided in subsection (7) of this section, only an industrial hemp product described in this paragraph that is in its final form and ready for sale,**

**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 transfer or delivery to a consumer in this state is subject to the requirements of this section.

2 (b) A person that is located within or outside this state and that, as determined by the  
3 commission by rule, is responsible for the manufacture, packaging or distribution of an in-  
4 dustrial hemp product described in paragraph (a) of this subsection shall, prior to selling,  
5 transferring or delivering the industrial hemp product directly to a consumer in this state  
6 or selling, transferring or delivering the industrial hemp product to a retailer in this state  
7 for the purpose of sale to a consumer in this state:

8 (A) Annually submit the information described in subsection (3) of this section to the  
9 commission in a manner specified by the commission by rule;

10 (B) Include on the industrial hemp product a label that contains the information de-  
11 scribed in subsection (4) of this section; and

12 (C) Pay the annual registration fee established by the commission by rule.

13 (3) A person described in subsection (2) of this section shall submit to the commission  
14 the following information about an industrial hemp product that contains cannabinoids and  
15 is intended for human or animal consumption or use:

16 (a) The name and type of the product;

17 (b) The name and physical address of the manufacturer of the product;

18 (c) The mailing address of the manufacturer of the product;

19 (d) A certificate of analysis for a batch of the product;

20 (e) A copy of the label for the product;

21 (f) A statement about whether the product is an adult use cannabis item; and

22 (g) Any other information required by the commission by rule.

23 (4) A person described in subsection (2) of this section shall label an industrial hemp  
24 product that contains cannabinoids and is intended for human or animal consumption or use  
25 with a label that contains the following information:

26 (a) The name and type of the product;

27 (b) The name and physical address of the manufacturer of the product;

28 (c) The ingredients of the product;

29 (d) The net weight or volume of the product;

30 (e) The serving size and number of servings contained in a package of the product;

31 (f) The potency of the product and a list of the cannabinoid contents of the product;

32 (g) The address of a publicly accessible website that contains the certificate of analysis  
33 for the product;

34 (h) Health and safety warnings required by law or rule;

35 (i) If the product is an adult use cannabis item, the following language:

36 (A) "For use only by adults 21 and older."; and

37 (B) "Keep out of reach of children.";

38 (j) If the product is a food product, any other information required by law or rule for food  
39 products; and

40 (k) Any other information required by the commission by rule.

41 (5) If an industrial hemp product is intended only for human consumption or use, the  
42 person described in subsection (2) of this section shall comply with the requirements of ORS  
43 571.337 and 571.339.

44 (6) The fee collected under this section may not exceed the cost of administering this  
45 section.

1 (7) If a retailer receives an industrial hemp product that contains cannabinoids and is  
2 intended for human or animal consumption or use that:

3 (a) Differs in form, or contains a label that differs, from the information about the in-  
4 dustrial hemp product available from the registration program established under this sec-  
5 tion, the retailer shall submit to the commission the information described in subsections (3)  
6 and (4) of this section and the fee described in subsection (2) of this section.

7 (b) Is not registered with the registration program established under this section, the  
8 retailer may sell the industrial hemp product to a consumer in this state if the retailer  
9 provides to the commission the information described in subsections (3) and (4) of this sec-  
10 tion and the fee described in subsection (2) of this section.

11 (8) This section does not apply to an industrial hemp product that:

12 (a) Does not contain cannabinoids;

13 (b) Is intended only for topical use;

14 (c) Is an industrial hemp grain or fiber product that does not contain added cannabinoids;

15 (d) Is a commercial feed product for animals registered under ORS 633.006 to 633.089; or

16 (e) Is transported through this state en route to a final destination in another state.

17 **SECTION 3.** ORS 571.309 is amended to read:

18 571.309. (1) The Oregon Liquor and Cannabis Commission, in consultation with the State De-  
19 partment of Agriculture, shall adopt rules to establish:

20 [(1)] (a) The maximum concentration of tetrahydrocannabinol permitted in a single serving of  
21 an industrial hemp product;

22 [(2)] (b) The maximum concentration of any other cannabinoid, adult use cannabinoid or arti-  
23 ficially derived cannabinoid that is permitted in a single serving of an industrial hemp product; and

24 [(3)] (c) The number of servings that are permitted in a package of industrial hemp products.

25 (2) The commission shall adopt rules to establish standards for approving for sale at re-  
26 tail industrial hemp products that contain artificially derived cannabinoids. The standards  
27 adopted under this subsection may include that:

28 (a) An artificially derived cannabinoid in an industrial hemp product must be determined  
29 by the commission, as described in subsection (3) of this section, to be not impairing;

30 (b) The industrial hemp product may not be intended for human inhalation;

31 (c) The industrial hemp product may not contain any controlled substance, as determined  
32 by the State Board of Pharmacy by rule pursuant to ORS 475.035;

33 (d) The industrial hemp product must be processed in a facility licensed by the State  
34 Department of Agriculture under ORS 616.695 to 616.755 or in a facility in another state or  
35 jurisdiction that meets requirements substantially similar to requirements established under  
36 ORS 616.695 to 616.755;

37 (e) If the industrial hemp product is intended for human or animal consumption, the in-  
38 dustrial hemp product must comply with the requirements of section 2 of this 2023 Act; and

39 (f) The industrial hemp product may contain one or more artificially derived cannabinoids  
40 that have been:

41 (A) Reported in at least two peer-reviewed publications as a naturally occurring compo-  
42 nent of the plant genus *Cannabis* within the plant family Cannabaceae; and

43 (B) Determined by the processor of the industrial hemp product to be generally recog-  
44 nized as safe pursuant to the process established by the United States Food and Drug Ad-  
45 ministration.

1       **(3) In determining that an artificially derived cannabinoid is not impairing for purposes**  
2 **of subsection (2) of this section, the commission shall:**

3       **(a) Review and rely on peer-reviewed publications and acknowledged experts in the field**  
4 **of cannabinoids; and**

5       **(b) Take into account the industrial hemp product serving size and the total number of**  
6 **servings in the package of the industrial hemp product.**

7       **SECTION 4. (1) Section 2 of this 2023 Act and the amendments to ORS 571.309 by section**  
8 **3 of this 2023 Act become operative on January 1, 2024.**

9       **(2) The Oregon Liquor and Cannabis Commission may take any action before the opera-**  
10 **tive date specified in subsection (1) of this section that is necessary to enable the commission**  
11 **to exercise, on and after the operative date specified in subsection (1) of this section, all of**  
12 **the duties, functions and powers conferred on the commission by section 2 of this 2023 Act**  
13 **and the amendments to ORS 571.309 by section 3 of this 2023 Act.**

14  
15                                   **INTERSTATE COMMERCE OF CANNABIS SEEDS**

16  
17       **SECTION 5.** ORS 475C.229 is amended to read:

18       475C.229. (1) For purposes of this section:

19       (a) “Export” includes placing a marijuana item in any mode of transportation for hire, such as  
20 luggage, mail or parcel delivery, even if the transportation of the marijuana item is intercepted prior  
21 to the marijuana item leaving this state.

22       (b)(A) “Marijuana item” includes an industrial hemp commodity or product that exceeds the  
23 greater of:

24       [(A)] (i) A concentration of 0.3 percent total delta-9-tetrahydrocannabinol; or

25       [(B)] (ii) The concentration of total delta-9-tetrahydrocannabinol allowed under federal law.

26       **(B) “Marijuana item” does not include marijuana seeds or industrial hemp seeds imported**  
27 **or exported in accordance with applicable state and federal law.**

28       (2) A person may not import marijuana items into this state or export marijuana items from this  
29 state.

30       (3) A violation of this section is a Class B violation, except:

31       (a) As provided in subsection (4) of this section; or

32       (b) If the item is industrial hemp and does not exceed a total delta-9-tetrahydrocannabinol con-  
33 centration of one percent.

