

HB 4121-3
(LC 224)
2/9/24 (SCT/ps)

Requested by HOUSE COMMITTEE ON JUDICIARY (at the request of Representative Kim Wallan)

**PROPOSED AMENDMENTS TO
HOUSE BILL 4121**

1 On page 1 of the printed bill, line 3, after “475C.273” insert “, 475C.297”
2 and after “475C.746” insert “, 571.306”.

3 On page 2, delete lines 30 through 45 and delete pages 3 through 5.

4 On page 6, delete lines 1 through 7 and insert:

5

6

“INDUSTRIAL HEMP

7

8 **“SECTION 7.** ORS 475C.297 is amended to read:

9 “475C.297. The Marijuana Control and Regulation Fund is established in
10 the State Treasury, separate and distinct from the General Fund. Interest
11 earned by the Marijuana Control and Regulation Fund shall be credited to
12 the fund. Moneys in the fund are continuously appropriated to the Oregon
13 Liquor and Cannabis Commission to administer and enforce ORS 475C.005
14 to 475C.525, 475C.540 to 475C.586, 475C.600 to 475C.648, [*and*] 475C.925 **and**
15 **571.309 and sections 2 and 4 of this 2024 Act.**

16 **“SECTION 8.** ORS 571.306 is amended to read:

17 “571.306. [*(1) A person licensed under ORS 571.281 may, within the*
18 *boundaries of this state, transport to or receive from:*]

19 “[*(a)*] **(1)** A person licensed under ORS 571.281 or a laboratory licensed
20 under ORS 475C.548 **may, within the boundaries of this state, transport**
21 **or receive** industrial hemp or an industrial hemp commodity that contains

1 no more tetrahydrocannabinol than allowed by the State Department of Ag-
2 riculture by rule if the industrial hemp or industrial hemp used in the in-
3 dustrial hemp commodity originated from a crop [*inspected under ORS*
4 *571.281 (7)*] that was found to not contain an average tetrahydrocannabinol
5 concentration exceeding the concentration specified by the department by
6 rule.

7 “[*(b)*] **(2)** A person licensed under ORS 475C.085, 475C.093 or 475C.097
8 **may, within the boundaries of this state, receive from a person li-**
9 **censed under ORS 571.281** industrial hemp or an industrial hemp commod-
10 ity or product that contains no more tetrahydrocannabinol than allowed by
11 the Oregon Liquor and Cannabis Commission by rule if the industrial hemp
12 or industrial hemp used in the industrial hemp commodity or product origi-
13 nated from a crop [*inspected under ORS 571.281 (7)*] that was found to not
14 contain an average tetrahydrocannabinol concentration exceeding the con-
15 centration specified by the department by rule.

16 “[*(2)*] **(3)** Industrial hemp or an industrial hemp commodity or product
17 transported or received as described in this section may not be considered
18 a ‘marijuana item.’

19 **“SECTION 9.** ORS 571.309 is amended to read:

20 “571.309. The Oregon Liquor and Cannabis Commission, in consultation
21 with the State Department of Agriculture, shall adopt rules to establish:

22 “(1) The maximum concentration of tetrahydrocannabinol permitted in a
23 single serving of an industrial hemp product;

24 “(2) The maximum concentration of any other cannabinoid, adult use
25 cannabinoid or artificially derived cannabinoid that is permitted in a single
26 serving of an industrial hemp product; [*and*]

27 “(3) The number of servings that are permitted in a package of industrial
28 hemp products[.]; **and**

29 **“(4) Standards for approving industrial hemp products that contain**
30 **artificially derived cannabinoids and that are intended for sale at re-**

1 tail. The rules adopted under this subsection may not be more re-
2 strictive than the rules applicable to the sale at retail of adult use
3 cannabis items.

4
5 **“INDUSTRIAL HEMP PRODUCT REGISTRATION**

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7 **“SECTION 10.** Sections 11 to 14a of this 2024 Act are added to and
8 made a part of ORS 571.260 to 571.348.

9 **“SECTION 11. (1)** As used in this section and sections 12 and 13 of
10 this 2024 Act, ‘cannabinoid’ means any of the chemical compounds
11 that are the active constituents derived from industrial hemp.

