HB 3724 STAFF MEASURE SUMMARY

House Committee On Economic Development, Small Business, and Trade

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Meeting Dates: 3/24, 3/31

WHAT THE MEASURE DOES:

The measure directs the Oregon Liquor and Cannabis Commission (OLCC) to expand their rules around regulating and prohibiting advertising marijuana items to minors. It takes effect on the 91st day following adjournment sine die.

Detailed Summary:

Directs OLCC to adopt rules that:

- Regulate and prohibit advertising in a way that is likely to cause minors to unlawfully possess or consume marijuana or marijuana items.
- Prevent marketing cannabinoid concentrates, extracts, edibles, usable marijuana, and other products in a way
 that is likely to cause minors to unlawfully possess or consume them.
- Prevent packaging cannabinoid products in a way that is likely to cause minors to unlawfully possess or consume them.
- Describe objective criteria about packaging that is likely to cause minors to unlawfully possess or consume marijuana items, including but not limited to, prohibiting packaging that uses imagery or characters associated with minors.

These changes are operative on January 1, 2026.

Takes effect on the 91st day following adjournment sine die.

- FISCAL: Has minimal fiscal impact.
- REVENUE: No revenue impact.

ISSUES DISCUSSED:

- Potential opposition to the measure
- Criteria to determine allowable packaging
- Impacts to existing products
- Minor access to marijuana items
- OLCC rulemaking process

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

The Oregon Liquor and Cannabis Commission (OLCC) oversees access to alcohol and cannabis products in Oregon through education, regulation, and distilled spirits distribution. In 2014, <u>Oregon Measure 91</u> legalized recreational marijuana for people 21 years and older. The measure also put OLCC in charge of regulating the recreational marijuana industry. Under current law, OLCC must adopt rules to regulate and prohibit advertising and packaging marijuana products in ways that are attractive to minors. House Bill 3724 expands on these requirements, specifying that OLCC must adopt rules preventing advertising and packaging that is likely to cause minors to

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unlawfully possess or consume marijuana or cannabinoid items. It also requires them to adopt rules describing objective criteria of packaging that would cause minors to unlawfully possess or consume these items.