34       (4) A violation of this section is a:

35       (a) Class A misdemeanor, if the importation or exportation:

36       (A) Is not for consideration and the person holds a license issued under ORS 475C.065, 475C.085,  
37 475C.093 or 475C.097; or

38       (B) Concerns an amount of marijuana items that exceeds the applicable maximum amount spec-  
39 ified in ORS 475C.337 (1)(a) to (f).

40       (b) Class C felony, if the importation or exportation:

41       (A) Is for consideration and the person holds a license issued under ORS 475C.065, 475C.085,  
42 475C.093 or 475C.097;

43       (B) Concerns an amount of marijuana items that exceeds 16 times the applicable maximum  
44 amount specified in ORS 475C.337 (1)(a) to (f); or

45       (C) Concerns a cannabinoid extract that was not purchased from a marijuana retailer that holds

1 a license issued under ORS 475C.097.

2  
3 **TEMPORARY PERMITS**  
4

5 **SECTION 6.** ORS 475C.269, as amended by section 4, chapter 117, Oregon Laws 2022, is  
6 amended to read:

7 475C.269. (1) An individual who performs work for or on behalf of a licensee or a laboratory li-  
8 censed under ORS 475C.548 must have a valid permit **or temporary permit** issued by the Oregon  
9 Liquor and Cannabis Commission under ORS 475C.273 if the individual participates in:

10 (a) The delivery, possession, production, propagation, processing, sampling, securing, selling or  
11 testing of marijuana items at the premises or laboratory for which the license has been issued;

12 (b) The recording of the delivery, possession, production, propagation, processing, sampling, se-  
13 curing, selling or testing of marijuana items at the premises or laboratory for which the license has  
14 been issued; or

15 (c) The verification of any document described in ORS 475C.217.

16 (2) A licensee or a laboratory licensed under ORS 475C.548 must verify that an individual has  
17 a valid permit **or temporary permit** issued under ORS 475C.273 before allowing the individual to  
18 perform, or continue to perform, any work described in subsection (1) of this section at the premises  
19 or laboratory for which the license has been issued.

20 **SECTION 7.** ORS 475C.273 is amended to read:

21 475C.273. (1) The Oregon Liquor and Cannabis Commission shall issue permits to qualified ap-  
22 plicants to perform work described in ORS 475C.269. The commission shall adopt rules establishing:

23 (a) The qualifications for performing work described in ORS 475C.269;

24 (b) The term of a permit issued under this section;

25 (c) Procedures for applying for and renewing a permit issued under this section; and

26 (d) Reasonable application, issuance and renewal fees for a permit issued under this section.

27 (2)(a) The commission may require an individual applying for a permit under this section to  
28 successfully complete a course, made available by or through the commission, through which the  
29 individual receives training on:

30 (A) Checking identification;

31 (B) Detecting intoxication;

32 (C) Handling marijuana items;

33 (D) If applicable, producing and propagating marijuana;

34 (E) If applicable, processing marijuana;

35 (F) The content of ORS 475C.005 to 475C.525 and rules adopted under ORS 475C.005 to 475C.525;

36 or

37 (G) Any matter deemed necessary by the commission to protect the public health and safety.

38 (b) The commission or other provider of a course may charge a reasonable fee for the course.

39 (c) The commission may not require an individual to successfully complete a course more than  
40 once, except that:

41 (A) As part of a final order suspending a permit issued under this section, the commission may  
42 require a permit holder to successfully complete the course as a condition of lifting the suspension;  
43 and

44 (B) As part of a final order revoking a permit issued under this section, the commission shall  
45 require an individual to successfully complete the course prior to applying for a new permit.

1 (3) The commission shall conduct a criminal records check under ORS 181A.195 on an individual  
2 applying for a permit under this section.

3 (4) Subject to the applicable provisions of ORS chapter 183, the commission may suspend, revoke  
4 or refuse to issue or renew a permit if the individual who is applying for or who holds the permit:

5 (a) Is convicted of a felony or is convicted of an offense under ORS 475C.005 to 475C.525, except  
6 that the commission may not consider a conviction for an offense under ORS 475C.005 to 475C.525  
7 if the date of the conviction is two or more years before the date of the application or renewal;

8 (b) Violates any provision of ORS 475C.005 to 475C.525 or any rule adopted under ORS 475C.005  
9 to 475C.525; or

10 (c) Makes a false statement to the commission.

11 (5) A permit issued under this section is a personal privilege and permits work described under  
12 ORS 475C.269 only for the individual who holds the permit.

13 **(6) The commission may establish by rule a process and conditions for issuing a tempo-**  
14 **rary permit to an individual who has applied to the commission for a permit under this sec-**  
15 **tion.**

16 **SECTION 8.** ORS 475C.117 is amended to read:

17 475C.117. (1) A marijuana retailer that holds a license issued under ORS 475C.097 may make  
18 deliveries to a consumer pursuant to the consumer's bona fide order received by the marijuana  
19 retailer. The delivery of marijuana items under this section may be made to a consumer:

20 (a) Within the same city or unincorporated area of the county in which the marijuana retailer  
21 is located; or

22 (b) In a city or the unincorporated area of a county that is adjacent to the city or  
23 unincorporated area of the county in which the marijuana retailer is located, provided the adjacent  
24 city or county has adopted an ordinance allowing for the delivery of marijuana items by a marijuana  
25 retailer located in an adjacent city or unincorporated area of a county.

26 (2) A marijuana retailer that makes deliveries under this section shall:

27 (a) Ensure that deliveries are made in an efficient and timely manner.

28 (b) Upon request, provide to the Oregon Liquor and Cannabis Commission information on each  
29 vehicle used to make deliveries of marijuana items under this section, including the make, model,  
30 year, color, vehicle identification number and registration plate number.

31 (c) Maintain an electronic or physical record of each bona fide order for the delivery of  
32 marijuana items that the marijuana retailer fulfills.

33 (d) Report to the commission, and as necessary to the appropriate law enforcement agency, any  
34 accidents or losses involving a delivery vehicle.

35 (3) An individual who makes deliveries on behalf of a marijuana retailer under this section:

36 (a) Shall:

37 (A) Hold a permit **or temporary permit** issued under ORS 475C.273 and carry the permit **or**  
38 **temporary permit** while making deliveries under this section.

39 (B) Have a method of secure electronic communication in order to communicate with the  
40 marijuana retailer for which the individual is making deliveries.

41 (C) Maintain an electronic or physical record of a bona fide order for a delivery of a marijuana  
42 item.

43 (D) Present to the consumer a printed or electronic delivery manifest and obtain on the manifest  
44 the consumer's written or electronic signature verifying completion of the delivery of marijuana  
45 items.

1 (E) Except in the case of an emergency or unsafe road conditions or as necessary for fuel, rest  
2 or vehicle repair, travel only between the premises of the marijuana retailer and the locations at  
3 which the deliveries of marijuana items are made.

4 (b) May not:

5 (A) Leave a delivery vehicle that contains marijuana items unattended unless the delivery ve-  
6 hicle is locked and equipped with an active vehicle alarm system.

7 (B) Carry more than \$10,000 worth of marijuana items in a delivery vehicle at any one time.

8 (C) Consume, or be under the influence of, marijuana while making deliveries under this section.

9 (4) A delivery vehicle must:

10 (a) While being used for making deliveries, be equipped with an active global positioning system  
11 device that tracks the location of the delivery vehicle and enables the marijuana retailer for which  
12 the deliveries are being made to identify the location of the delivery vehicle.

13 (b) Be equipped with a lockable container in a secured cargo area of the delivery vehicle that  
14 is of a size appropriate to contain the marijuana items being delivered.

15 (c) Be free of any markings that may indicate that the delivery vehicle is used for the purpose  
16 of delivering marijuana items.

17 (5) A delivery of marijuana items may not be made to a consumer who is located on land owned  
18 or leased by the federal government.

19 (6) The commission may adopt rules to carry out the purposes of this section.

