

SB 176 A STAFF MEASURE SUMMARY

Senate Committee On Judiciary

Action Date: 04/08/25

Action: Do pass with amendments. Refer to Ways and Means by prior reference. (Printed A-Eng).

Vote: 4-2-0-0

Yeas: 4 - Broadman, Gelser Blouin, Manning Jr, Prozanski

Nays: 2 - McLane, Thatcher

Fiscal: Fiscal impact issued

Revenue: Revenue impact issued

Prepared By: Tisha Pascone, LPRO Analyst

Meeting Dates: 2/24, 4/7, 4/8

WHAT THE MEASURE DOES:

The measure is a medical marijuana omnibus that renames the Oregon Medical Marijuana Act the Oregon Medical Cannabis Act, removes the Oregon Health Authority's regulatory oversight of medical marijuana cardholders' personal production of marijuana, and delegates the Oregon Liquor and Control Commission with regulation of medical marijuana producers that grow cannabis for three or more cardholders. The measure also defines relevant terms, makes conforming amendments to cannabis laws, sets some minimum and maximum potency levels for retailers, directs additional distributions from the Oregon Medical Marijuana account for OLCC and OHA administration costs, and prohibits health care discrimination based on cardholder status.

Detailed Summary

Data collection and reporting (Sections 2, 4, 61).

- Directs the Oregon Health Authority (OHA), the Oregon Liquor and Control Commission (OLCC), the Oregon Department of Agriculture, and the cannabis reference laboratory to consolidate data collection regarding medical marijuana use and adult-use cannabis items and make the data publicly available on an OLCC website.
- Makes the above provision operative on January 1, 2028, and authorizes OLCC to make rules to carry out the requirement.
- Requires OHA and OLCC to study the impacts of the measure on the adult-use cannabis industry and the Oregon Medical Cannabis Act and to report to the Interim Committees on Judiciary by September 1, 2027.

Terms (Sections 5, 30, and conforming changes throughout the measure).

- Renames the Oregon Medical Marijuana Act the Oregon Medical Cannabis Act.
- Defines 'cannabis' to mean the plant Cannabis in the family Cannabaceae.
- Creates term 'grow site administrator' to mean a person designated to produce cannabis for three or more patients, for which the OLCC would issue a "designation."
- Defines 'designated grower' as a person who produces cannabis for a cardholder.
- Defines 'patient grower' as a cardholder who produces their own cannabis.
- Replaces the term 'person responsible for a marijuana grow site' with the terms 'grow site administrator', 'designated grower', or 'patient grower' as applicable throughout ORS Chapter 475C.
- Makes conforming amendments throughout ORS Chapter 475C for the measure's terminology changes.

Retail marijuana worker training (Sections 3, 18).

- Requires permitted retail marijuana workers to complete a responsible retailer certification program approved by OLCC and specifies minimum information that the program must include.

Retail potency options (Section 11).

- Requires marijuana retailers who sell cannabinoid products, concentrates, or extracts to provide low-potency usable marijuana options and high-potency cannabinoid extracts, concentrates, and cannabinoid products,

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including:

- Twenty percent of usable marijuana offered for sale must have a potency of not more than 16 percent cannabidiol.
- Twenty percent of cannabinoid concentrates and extracts offered for sale must have a potency of at least 25 percent cannabidiol.
- Twenty percent of cannabinoid products offered for sale, including edibles, beverages, and tinctures, must have a potency of at least 33 percent cannabidiol.

OLCC "designation" for grow site administrators (Sections 7– 10, 12, 35, 60).

- Directs OLCC to create a “designation” for a grow site administrator that produces marijuana for three or more cardholders as an exclusively medical producer, where the designation involves a similar application process, requirements, and rights and responsibilities as other cannabis production licenses.
- Prohibits OLCC from requiring designees to use security systems at the marijuana grow site and caps the fee OLCC may charge for a designation at \$500.
- Continues to address exemption from land use compatibility requirements if the applicant:
 - Is applying for a grow site administrator designation;
 - Was first registered as a person responsible for a marijuana grow site with OHA before February 1, 2016, and has been continuously registered since; and
 - Does not exceed a plant count of 48 mature plants.
- Limits number of plants that a grow site administrator may produce to six mature plants per cardholder and not more than 12 total if the address is within city limits in an area zoned for residential use; or up to 48 mature plants in other areas.
- Allows a grow site administrator to make transfers to a processor on behalf of a cardholder and for the processor to transfer the product to the cardholder.
- Specifies individual statutes that a designation is exempt from, including laws regarding consumer delivery, transportation of marijuana items, processor requirements, general liability insurance, merit-based criteria for licensure, business financial disclosures, and marijuana worker permits.
- Prohibits OLCC from suspending a grow site administrator designation for violations of the Adult and Medical Use of Cannabis Act or rules promulgated thereunder.
- Deletes provisions for a person responsible for a medical marijuana grow site to transition from OHA registration to OLCC licensure.