12 **“(2)(a)** The Oregon Liquor and Cannabis Commission, in consulta-
13 tion with the State Department of Agriculture, shall establish a reg-
14 istration program for industrial hemp products that contain
15 cannabinoids and are intended for human or animal consumption or
16 use. An industrial hemp product described in this paragraph is not
17 subject to the requirements of this section unless the industrial hemp
18 product is in its final form and ready for sale, transfer or delivery to
19 a consumer in this state.

20 **“(b)** A person that is located within or outside this state and that,
21 as determined by the commission by rule, is responsible for the man-
22 ufacture, packaging or distribution of an industrial hemp product de-
23 scribed in paragraph (a) of this subsection shall, prior to selling,
24 transferring or delivering the industrial hemp product directly to a
25 consumer in this state or selling, transferring or delivering the in-
26 dustrial hemp product to a retailer in this state for the purpose of sale
27 to a consumer in this state:

28 **“(A)** Annually submit the information described in subsection (3)
29 of this section to the commission in a manner specified by the com-
30 mission by rule;

1 **“(B) Include on the industrial hemp product a label that contains**
2 **the information described in subsection (4) of this section; and**

3 **“(C) Pay an annual registration fee established by the commission**
4 **by rule.**

5 **“(3) A person described in subsection (2) of this section shall submit**
6 **to the commission the following information about an industrial hemp**
7 **product that contains cannabinoids and is intended for human or ani-**
8 **mal consumption or use:**

9 **“(a) The name and type of the product;**

10 **“(b) The name and physical address of the manufacturer of the**
11 **product;**

12 **“(c) The mailing address of the manufacturer of the product;**

13 **“(d) A certificate of analysis for a batch of the product;**

14 **“(e) A copy of the label for the product;**

15 **“(f) A statement about whether the product is an adult use**
16 **cannabis item; and**

17 **“(g) Any other information required by the commission by rule.**

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

22 **“(a) The name and type of the product;**

23 **“(b) The name and physical address of the manufacturer of the**
24 **product;**

25 **“(c) The ingredients of the product;**

26 **“(d) The net weight or volume of the product;**

27 **“(e) The serving size and number of servings contained in a package**
28 **of the product;**

29 **“(f) The potency of the product and a list of the cannabinoid con-**
30 **tents of the product;**

1 “(g) The address of a publicly accessible website that contains the
2 certificate of analysis for the product;

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

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

6 “(A) ‘For use only by adults 21 and older.’; and

7 “(B) ‘Keep out of reach of children.’;

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

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

11 “(5) In adopting rules under subsection (4) of this section, the
12 commission:

13 “(a) May establish different labeling standards for different types
14 of industrial hemp products that contain cannabinoids and are in-
15 tended for human or animal consumption or use, and may consider
16 existing product quality requirements or standards applicable to dif-
17 ferent types of products; and

18 “(b) May not adopt rules that are more restrictive than is reason-
19 ably necessary to protect the public health and safety.

20 “(6) If an industrial hemp product is intended only for human con-
21 sumption or use, the person described in subsection (2) of this section
22 shall comply with the requirements of ORS 571.337 and 571.339.

23 “(7)(a) The fee collected under this section may not exceed the cost
24 of administering ORS 571.309 and sections 2, 4 and 11 to 14 of this 2024
25 Act.

26 “(b) Fees collected under this section shall be deposited in the
27 Marijuana Control and Regulation Fund established under ORS
28 475C.297.

29 “(8) A person is not required to submit to the commission the in-
30 formation described in subsection (3) of this section for an industrial

1 **hemp product that contains cannabinoids and is intended for human**
2 **or animal consumption or use if another person has submitted the**
3 **information for the product and the product continues to be consistent**
4 **with the previously submitted information.**

5 **“(9) The commission may refuse to register an industrial hemp**
6 **product that contains cannabinoids and is intended for human or ani-**
7 **mal consumption or use if, based on the information described in**
8 **subsection (3) or (4) of this section, the sale of the product to a con-**
9 **sumer is prohibited by section 12 of this 2024 Act or by the commission**
10 **by rule.**

11 **“(10) This section does not apply to an industrial hemp product**
12 **that:**