20 **SECTION 9.** ORS 475C.197 is amended to read:

21 475C.197. (1) Notwithstanding the lapse, suspension or revocation of a permit **or temporary**  
22 **permit** issued under ORS 475C.273, the Oregon Liquor and Cannabis Commission may:

23 (a) Proceed with any investigation of, or any action or disciplinary proceeding against, the per-  
24 son who held the permit **or temporary permit**; or

25 (b) Revise or render void an order suspending or revoking the permit **or temporary permit**.

26 (2) In cases involving the proposed denial of a permit **or temporary permit** issued under ORS  
27 475C.273, the applicant for the permit **or temporary permit** may not withdraw the applicant's ap-  
28 plication.

29 **SECTION 10.** ORS 475C.209 is amended to read:

30 475C.209. (1) In order to transport marijuana items, a licensee must create a manifest that con-  
31 tains the following information:

32 (a) The name of the driver of the transport vehicle;

33 (b) Identifying information for the driver's permit **or temporary permit** issued under ORS  
34 475C.273;

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

36 (d) The name of the licensee from which the marijuana or marijuana items are being trans-  
37 ported;

38 (e) A detailed inventory of the marijuana and marijuana items being transported;

39 (f) The location of any overnight stop during transportation, and the estimated time of the  
40 overnight stop; and

41 (g) The destination of the marijuana and marijuana items being transported.

42 (2) Except as provided in subsection (1)(f) of this section, a manifest created under this section  
43 is not required to include transport route information.

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

45 **SECTION 11.** ORS 475C.265 is amended to read:

1 475C.265. (1) Subject to subsection (3) of this section, the Oregon Liquor and Cannabis Com-  
2 mission may revoke, suspend or restrict a license issued under ORS 475C.005 to 475C.525 or require  
3 a licensee or licensee representative to undergo training if the commission finds or has reasonable  
4 ground to believe that the licensee or licensee representative:

5 (a) Has violated a provision of ORS 475C.005 to 475C.525 or a rule adopted under ORS 475C.005  
6 to 475C.525.

7 (b) Has diverted marijuana to the interstate market or an illicit market or has diverted re-  
8 sources to a criminal enterprise.

9 (c) Has introduced into the marijuana industry regulated under ORS 475C.005 to 475C.525  
10 cannabinoids or marijuana not produced or processed by a licensee and not tracked in the system  
11 developed and maintained under ORS 475C.177.

12 (d) Has made any false representation or statement to the commission regarding compliance  
13 with a provision of ORS 475C.005 to 475C.525 or a rule adopted under ORS 475C.005 to 475C.525 in  
14 order to induce or prevent action by the commission.

15 (e) Is in the habit of using alcoholic liquor, habit-forming drugs, marijuana or controlled sub-  
16 stances to excess.

17 (f) Has misrepresented to a customer or the public any marijuana items sold by the licensee or  
18 licensee representative.

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

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

23 (2) In addition to the grounds listed in subsection (1) of this section, the commission may take  
24 an action described in subsection (1) of this section if there is a history of a lack of institutional  
25 control involving the premises for which a license has been issued under ORS 475C.005 to 475C.525.

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

28 (b) The commission shall consider as mitigating factors to the conduct described in subsection  
29 (1) of this section the following:

30 (A) Self-reporting by a licensee or applicant;

31 (B) A demonstration that, to the satisfaction of the commission, the conduct of the licensee or  
32 applicant is not persistent or serious; and

33 (C) A demonstration that, to the satisfaction of the commission, the licensee's willingness and  
34 ability to adequately control the premises for which a license has been issued under ORS 475C.005  
35 to 475C.525 and any inventory stored at the premises.

36 (4) The commission may suspend or restrict a license issued under ORS 475C.005 to 475C.525  
37 or require a licensee or licensee representative to undergo training if the commission finds or has  
38 reasonable grounds to believe that the licensee or licensee representative has violated a provision  
39 of ORS 475C.005 to 475C.525 or a rule adopted under ORS 475C.005 to 475C.525.

40 (5) The commission may suspend or revoke a permit **or temporary permit** issued under ORS  
41 475C.273 to an individual rather than suspend or revoke a license issued under ORS 475C.005 to  
42 475C.525 if the commission determines that permit suspension or revocation is more appropriate.

43 (6)(a) The commission may revoke a marijuana retailer license issued under ORS 475C.097 if the  
44 licensee fails to:

45 (A) Pay the tax as required under ORS 475C.682 twice in any four consecutive quarters and the



1 Department of Revenue has issued to the licensee a distraint warrant under ORS 475C.688 for the  
2 nonpayment of tax; or

3 (B) File a return as required under ORS 475C.682 twice in any four consecutive quarters and  
4 the department has issued to the licensee a notice of determination and assessment under ORS  
5 475C.688 for failure to file a return.

6 (b) The department's written notice to the commission that a licensee described under this sub-  
7 section has failed to pay a tax or file a return twice in any four consecutive quarters, and that the  
8 department has issued a distraint warrant or notice of determination and assessment, shall consti-  
9 tute prima facie evidence of the licensee's failure to pay the tax or file a return.

10 **SECTION 12.** ORS 475C.742 is amended to read:

11 475C.742. A financial institution that provides financial services customarily provided by finan-  
12 cial institutions pursuant to powers granted by ORS 717.200 to 717.320, 717.900 and 717.905, the  
13 Bank Act or by ORS chapter 723 to a marijuana processing site registered under ORS 475C.815, a  
14 medical marijuana dispensary registered under ORS 475C.833, a marijuana producer that holds a li-  
15 cense under ORS 475C.065, a marijuana processor that holds a license under ORS 475C.085, a  
16 marijuana wholesaler that holds a license under ORS 475C.093, a marijuana retailer that holds a  
17 license under ORS 475C.097, a laboratory that holds a license under ORS 475C.548 or a person to  
18 whom a permit **or temporary permit** has been issued under ORS 475C.273 is exempt from any  
19 criminal law of this state an element of which may be proven by substantiating that a person pro-  
20 vides financial services customarily provided by financial institutions pursuant to powers granted  
21 by ORS 717.200 to 717.320, 717.900 and 717.905, the Bank Act or ORS chapter 723 to a person who  
22 possesses, delivers or manufactures marijuana or marijuana derived products.

23 **SECTION 13.** ORS 475C.746 is amended to read:

24 475C.746. (1) Notwithstanding any law relating to the exemption of information from public dis-  
25 closure under ORS 475C.005 to 475C.525 or 475C.540 to 475C.586, upon the request of a financial  
26 institution, the Oregon Liquor and Cannabis Commission shall provide to the financial institution  
27 the following information:

28 (a) Whether a person with whom the financial institution is doing business holds a license under  
29 ORS 475C.065, 475C.085, 475C.093, 475C.097 or 475C.548 or a permit **or temporary permit** under  
30 ORS 475C.273;

31 (b) The name of any other business or individual affiliated with the person;

32 (c) A copy of the application, and any supporting documentation submitted with the application,  
33 for a license, **a permit** or a **temporary permit** submitted by the person;

34 (d) If applicable, data relating to sales and the volume of product sold by the person;

35 (e) Whether the person is currently compliant with the provisions of ORS 475C.005 to 475C.525,  
36 475C.540 to 475C.586 and 475C.600 to 475C.648 and rules adopted under ORS 475C.005 to 475C.525,  
37 475C.540 to 475C.586 and 475C.600 to 475C.648;

38 (f) Any past or pending violation by the person of a provision of ORS 475C.005 to 475C.525,  
39 475C.540 to 475C.586 or 475C.600 to 475C.648 or a rule adopted under ORS 475C.005 to 475C.525,  
40 475C.540 to 475C.586 or 475C.600 to 475C.648; and

41 (g) Any penalty imposed upon the person for violating a provision of ORS 475C.005 to 475C.525,  
42 475C.540 to 475C.586 or 475C.600 to 475C.648 or a rule adopted under ORS 475C.005 to 475C.525,  
43 475C.540 to 475C.586 or 475C.600 to 475C.648.

44 (2) Upon receiving a request under subsection (1) of this section, the commission shall provide  
45 the requesting financial institution with the requested information.