Medical marijuana production and processing (Sections 14, 33, 34).

- Removes requirement that cannabinoid products, concentrates, and extracts produced from a cardholder’s usable marijuana meet consumer requirements and concentration standards.
- Allows processor licensed under ORS 475C.085 to transfer all such products to the cardholder or designated caregiver, so long as the transfer does not exceed the amounts proscribed in ORS 475C.305 at any one time.
- Increases the amount from 20 pounds to 45 pounds that a grow site administrator may transfer to marijuana processor or wholesaler.

OHA registry identification cards (Sections 30, 31, 32, 67(2)).

- Requires OHA to issue electronic registry identification cards and include a quick response code and ability to print and download the cards. This provision becomes operable on January 1, 2027.
- Revises "debilitating medical condition" definition catch-all to include any other medical condition an attending provider determines may be mitigated by the medical use of marijuana, instead of defining it by OHA rule.
- Exempts cardholders diagnosed with a permanent, debilitating medical condition from providing updated written medical documentation when applying for renewal.
- Caps registration card application and renewal fees at \$20 for persons who can prove qualification for federal Social Security Disability benefits.

Regulation of patient growers, designated growers, and designated caregivers (Sections 27, 28, 33, 35, 50).

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- Removes cardholders who produce marijuana for personal use from OHA grow site oversight and reporting requirements.
- Sets possession limits for cardholders and their designated primary caregiver by number of plants instead of weight of usable marijuana.
- Exempts patient growers from testing, packaging, and labeling laws.
- Directs OHA to adopt rules to facilitate data collection relating to demographics of cardholders, their designated primary caregivers, and designated growers.
- Removes designated growers' grow sites from city and county ordinances that may impose reasonable regulations on operations, while continuing to permit reasonable regulation of medical marijuana processing sites and medical marijuana dispensaries.

Funds (Section 46).

- Increases quarterly distributions from the Oregon Marijuana Account to the Marijuana Control and Regulation Fund, from \$1.25 million to \$1.5 million, for OLCC's costs of responsibilities regarding grow site administrator provisions and for OHA's costs of its responsibilities relating to marijuana processing sites and medical marijuana dispensaries.

Health care discrimination (Section 60).

- Prohibits discrimination by a health care provider or health care facility based on a person being a medical marijuana cardholder.

Repeal of laws (Section 65).

- Repeals ORS 475C.794, 475C.795, 475C.797, 475C.798, and ORS 475.803, relating to marijuana grow site regulation by OHA.

Operative date and effective date (Sections 4, 67, 68).

- Makes substantive changes in statute operative January 1, 2026, but permits OHA and OLCC to take action upon the effective date to enable the measure's changes, except for special operative dates noted above for data consolidation and reporting and electronic registry identification cards.
- Effective on the 91st day following adjournment sine die.

ISSUES DISCUSSED:

- Provisions of measure
- Whether technology exists that can test marijuana impairment of workers
- Federal requirements for drug testing certain workers

EFFECT OF AMENDMENT:

The amendment adds terms for grow site administrator, designated grower, and patient grower; requires marijuana retail worker training; requires a percentage of retailer products to have specified minimum or maximum potencies; updates the Medical Cannabis Act; removes the employment discrimination prohibition from the measure; directs additional distributions from the Oregon Medical Marijuana account for OLCC and OHA administration costs, and makes additional conforming changes to cannabis laws.

BACKGROUND:

In 1998, Oregon voters approved Ballot Measure 67, which allowed cannabis possession for medical use for individuals with a qualifying illness and a doctor's recommendation to apply for medical marijuana registration card and allowed cultivation for medical use. The Oregon Health Authority (OHA) oversees and regulates the Oregon Medical Marijuana Program (OMMP), the medical marijuana registration card system, and the tracking system for grow sites where two or fewer OMMP patients are registered. The Oregon Liquor and Control Commission (OLCC) regulates the production, processing, transfer, and sale of recreational cannabis and marijuana grow sites where three or more OMMP patients are registered.

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House Bill 2198 (2017) established the Oregon Cannabis Commission (OCC) and assigned tasks later amended by Senate Bill 1544 (2018). The OCC's tasks include providing advice to OHA on OMMP administration; providing advice to the OLCC to the extent its regulation involves medical registration cardholders and caregivers; developing a long-term strategic plan for ensuring therapeutic cannabis options and affordability; and studying federal laws and regulations regarding marijuana. For example, it produced a November 2023 [report](#) with recommendations to the OLCC and OHA regarding OMMP patient access to therapeutic levels of marijuana at affordable costs. Senate Bill 179 A addresses some of those points and was brought by Compassionate Oregon, a mutual benefit nonprofit organization.