13 **“(a) Does not contain cannabinoids;**

14 **“(b) Is intended only for topical use;**

15 **“(c) Is an industrial hemp grain or fiber product that does not**
16 **contain added cannabinoids;**

17 **“(d) Is a commercial feed product for animals registered under ORS**
18 **633.006 to 633.089; or**

19 **“(e) Is transported through this state en route to a final destination**
20 **in another state.**

21 **“SECTION 12. A person may not sell, transfer or deliver to a con-**
22 **sumer in this state an industrial hemp product that contains**
23 **cannabinoids and is intended for human or animal consumption or use**
24 **that:**

25 **“(1) Is not registered under section 11 of this 2024 Act.**

26 **“(2) Does not bear a label that meets the requirements of section**
27 **11 of this 2024 Act, or bears a label that does not precisely indicate the**
28 **contents of the container or that may deceive a consumer regarding**
29 **the nature, composition, quantity, age or quality of the contents.**

30 **“(3) Includes upon the packaging any untruthful or misleading**

1 statements, including but not limited to, a health claim that is not
2 supported by a consensus of publicly available scientific evidence, in-
3 cluding evidence from well-designed studies conducted in a manner
4 that is consistent with generally recognized scientific procedures and
5 principles and for which there is significant scientific agreement
6 among experts qualified by scientific training and experience to eval-
7 uate such a claim.

8 “(4) Is attractive to minors, including by featuring:

9 “(a) A cartoon;

10 “(b) A design, brand or name that resembles a product that is not
11 an industrial hemp product that contains cannabinoids and is intended
12 for human or animal consumption or use and is of a type typically
13 marketed to minors;

14 “(c) A symbol or celebrity that is commonly used to market pro-
15 ducts to minors;

16 “(d) An image of minors; or

17 “(e) Words that refer to products that are commonly associated
18 with minors or marketed to minors.

19 “(5) In the commission’s discretion:

20 “(a) Bears or contains any poisonous or deleterious substance, in-
21 cluding but not limited to tobacco or nicotine, in a quantity rendering
22 the product injurious in a manner that may pose a risk to human
23 health, or that exceeds any established safe tolerance;

24 “(b) Consists in whole or in part of any filthy, putrid or decomposed
25 substance or is otherwise unfit for human or animal consumption or
26 use;

27 “(c) Is processed, prepared, packaged or held under improper or
28 insanitary conditions or under conditions that increase the probability
29 of contamination with excessive microorganisms or physical contam-
30 inants or of cross-contamination;

1 “(d) Is held or packaged in containers composed, in whole or in
2 part, of any poisonous or deleterious substance that renders the con-
3 tents potentially injurious to health;

4 “(e) Includes any substitute substance;

5 “(f) Is damaged or inferior; or

6 “(g) Includes any substance intended to increase the bulk or weight
7 of the product, reduce the quality or strength of the product or make
8 the product appear better or of greater value.

9 “(6) Does not meet relevant minimum standards provided by the
10 laws of this state.

11 “SECTION 13. Subject to ORS chapter 183, the Oregon Liquor and
12 Cannabis Commission may:

13 “(1) If the commission has reasonable cause to believe that any
14 quantity or lot of industrial hemp product that contains cannabinoids
15 and is intended for human or animal consumption or use is sold,
16 transferred or delivered in violation of section 11 or 12 of this 2024 Act
17 or rules adopted pursuant to section 11 or 12 of this 2024 Act, issue and
18 enforce an order to prohibit the disposal, distribution or use in any
19 manner of the quantity or lot. The person to whom the order is issued
20 shall immediately remove from locations readily visible and accessible
21 to the public any product in packaged form that is subject to the or-
22 der. The commission may enforce the order until all actions against
23 the order, including any contested case, are resolved, and shall release
24 from the order the product if the violation is cured.

25 “(2) Seize any quantity or lot that the commission determines does
26 not comply with section 11 or 12 of this 2024 Act or rules adopted under
27 section 11 or 12 of this 2024 Act.