1 (3) The commission may charge a financial institution a reasonable fee to cover the adminis-  
2 trative costs of providing information under this section.

3 **SECTION 14.** (1) **The amendments to ORS 475C.117, 475C.197, 475C.209, 475C.265, 475C.269,**  
4 **475C.273, 475C.742 and 475C.746 by sections 6 to 13 of this 2023 Act become operative on**  
5 **January 1, 2024.**

6 (2) **The Oregon Liquor and Cannabis Commission may take any action before the opera-**  
7 **tive date specified in subsection (1) of this section that is necessary to enable the commission**  
8 **to exercise, on and after the operative date specified in subsection (1) of this section, all of**  
9 **the duties, functions and powers conferred on the commission by the amendments to ORS**  
10 **475C.117, 475C.197, 475C.209, 475C.265, 475C.269, 475C.273, 475C.742 and 475C.746 by sections 6**  
11 **to 13 of this 2023 Act.**

12  
13 **COMMERCIAL MARIJUANA OFFENSES**  
14

15 **SECTION 15.** ORS 475C.353 is amended to read:

16 475C.353. (1) Except as provided in subsection (3) of this section, a felony under ORS 475C.337  
17 or 475C.341 shall be classified as crime category 1 of the sentencing guidelines grid of the Oregon  
18 Criminal Justice Commission.

19 (2) Except as provided in subsection (3) of this section, a felony under ORS 475C.345 or 475C.349  
20 shall be classified as crime category 4 of the sentencing guidelines grid of the Oregon Criminal  
21 Justice Commission.

22 (3) Subject to subsection (4) of this section, a felony under ORS 475C.337, 475C.341, 475C.345 or  
23 475C.349 shall be classified as crime category 8 of the sentencing guidelines grid of the Oregon  
24 Criminal Justice Commission if the violation is a commercial marijuana offense. A violation is a  
25 commercial marijuana offense for purposes of this subsection if the violation was committed in  
26 conjunction with at least three of the following factors:

27 [(a) *The offender delivered a marijuana item for consideration;*]

28 [(b)] (a) The offender was in possession of [\$300] **\$2,500** or more in cash;

29 [(c)] (b) The offender was unlawfully in possession of a firearm or other weapon as described in  
30 ORS 166.270 (2), the offender used, attempted to use or threatened to use a deadly weapon or dan-  
31 gerous weapon, as those terms are defined in ORS 161.015, or the offender was in possession of a  
32 firearm or other deadly weapon or dangerous weapon for the purpose of using the deadly weapon  
33 or dangerous weapon;

34 [(d)] (c) The offender was in possession of materials being used for the packaging of marijuana  
35 items, such as scales, wrapping or foil, other than a material used to contain the marijuana item that  
36 is the subject of the violation;

37 [(e)] (d) The offender was in possession of marijuana item transaction records or customer lists;

38 [(f)] (e) The offender was in possession of stolen property;

39 [(g)] (f) The offender was in possession of manufacturing paraphernalia specifically designed for  
40 producing marijuana **or producing or processing marijuana items**, such as [*recipes, precursor*  
41 *chemicals, laboratory equipment,*] lighting equipment, ventilating equipment [*or*], power generation  
42 equipment **or extraction equipment**;

43 [(h)] (g) The offender modified structures by painting, wiring, plumbing or lighting the structures  
44 to facilitate the offense;

45 [(i)] (h) The offender used public lands to manufacture the marijuana item; or

1 [j] (i) The offender constructed fortifications or took security measures that had the potential  
2 to injure persons.

3 (4) To prove that a violation is a commercial marijuana offense for purposes of subsection (3)  
4 of this section, the state must plead in the accusatory instrument at least three of the factors de-  
5 scribed in subsection (3) of this section. The state has the burden of proving each factor beyond a  
6 reasonable doubt.

7 **SECTION 16. The amendments to ORS 475C.353 by section 15 of this 2023 Act apply to**  
8 **conduct occurring on or after the effective date of this 2023 Act.**

9  
10 **CANNABIS RESEARCH**

11  
12 **SECTION 17. ORS 475C.289 and 475C.293 are added to and made a part of ORS 475C.770**  
13 **to 475C.919.**

14 **SECTION 18.** ORS 475C.289 is amended to read:

15 475C.289. (1) The [*Oregon Liquor and Cannabis Commission, in consultation with the*] Oregon  
16 Health Authority [*and*], **in consultation with** the State Department of Agriculture **and the Oregon**  
17 **Liquor and Cannabis Commission**, shall establish a program for the purpose of identifying and  
18 certifying private and public researchers of cannabis.

19 (2)(a) The authority shall [*assist the commission in identifying*] **identify** candidates for certifica-  
20 tion under this section with respect to potential medical research.

21 (b) The department shall assist the [*commission*] **authority** in identifying candidates for certi-  
22 fication under this section with respect to potential agricultural research.

23 (3) Subject to subsection (4) of this section, the [*commission*] **authority** shall adopt by rule or  
24 order:

25 (a) Qualifications for certification under this section;

26 (b) The term of a certificate issued under this section;

27 (c) Processes for applying for, receiving and renewing a certificate under this section;

28 (d) Procedures for tracking marijuana, usable marijuana, **cannabinoid products, medical**  
29 **cannabinoid products, cannabinoid concentrates and cannabinoid extracts** received by and disposed  
30 or otherwise made use of by a person that holds a certificate issued under this section; and

31 (e) Procedures for disposing or otherwise making use of marijuana, usable marijuana,  
32 **cannabinoid products, medical** cannabinoid products, cannabinoid concentrates and cannabinoid  
33 extracts.

34 (4) In establishing qualifications under subsection (3) of this section, the [*commission*] **authority**  
35 shall consider the following:

36 (a) A research applicant's access to funding and the overall cost of the proposed research;

37 (b) The overall benefit of an applicant's proposed research to this state's cannabis industry or  
38 to public health and safety; and

39 (c) Legal barriers to conducting the proposed research or legal risks associated with conducting  
40 the proposed research.

41 (5) In adopting procedures under subsection (3)(d) and (e) of this section with respect to making  
42 use of marijuana, usable marijuana, cannabinoid products, **medical cannabinoid products,**  
43 **cannabinoid concentrates and cannabinoid extracts,** the [*commission*] **authority** shall also adopt  
44 procedures by which a person that holds a certificate issued under this section may transfer limited  
45 amounts of marijuana, usable marijuana, cannabinoid products, **medical cannabinoid products,**

1 cannabinoid concentrates and cannabinoid extracts to another person that holds a certificate issued  
2 under this section or to a premises for which a license has been issued under ORS 475C.065,  
3 475C.085, 475C.093 or 475C.097.

4 (6) In adopting procedures under subsection (3)(d) and (e) of this section with respect to making  
5 use of marijuana, usable marijuana, cannabinoid products, **medical cannabinoid products**,  
6 cannabinoid concentrates and cannabinoid extracts, the [commission] **authority** shall also adopt  
7 procedures by which a person that holds a certificate issued under this section may give, devise or  
8 bequest usable marijuana, immature marijuana plants, marijuana seeds **as defined in ORS**  
9 **475C.009**, cannabinoid products, **medical cannabinoid products**, cannabinoid concentrates and  
10 cannabinoid extracts to a medical marijuana dispensary [registered with the authority under ORS  
11 475C.833 and] owned by a nonprofit corporation organized under ORS chapter 65 for purposes de-  
12 scribed in ORS 475C.850.

13 (7) A person that holds a certificate issued under this section:

14 (a) May receive marijuana, usable marijuana, cannabinoid products, **medical cannabinoid pro-**  
15 **ducts**, cannabinoid concentrates and cannabinoid extracts from a [licensee] **person that holds a**  
16 **license issued under ORS 475C.065, 475C.085, 475C.093 or 475C.097** or a [registrant] **person reg-**  
17 **istered** under ORS 475C.770 to 475C.919; and

18 (b) May not sell or otherwise transfer marijuana, usable marijuana, cannabinoid products,  
19 **medical cannabinoid products**, cannabinoid concentrates or cannabinoid extracts to any other  
20 person, except as provided in this section and rules adopted by the [commission] **authority** under  
21 this section.

22 [(8) Except as otherwise provided by the commission by rule, rules adopted under ORS 475C.005  
23 to 475C.525 with respect to licensees and licensee representatives apply to persons that hold a certificate  
24 issued under this section and persons employed by or who otherwise perform work for persons that  
25 hold a certificate issued under this section.]

26 [(9)] (8) A person that holds a certificate issued under this section, and an employee of or other  
27 person who performs work for a person that holds a certificate issued under this section, is exempt  
28 from the criminal laws of this state for possession, delivery or manufacture of marijuana, aiding and  
29 abetting another in the possession, delivery and manufacture of marijuana, or any other criminal  
30 offense in which possession, delivery or manufacture of marijuana is an element, while performing  
31 activities related to conducting research as described in this section.

32 (9) **As used in this section, “cannabinoid product” has the meaning given that term in**  
33 **ORS 475C.009.**

34 **SECTION 19.** ORS 475C.293 is amended to read:

35 475C.293. For the purpose of requesting a state or nationwide criminal records check under ORS  
36 181A.195, the [Oregon Liquor and Cannabis Commission] **Oregon Health Authority** may require the  
37 fingerprints of any individual listed on an application submitted under ORS 475C.289. The powers  
38 conferred on the [commission] **authority** under this section include the power to require the fin-  
39 gerprints of:

- 40 (1) If the applicant is a limited partnership, each partner of the limited partnership;
- 41 (2) If the applicant is a limited liability company, each member of the limited liability company;
- 42 (3) If the applicant is a corporation, each director and officer of the corporation;
- 43 (4) Any individual who holds a financial interest of 10 percent or more in the person applying  
44 for the certificate; and
- 45 (5) Any individual who is a partner, member, director or officer of a legal entity with a financial

1 interest in the person applying for the certificate.

2 **SECTION 20.** ORS 475C.301 is amended to read:

3 475C.301. (1) In addition to the duties, functions and powers described in ORS 471.775, and sub-  
4 ject to subsection (2) of this section, a regulatory specialist, as defined in ORS 471.001, has the au-  
5 thority as provided in ORS 133.005 to 133.400, 133.450, 133.525 to 133.703, 133.721 to 133.739, 161.233,  
6 161.245, 475C.005 to 475C.525, 475C.540 to 475C.586 and 475C.600 to 475C.648, and chapter 743,  
7 Oregon Laws 1971, to conduct inspections and investigations, make seizures, aid in prosecutions of  
8 and issue citations to licensees and persons who hold a [*certificate or*] permit under ORS 475C.005  
9 to 475C.525 for violations of and offenses related to, and otherwise enforce, ORS 475C.005 to  
10 475C.525, 475C.540 to 475C.586 and 475C.600 to 475C.648, any rule adopted under ORS 475C.005 to  
11 475C.525, 475C.540 to 475C.586 and 475C.600 to 475C.648 and any other law of this state that charges  
12 the Oregon Liquor and Cannabis Commission with a duty, function or power related to a marijuana  
13 item, including enforcing any law or rule related to individuals who use false identification for  
14 purposes of purchasing or possessing a marijuana item or who engage in illegal activity on or near  
15 a premises.

16 (2) A regulatory specialist may not:

17 (a) Be sworn in as a federal law enforcement official and act in that capacity while performing  
18 an activity authorized by this section.

19 (b) Carry a firearm.

20 (c) Conduct inspections and investigations of a primary residence.

21 (d) For purposes of ensuring compliance with ORS 475C.770 to 475C.919, conduct inspections and  
22 investigations of registry identification cardholders or designated primary caregivers, the residences  
23 of registry identification cardholders or designated primary caregivers, or the locations where reg-  
24 istry identification cardholders or designated primary caregivers produce marijuana.

25 **SECTION 21.** ORS 475C.305 is amended to read:

26 475C.305. ORS 475C.017, 475C.021, 475C.025, 475C.029, 475C.033, 475C.037, 475C.041, 475C.045,  
27 475C.049, 475C.053, 475C.057, 475C.061, 475C.065, 475C.077, 475C.085, 475C.093, 475C.097, 475C.105,  
28 475C.109, 475C.113, 475C.117, 475C.137, 475C.141, 475C.145, 475C.149, 475C.157, 475C.161, 475C.165,  
29 475C.173, 475C.177, 475C.205, 475C.213, 475C.217, 475C.225, 475C.233, 475C.237, 475C.241, 475C.245,  
30 475C.265, 475C.269, 475C.273, 475C.281, 475C.285, [475C.289,] 475C.297, 475C.433, 475C.437, 475C.445,  
31 475C.449, 475C.453, 475C.461, 475C.465, 475C.473, 475C.477, 475C.481, 475C.485, 475C.489 and  
32 475C.493 do not apply:

33 (1) To the production or storage of homegrown plants in the genus Cannabis within the plant  
34 family Cannabaceae that are otherwise subject to ORS 475C.005 to 475C.525 at a household by one  
35 or more persons 21 years of age and older, if the total amount of homegrown plants at the household  
36 does not exceed four plants at any time.

37 (2) To the possession or storage of usable marijuana items at a household by one or more per-  
38 sons 21 years of age or older, if the total amount of usable marijuana at the household does not  
39 exceed eight ounces of usable marijuana at any time.

40 (3) To the making, processing, possession or storage of cannabinoid products at a household by  
41 one or more persons 21 years of age and older, if the total amount of cannabinoid products at the  
42 household does not exceed 16 ounces in solid form at any time.

43 (4) To the making, processing, possession or storage of cannabinoid products at a household by  
44 one or more persons 21 years of age and older, if the total amount of cannabinoid products at the  
45 household does not exceed 72 ounces in liquid form at any time.

1 (5) To the making, processing, possession or storage of cannabinoid concentrates at a household  
2 by one or more persons 21 years of age or older, if the total amount of cannabinoid concentrates  
3 at the household does not exceed 16 ounces at any time.

4 (6) To the possession of cannabinoid extracts at a household by one or more persons 21 years  
5 of age or older, if the cannabinoid extracts were purchased from a marijuana retailer that holds a  
6 license under ORS 475C.097, or transferred by a medical marijuana dispensary registered by the  
7 Oregon Health Authority under ORS 475C.833, and the total amount of cannabinoid extracts at the  
8 household does not exceed one ounce at any time.

9 (7) To the delivery of not more than one ounce of usable marijuana at a time by a person 21  
10 years of age or older to another person 21 years of age or older for noncommercial purposes.

11 (8) To the delivery of not more than 16 ounces of cannabinoid products in solid form at a time  
12 by a person 21 years of age or older to another person 21 years of age or older for noncommercial  
13 purposes.

14 (9) To the delivery of not more than 72 ounces of cannabinoid products in liquid form at a time  
15 by a person 21 years of age or older to another person 21 years of age or older for noncommercial  
16 purposes.

17 (10) To the delivery of not more than 16 ounces of cannabinoid concentrates at a time by a  
18 person 21 years of age or older to another person 21 years of age or older for noncommercial pur-  
19 poses.