28 “SECTION 14. In addition to any other liability or penalty provided
29 by law, the Oregon Liquor and Cannabis Commission may impose a
30 civil penalty, in the manner provided in ORS 183.745, not to exceed

1 **\$10,000 for each violation of a provision of section 11, 12 or 13 of this**
2 **2024 Act, a rule adopted pursuant to section 11, 12 or 13 of this 2024**
3 **Act or an order issued by the commission under section 13 of this 2024**
4 **Act. Moneys collected under this section shall be deposited in the**
5 **General Fund and be available for general governmental purposes.**

6 **“SECTION 14a. The Oregon Liquor and Cannabis Commission may**
7 **adopt rules to carry out sections 11 to 14 of this 2024 Act.**

8 **“SECTION 15. ORS 475C.297, as amended by section 7 of this 2024 Act,**
9 **is amended to read:**

10 **“475C.297. The Marijuana Control and Regulation Fund is established in**
11 **the State Treasury, separate and distinct from the General Fund. Interest**
12 **earned by the Marijuana Control and Regulation Fund shall be credited to**
13 **the fund. Moneys in the fund are continuously appropriated to the Oregon**
14 **Liquor and Cannabis Commission to administer and enforce ORS 475C.005**
15 **to 475C.525, 475C.540 to 475C.586, 475C.600 to 475C.648, 475C.925 and 571.309**
16 **and sections 2, [*and*] 4 and 11 to 14 of this 2024 Act.**

17 **“SECTION 16. ORS 571.312 is repealed.**

18 **“SECTION 17. (1) Sections 11 to 14a of this 2024 Act, the amend-**
19 **ments to ORS 475C.297 by section 15 of this 2024 Act and the repeal of**
20 **ORS 571.312 by section 16 of this 2024 Act become operative on January**
21 **1, 2026.**

22 **“(2) The Oregon Liquor and Cannabis Commission and the State**
23 **Department of Agriculture may take any action before the operative**
24 **date specified in subsection (1) of this section that is necessary to en-**
25 **able the commission and the department to exercise, on and after the**
26 **operative date specified in subsection (1) of this section, all of the du-**
27 **ties, functions and powers conferred on the commission and the de-**
28 **partment by sections 11 to 14a of this 2024 Act, the amendments to**
29 **ORS 475C.297 by section 15 of this 2024 Act and the repeal of ORS**
30 **571.312 by section 16 of this 2024 Act.”.**

1 In line 11, delete “15” and insert “18” and delete “16” and insert “19”.
2 In line 13, delete “16” and insert “19”.
3 In line 30, delete “19” and insert “22”.
4 In line 32, delete “17” and insert “20” and delete “16” and insert “19”.
5 In line 34, delete “18” and insert “21”.
6 In line 35, delete “16” and insert “19”.
7 On page 7, line 16, delete “19” and insert “22” and delete “16” and insert
8 “19”.
9 In line 17, delete “18” and insert “21”.
10 In line 21, delete “16” and insert “19”.
11 In line 22, delete “18” and insert “21”.
12 In line 23, delete “20” and insert “23”.
13 In line 29, delete “21” and insert “24” and delete “22” and insert “25”.
14 In line 31, delete “22” and insert “25”.
15 On page 8, line 12 delete “23” and insert “26” and delete “22” and insert
16 “25”.
17 In line 16, delete “22” and insert “25”.
18 In line 20, delete “24” and insert “27”.
19 In line 34, delete “25” and insert “28”.
20 On page 9, line 19, after “permit” insert “or temporary permit” in both
21 places.
22 In line 36, delete “26” and insert “29”.
23 On page 10, line 40, delete “27” and insert “30”.
24 In line 44, delete the second “or”.
25 In line 45, delete the period and insert “; or
26 “(c) Revoke or suspend a permit for actions that occurred while the
27 permittee held a temporary permit.”.
28 On page 11, line 4, delete “28” and insert “31”.
29 In line 20, delete “29” and insert “32”.
30 On page 12, line 34, delete “30” and insert “33”.

- 1 On page 13, line 2, delete “31” and insert “34”.
- 2 In line 27, delete “32” and insert “35”.
- 3 In line 28, delete “24 to 31” and insert “27 to 34”.
- 4 In line 34, delete “24” and insert “27”.
- 5 In line 35, delete “31” and insert “34”.
- 6 In line 39, delete “33” and insert “36”.
- 7 In line 45, delete “34” and insert “37”.

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