20 **SECTION 22.** ORS 475C.449 is amended to read:

21 475C.449. (1) For purposes of this section, “reasonable regulations” includes:

22 (a) Reasonable conditions on the manner in which a marijuana producer that holds a license  
23 issued under ORS 475C.065 may produce marijuana [*or in which a researcher of cannabis that holds*  
24 *a certificate issued under ORS 475C.289 may produce marijuana or propagate immature marijuana*  
25 *plants*];

26 (b) Reasonable conditions on the manner in which a marijuana processor that holds a license  
27 issued under ORS 475C.085 may process marijuana [*or in which a researcher of cannabis that holds*  
28 *a certificate issued under ORS 475C.289 may process marijuana*];

29 (c) Reasonable conditions on the manner in which a marijuana wholesaler that holds a license  
30 issued under ORS 475C.093 may sell marijuana at wholesale;

31 (d) Reasonable conditions on the manner in which a marijuana retailer that holds a license is-  
32 sued under ORS 475C.097 may sell marijuana items;

33 (e) Reasonable limitations on the hours during which a premises for which a license has been  
34 issued under ORS 475C.005 to 475C.525 may operate;

35 (f) Reasonable requirements related to the public’s access to a premises for which a license [*or*  
36 *certificate*] has been issued under ORS 475C.005 to 475C.525; and

37 (g) Reasonable limitations on where a premises for which a license [*or certificate*] may be issued  
38 under ORS 475C.005 to 475C.525 may be located.

39 (2) Notwithstanding ORS 30.935, 215.253 (1) or 633.738, the governing body of a city or county  
40 may adopt ordinances that impose reasonable regulations on the operation of businesses located at  
41 premises for which a license [*or certificate*] has been issued under ORS 475C.005 to 475C.525 if the  
42 premises are located in the area subject to the jurisdiction of the city or county, except that the  
43 governing body of a city or county may not:

44 (a) Adopt an ordinance that prohibits a premises for which a license has been issued under ORS  
45 475C.097 from being located within a distance that is greater than 1,000 feet of another premises for

1 which a license has been issued under ORS 475C.097.

2 (b) Adopt an ordinance that imposes a setback requirement for an agricultural building used to  
3 produce marijuana located on a premises for which a license has been issued under ORS 475C.065  
4 if the agricultural building:

5 (A) Was constructed on or before July 1, 2015, in compliance with all applicable land use and  
6 building code requirements at the time of construction;

7 (B) Is located at an address where a marijuana grow site first registered with the Oregon Health  
8 Authority under ORS 475C.792 on or before January 1, 2015;

9 (C) Was used to produce marijuana pursuant to the provisions of ORS 475C.770 to 475C.919 on  
10 or before January 1, 2015; and

11 (D) Has four opaque walls and a roof.

12 **SECTION 23.** ORS 475C.473 is amended to read:

13 475C.473. (1) The Oregon Liquor and Cannabis Commission, the State Department of Agriculture  
14 and the Oregon Health Authority may not refuse to perform any duty under ORS 475C.005 to  
15 475C.525 on the basis that manufacturing, distributing, dispensing, possessing or using marijuana is  
16 prohibited by federal law.

17 (2) The commission may not revoke or refuse to issue or renew a license[, *certificate*] or permit  
18 under ORS 475C.005 to 475C.525 on the basis that manufacturing, distributing, dispensing, possessing  
19 or using marijuana is prohibited by federal law.

20 **SECTION 24.** ORS 475C.485 is amended to read:

21 475C.485. In case of invasion, disaster, insurrection or riot, or imminent danger of invasion,  
22 disaster, insurrection or riot, the Governor may, for the duration of the invasion, disaster,  
23 insurrection or riot, or imminent danger, immediately and without notice suspend, in the area in-  
24 volved, any license[, *certificate*] or permit issued under ORS 475C.005 to 475C.525.

25 **SECTION 25.** ORS 475C.894 is amended to read:

26 475C.894. (1) Registration **or certification** under ORS 475C.770 to 475C.919 or possession of  
27 proof of registration **or certification** under ORS 475C.770 to 475C.919 does not constitute probable  
28 cause to search the person or property of the registrant **or certificate holder** or otherwise subject  
29 the person or property of the registrant **or certificate holder** to inspection by a government  
30 agency. However, the Oregon Health Authority may inspect the marijuana grow site of a person  
31 designated to produce marijuana by a registry identification cardholder, a marijuana processing site  
32 registered under ORS 475C.815, [*or*] a medical marijuana dispensary registered under ORS 475C.833  
33 **or a premises for which a certificate has been issued under ORS 475C.289**[,] at any reasonable  
34 time to determine whether the person responsible for the marijuana grow site, the person responsi-  
35 ble for the marijuana processing site, [*or*] the person responsible for the medical marijuana  
36 dispensary[,] **or the person responsible for the premises for which a certificate has been issued**  
37 **under ORS 475C.289** is in compliance with ORS 475C.770 to 475C.919 and rules adopted under ORS  
38 475C.770 to 475C.919.

39 (2) Any property interest possessed, owned or used in connection with the medical use of  
40 marijuana or acts incidental to the medical use of marijuana that has been seized by state or local  
41 law enforcement officers may not be harmed, neglected, injured or destroyed while in the possession  
42 of a law enforcement agency, except that a law enforcement agency has no responsibility to main-  
43 tain live marijuana plants lawfully seized. Such property interest may not be forfeited under any  
44 provision of law providing for the forfeiture of property, except pursuant to a sentence imposed after  
45 conviction of a criminal offense. Marijuana and equipment or paraphernalia used to produce, process

1 or administer marijuana that was seized by a law enforcement officer shall be returned immediately  
 2 if the district attorney in whose county the property was seized, or the district attorney's designee,  
 3 determines that the person from whom the marijuana, equipment or paraphernalia was seized is  
 4 entitled to the protections provided by ORS 475C.770 to 475C.919. The determination may be evi-  
 5 denced by a decision not to prosecute, the dismissal of charges or acquittal.

6 **SECTION 26.** ORS 475C.897 is amended to read:

7 475C.897. (1) For purposes of this section, "reasonable regulations" includes:

8 (a) Reasonable limitations on the hours during which the marijuana grow site of a person des-  
 9 ignated to produce marijuana by a registry identification cardholder, a marijuana processing site  
 10 or a medical marijuana dispensary may operate;

11 (b) Reasonable conditions on the manner in which the marijuana grow site of a person desig-  
 12 nated to produce marijuana by a registry identification cardholder, a marijuana processing site or  
 13 a medical marijuana dispensary may transfer usable marijuana, medical cannabinoid products,  
 14 cannabinoid concentrates, cannabinoid extracts, immature marijuana plants and seeds;

15 (c) Reasonable requirements related to the public's access to the marijuana grow site of a person  
 16 designated to produce marijuana by a registry identification cardholder, a marijuana processing site  
 17 or a medical marijuana dispensary; *[and]*

18 (d) Reasonable limitations on where the marijuana grow site of a person designated to produce  
 19 marijuana by a registry identification cardholder, a marijuana processing site or a medical  
 20 marijuana dispensary may be located[.]; **and**

21 **(e) Reasonable conditions on the manner in which a researcher of cannabis that holds a**  
 22 **certificate issued under ORS 475C.289 may produce marijuana, propagate immature**  
 23 **marijuana plants or process marijuana.**

24 (2) Notwithstanding ORS 30.935, 215.253 (1) or 633.738, the governing body of a city or county  
 25 may adopt ordinances that impose reasonable regulations on the operation of marijuana grow sites  
 26 of persons designated to produce marijuana by registry identification cardholders, marijuana pro-  
 27 cessing sites *[and]*, medical marijuana dispensaries **and premises for which a certificate has been**  
 28 **issued under ORS 475C.289** that are located in the area subject to the jurisdiction of the city or  
 29 county.

30 **SECTION 27.** The amendments to ORS 475C.289 and 475C.293 by sections 18 and 19 of this  
 31 2023 Act apply to certificates issued or renewed on and after the operative date specified in  
 32 section 28 of this 2023 Act. Until the date of renewal, the holder of a certificate issued under  
 33 ORS 475C.289 before the operative date specified in section 28 of this 2023 Act is subject to  
 34 any tracking requirements established by the Oregon Liquor and Cannabis Commission pur-  
 35 suant to ORS 475C.289 before the operative date specified in section 28 of this 2023 Act.

36 **SECTION 28.** (1) The amendments to ORS 475C.289, 475C.293, 475C.301, 475C.305, 475C.449,  
 37 475C.473, 475C.485, 475C.894 and 475C.897 by sections 18 to 26 of this 2023 Act become opera-  
 38 tive on January 1, 2024.

39 (2) The Oregon Health Authority and the Oregon Liquor and Cannabis Commission may  
 40 take any action before the operative date specified in subsection (1) of this section that is  
 41 necessary to enable the authority and the commission to exercise all of the duties, functions  
 42 and powers conferred on the authority and the commission by the amendments to ORS  
 43 475C.289, 475C.293, 475C.301, 475C.305, 475C.449, 475C.473, 475C.485, 475C.894 and 475C.897 by  
 44 sections 18 to 26 of this 2023 Act.

45



**CANNABIS FOR MEDICAL USE**

**SECTION 29.** ORS 475C.783 is amended to read:

475C.783. (1) The Oregon Health Authority shall establish a program for the issuance of registry identification cards to applicants who meet the requirements of this section.

(2) The authority shall issue a registry identification card to an applicant who is 18 years of age or older if the applicant pays a fee in an amount established by the authority by rule and submits to the authority an application containing the following information:

(a) Written documentation from the applicant's attending provider stating that the attending provider has diagnosed the applicant as having a debilitating medical condition and that the medical use of marijuana may mitigate the symptoms or effects of the applicant's debilitating medical condition;

(b) The name, address and date of birth of the applicant;

(c) The name, address and telephone number of the applicant's attending provider;

(d) Proof of residency, submitted in a form required by the authority by rule;

(e) The name and address of the applicant's designated primary caregiver, if the applicant is designating a primary caregiver under ORS 475C.789; and

(f) The information described in ORS 475C.792 (2), if the applicant is applying to produce marijuana or designate another person under ORS 475C.792 to produce marijuana.

(3)(a) The authority shall issue a registry identification card to an applicant who is under 18 years of age if:

(A) The applicant [*pays the fee and*] submits the application described in subsection (2) of this section; and

(B) The custodial parent or legal guardian who is responsible for the health care decisions of the applicant signs and submits to the authority a written statement that:

(i) The applicant's attending provider has explained to the applicant and to the custodial parent or legal guardian the possible risks and benefits of the medical use of marijuana;

(ii) The custodial parent or legal guardian consents to the medical use of marijuana by the applicant;

(iii) The custodial parent or legal guardian agrees to serve as the applicant's designated primary caregiver; and

(iv) The custodial parent or legal guardian agrees to control the acquisition, dosage and frequency of the medical use of marijuana by the applicant.

(b) An applicant who is under 18 years of age may not apply to produce marijuana under subsection (2)(f) of this section.

**(c) The authority may not impose an application or renewal fee on an applicant who is under 18 years of age.**

(4) The authority shall:

(a) On the date on which the authority receives an application described in subsection (2) of this section, issue a receipt to the applicant verifying that the authority received an application under subsection (2) or (3) of this section; and

(b) Approve or deny an application received under subsection (2) or (3) of this section within 30 days after receiving the application.

(5)(a) If the authority approves an application, the authority shall issue a serially numbered registry identification card to the applicant within five days after approving the application. The

1 registry identification card must include the following information:

2 (A) The registry identification cardholder's name, address and date of birth;

3 (B) The issuance date and expiration date of the registry identification card;

4 (C) If the registry identification cardholder designated a primary caregiver under ORS 475C.789,  
5 the name and address of the registry identification cardholder's designated primary caregiver; and

6 (D) Any other information required by the authority by rule.

7 (b) If the registry identification cardholder designated a primary caregiver under ORS 475C.789,  
8 the authority shall issue an identification card to the designated primary caregiver. The identifica-  
9 tion card must contain the information required by paragraph (a) of this subsection.

10 (6) A registry identification cardholder shall:

11 (a) In a form and manner prescribed by the authority, notify the authority of any change con-  
12 cerning the registry identification cardholder's:

13 (A) Name, address or attending provider;

14 (B) Designated primary caregiver, including the designation of a primary caregiver made at a  
15 time other than at the time of applying for or renewing a registry identification card; or

16 (C) Person responsible for a marijuana grow site, including the designation of a person respon-  
17 sible for a marijuana grow site made at a time other than at the time of applying for or renewing  
18 a registry identification card.

19 (b) Annually renew the registry identification card by paying a fee in an amount established by  
20 the authority by rule, **unless the registry identification cardholder is under 18 years of age**,  
21 and submitting to the authority an application that contains the following information:

22 (A) Updated written documentation from the registry identification cardholder's attending pro-  
23 vider stating that the registry identification cardholder still has a debilitating medical condition and  
24 that the medical use of marijuana may mitigate the symptoms or effects of the registry identification  
25 cardholder's debilitating medical condition;

26 (B) The information described in subsection (2)(b) to (f) of this section; and

27 (C) If the registry identification cardholder is under 18 years of age, a statement signed by the  
28 custodial parent or legal guardian of the registry identification cardholder that meets the require-  
29 ments of subsection (3) of this section.

30 (7) The authority shall:

31 (a) On the date on which the authority receives an application described in subsection (2) of this  
32 section, issue a receipt to the applicant verifying that the authority received an application under  
33 subsection (6)(b) of this section; and

34 (b) Approve or deny an application received under subsection (6)(b) of this section within 30  
35 days after receiving the application.

36 (8)(a) If the registry identification cardholder's attending provider determines that the registry  
37 identification cardholder no longer has a debilitating medical condition, or determines that the  
38 medical use of marijuana is contraindicated for the registry identification cardholder's debilitating  
39 medical condition, the registry identification cardholder shall return the registry identification card  
40 to the authority within 30 calendar days after receiving notice of the determination.

41 (b) If, because of circumstances beyond the control of the registry identification cardholder, a  
42 registry identification cardholder is unable to obtain a second medical opinion about the registry  
43 identification cardholder's continuing eligibility for the medical use of marijuana before having to  
44 return the registry identification card to the authority, the authority may grant the registry iden-  
45 tification cardholder additional time to obtain a second medical opinion.

1 (9)(a) The authority may deny an application for a registry identification card or an application  
2 to renew a registry identification card, or may suspend or revoke a registry identification card, if:

3 (A) The applicant or registry identification cardholder does not provide the information required  
4 by this section;

5 (B) The authority determines that the applicant or registry identification cardholder provided  
6 false information; or

7 (C) The authority determines that the applicant or registry identification cardholder violated a  
8 provision of ORS 475C.770 to 475C.919 or a rule adopted under ORS 475C.770 to 475C.919.

9 (b) If a registry identification card is revoked, any associated identification card issued under  
10 subsection (5)(b) of this section, or marijuana grow site registration card issued under ORS 475C.792  
11 (6), shall also be revoked.

12 (c) A person whose application is denied, or whose registry identification card is revoked, under  
13 this subsection may not reapply for a registry identification card for six months from the date of the  
14 denial or revocation unless otherwise authorized by the authority.

15 (10)(a) The authority may deny a designation of a primary caregiver made under ORS 475C.789,  
16 or suspend or revoke an associated identification card issued under subsection (5)(b) of this section,  
17 if the authority determines that the designee or the registry identification cardholder violated a  
18 provision of ORS 475C.770 to 475C.919 or a rule adopted under ORS 475C.770 to 475C.919.

19 (b) A person whose designation has been denied, or whose identification card has been revoked,  
20 under this subsection may not be designated as a primary caregiver under ORS 475C.789 for six  
21 months from the date of the denial or revocation unless otherwise authorized by the authority.

22 (11)(a) Notwithstanding subsection (2) or (6)(b) of this section, if an applicant for a registry  
23 identification card, or a registry identification cardholder applying for renewal of a registry iden-  
24 tification card, submits to the authority [*proof of having served in the Armed Forces of the United*  
25 *States*] **applicable documentation listed in paragraph (c) of this subsection**, the authority:

26 (A) May not impose a fee that is greater than \$20 for the issuance or renewal of the registry  
27 identification card; and

28 (B) Must waive the fee for the issuance or renewal of the registry identification card if the ap-  
29 plicant submits proof of having a United States Department of Veterans Affairs total disability rat-  
30 ing of at least 50 percent as a result of an injury or illness that the veteran incurred, or that was  
31 aggravated, during active military service and who received a discharge or release under other than  
32 dishonorable conditions.

33 (b) Notwithstanding subsection (6)(b)(A) of this section, the requirement that a registry identifi-  
34 cation cardholder include in the application to renew a registry identification card updated written  
35 documentation from the cardholder's attending provider regarding the cardholder's continuing de-  
36 bilitating medical condition does not apply to a service-disabled veteran who:

37 (A) Has been assigned a total and permanent disability rating for compensation that rates the  
38 veteran as unable to secure or follow a substantially gainful occupation as a result of service-  
39 connected disabilities as described in 38 C.F.R. 4.16; or

40 (B) Has a United States Department of Veterans Affairs total disability rating of 100 percent  
41 as a result of an injury or illness that the veteran incurred, or that was aggravated, during active  
42 military service and who received a discharge or release under other than dishonorable conditions.

43 (c) **The following are acceptable documentation for the purposes of paragraph (a) of this**  
44 **subsection:**

45 (A) **Proof of having served in the Armed Forces of the United States; or**

1       **(B) Proof of receiving Social Security Disability Insurance benefits.**

2       (12) For any purpose described in ORS 475C.770 to 475C.919, including exemption from criminal  
3 liability under ORS 475C.883, a receipt issued by the authority verifying that an application has  
4 been submitted to the authority under subsection (2), (3) or (6)(b) of this section has the same legal  
5 effect as a registry identification card for 30 days following the date on which the receipt was issued  
6 to the applicant.

7       **SECTION 30.** ORS 475C.800 is amended to read:

8       475C.800. (1) Subject to subsection (2) of this section, a marijuana grow site may transfer [*up to*  
9 *20 pounds of*] usable marijuana [*per year*] to a person that holds a license issued under ORS 475C.085  
10 or 475C.093, provided that:

11       (a) The transfer is tracked using the system developed and maintained under ORS 475C.177;

12       (b) More than 12 mature marijuana plants are produced at the marijuana grow site;

13       (c) The usable marijuana has been assigned to the person responsible for the marijuana grow  
14 site pursuant to ORS 475C.798;

15       (d) The usable marijuana has been tested in accordance with the provisions of ORS 475C.540 to  
16 475C.586; and

17       (e) The marijuana grow site first registered with the Oregon Health Authority under ORS  
18 475C.792 on or before August 2, 2017.

19       (2) If the Oregon Liquor and Cannabis Commission determines that the supply of marijuana  
20 items offered for sale by marijuana retailers that hold a license issued under ORS 475C.097 is ex-  
21 ceeding consumer demand for the marijuana items, and if the commission determines that the market  
22 for marijuana items in this state will not self-correct for the excess, the commission may issue an  
23 order that temporarily reduces the amount of usable marijuana that may be transferred pursuant to  
24 this section or that temporarily suspends the ability to transfer usable marijuana pursuant to this  
25 section.

26       **(3) A transfer of usable marijuana from a marijuana grow site under this section to a**  
27 **person that holds a license issued under ORS 475C.085 is not confidential.**

28       **(4) A marijuana grow site designated to produce marijuana for at least three registry**  
29 **identification cardholders may, in addition to transferring usable marijuana to the registry**  
30 **identification cardholders or to the designated primary caregivers of the registry identifica-**  
31 **tion cardholders described in this subsection, transfer usable marijuana to any other registry**  
32 **identification cardholder or designated primary caregiver of a registry identification**  
33 **cardholder.**

34       **SECTION 31.** ORS 475C.809 is amended to read:

35       475C.809. (1) Except as provided in subsection (2) of this section, a registry identification  
36 cardholder and the designated primary caregiver of the registry identification cardholder may jointly  
37 possess no more than [*24 ounces*]:

38       **(a) Three pounds** of usable marijuana.

39       **(b) Three pounds of medical cannabinoid products in solid form or cannabinoid concen-**  
40 **trates.**

41       **(c) 216 ounces of medical cannabinoid products in liquid form.**

42       **(d) Three ounces of cannabinoid extracts.**

43       (2) Subject to subsection (3) of this section, a person designated to produce marijuana by a  
44 registry identification cardholder may possess the amount of usable marijuana that the person har-  
45 vests from the person's mature marijuana plants, provided that the person may not possess usable

1 marijuana in excess of the amount of usable marijuana in the person's possession as reported to the  
2 Oregon Health Authority under ORS 475C.795.

3 (3) A person designated to produce marijuana by a registry identification cardholder may not  
4 possess usable marijuana in excess of:

5 (a) For a marijuana grow site located outdoors, 12 pounds of usable marijuana per mature  
6 marijuana plant; or

7 (b) For a marijuana grow site located indoors, six pounds of usable marijuana per mature  
8 marijuana plant.

9 **SECTION 32.** ORS 475C.141 is amended to read:

10 475C.141. (1) To process marijuana for medical purposes, a marijuana processor that holds a li-  
11 cense issued under ORS 475C.085 must register with the Oregon Liquor and Cannabis Commission  
12 under this section.

13 (2) The commission shall register a marijuana processor for the purpose of processing marijuana  
14 for medical purposes if the marijuana processor:

15 (a) Holds a license issued under ORS 475C.085;

16 (b) Meets any qualifications adopted by the commission by rule;

17 (c) Applies to the commission in a form and manner prescribed by the commission; and

18 (d) Pays any fee adopted by the commission by rule.

19 (3) A marijuana processor registered under this section may:

20 (a) Process marijuana and usable marijuana into medical grade cannabinoid products,  
21 cannabinoid concentrates and cannabinoid extracts; and

22 (b) Notwithstanding ORS 475C.205[.];

23 **(A) Receive marijuana and usable marijuana from, and for a fee process that marijuana and**  
24 **usable marijuana into cannabinoid products, cannabinoid concentrates and cannabinoid extracts for,**  
25 **a registry identification cardholder or the designated primary caregiver of a registry identification**  
26 **cardholder, provided that the cannabinoid products, cannabinoid concentrates and cannabinoid ex-**  
27 **tracts meet the requirements of ORS 475C.540 to 475C.586 and the concentration standards adopted**  
28 **under ORS 475C.620[.]; and**

29 **(B) Receive usable marijuana from a marijuana grow site registered under ORS 475C.792.**

30 (4)(a) The commission shall adopt rules necessary to administer this section.

31 (b) The rules must provide that any fee adopted by the commission under subsection (2)(d) of this  
32 section be in an amount reasonably calculated to not exceed, together with other fees collected  
33 under ORS 475C.005 to 475C.525, the cost of administering ORS 475C.005 to 475C.525.

34 **SECTION 33. The amendments to ORS 475C.783 by section 29 of this 2023 Act apply to**  
35 **applications for issuance or renewal of a registry identification card received by the Oregon**  
36 **Health Authority on or after the operative date specified in section 34 of this 2023 Act.**

37 **SECTION 34. (1) The amendments to ORS 475C.141, 475C.783, 475C.800 and 475C.809 by**  
38 **sections 29 to 32 of this 2023 Act become operative on January 1, 2024.**

39 **(2) The Oregon Health Authority and the Oregon Liquor and Cannabis Commission may**  
40 **take any action before the operative date specified in subsection (1) of this section that is**  
41 **necessary to enable the authority and the commission to exercise, on and after the operative**  
42 **date specified in subsection (1) of this section, all of the duties, functions and powers con-**  
43 **ferred on the authority and the commission by the amendments to ORS 475C.141, 475C.783,**  
44 **475C.800 and 475C.809 by sections 29 to 32 of this 2023 Act.**

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**CAPTIONS**

**SECTION 35. The unit captions used in this 2023 Act are provided only for the convenience of the reader and do not become part of the statutory law of this state or express any legislative intent in the enactment of this 2023 Act.**

**EFFECTIVE DATE**

**SECTION 36. This 2023 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2023 Act takes effect on its passage.**

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