

# Senate Bill 162

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## 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 **as introduced**. The statement includes a measure digest written in compliance with applicable readability standards.

Digest: The Act makes changes to some of the state laws about marijuana and industrial hemp. (Flesch Readability Score: 61.8).

Authorizes the destruction of hoop houses when executing a search warrant to investigate the unlawful production of marijuana. Requires the Oregon Liquor and Cannabis Commission to make the map of licensed industrial hemp operations and marijuana production premises available to the Water Resources Department and the Department of Environmental Quality. Repeals the prohibition on a marijuana retailer locating within 1,000 feet of a building where a public prekindergarten or kindergarten program is provided. Allows the State Department of Agriculture to inspect biomass and processed industrial hemp stored at the location of a licensed industrial hemp operation.

Declares an emergency, effective on passage.

## A BILL FOR AN ACT

1  
2 Relating to cannabis; creating new provisions; amending ORS 133.565, 475C.097, 475C.101, 475C.105  
3 and 571.281 and section 1, chapter 16, Oregon Laws 2024; and declaring an emergency.

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

5 **SECTION 1.** ORS 133.565 is amended to read:

6 133.565. (1) A search warrant shall be dated and shall be addressed to and authorize its exe-  
7 cution by an officer authorized by law to execute search warrants.

8 (2) The warrant shall state, or describe with particularity:

9 (a) The identity of the judge issuing the warrant and the date the warrant was issued;

10 (b) The name of the person to be searched, or the location and designation of the premises or  
11 places to be searched;

12 (c) The things constituting the object of the search and authorized to be seized; and

13 (d) The period of time, not to exceed five days, after execution of the warrant except as provided  
14 in subsection (3) of this section, within which the warrant is to be returned to the issuing authority.

15 (3) Except as otherwise provided herein, the search warrant shall be executed between the hours  
16 of 7 a.m. and 10 p.m. and within five days from the date of issuance. The judge issuing the warrant  
17 may, however, by indorsement upon the face of the warrant, authorize its execution at any time of  
18 the day or night and may further authorize its execution after five days, but not more than 10 days  
19 from date of issuance.

20 **(4) When executing a search warrant issued to search a location at which there is prob-**  
21 **able cause to believe that the crime of unlawful production of marijuana is being committed,**  
22 **the police officer executing the search warrant may order the destruction of any hoop houses**  
23 **at the location if there is probable cause to believe that the hoop houses are being used in**  
24 **the commission of the unlawful production of marijuana.**

25 **SECTION 2.** Section 1, chapter 16, Oregon Laws 2024, is amended to read:

**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.

**Sec. 1.** (1) As used in this section:

(a) “Industrial hemp” has the meaning given that term in ORS 571.269.

(b) “Marijuana” has the meaning given that term in ORS 475C.009.

(2) The Oregon Liquor and Cannabis Commission shall, with the assistance of the State Department of Agriculture, create and continually update a map of the following:

(a) Premises for which a license has been issued under ORS 475C.065; and

(b) The locations of industrial hemp operations licensed under ORS 571.281.

(3) The commission shall make the map described in subsection (2) of this section available to:

(a) Law enforcement agencies in this state *[and]*;

**(b) The Water Resources Department and the Department of Environmental Quality; and**

(c) Public employees and officials who are responsible for the enforcement of state and local laws regulating industrial hemp or marijuana.

**SECTION 3.** ORS 475C.097 is amended to read:

475C.097. (1) The retail sale of marijuana items is subject to regulation by the Oregon Liquor and Cannabis Commission.

(2) A marijuana retailer must have a retail license issued by the commission for the premises at which marijuana items are sold. To hold a retail license under this section, a marijuana retailer:

(a) Must apply for a license in the manner described in ORS 475C.033;

(b) Must provide proof that the applicant is 21 years of age or older;

(c) May not be located in an area that is zoned exclusively for residential use;

(d) Except as provided in ORS 475C.101, may not be located within 1,000 feet of:

*[(A) A building where a public prekindergarten or kindergarten program is provided by a school district or an education service district;]*

*[(B)] (A) A public elementary or secondary school for which attendance is compulsory under ORS 339.020; or*

*[(C)] (B) A private or parochial elementary or secondary school, teaching children as described in ORS 339.030 (1)(a); and*

(e) Must meet the requirements of any rule adopted by the commission under subsection (3) of this section.

(3) The commission shall adopt rules that:

(a) Require a marijuana retailer to annually renew a license issued under this section;

(b) Establish application, licensure and renewal of licensure fees for marijuana retailers;

(c) Require marijuana items sold by a marijuana retailer to be tested in accordance with ORS 475C.544;

(d) Notwithstanding ORS 475C.205, allow a marijuana retailer to deliver marijuana items to another marijuana retailer that has on the marijuana retailer’s license application a person that has an interest in or authority over the management of the other marijuana retailer;

(e) Subject to the limitations and privileges described in ORS 475C.149 (3), allow a marijuana retailer registered under ORS 475C.149 to sell medical grade cannabinoid products, cannabinoid concentrates and cannabinoid extracts at retail in the same manner that rules adopted under ORS 475C.005 to 475C.525 allow a marijuana retailer to sell general use cannabinoid products, cannabinoid concentrates and cannabinoid extracts at retail, excepting those circumstances where differentiating between the sale of medical grade cannabinoid products, cannabinoid concentrates and cannabinoid extracts and the sale of general use cannabinoid products, cannabinoid concentrates and cannabinoid extracts is necessary to protect the public health and safety; and

1 (f) Require a marijuana retailer to meet any public health and safety standards and industry best  
2 practices established by the commission by rule.

3 (4) Fees adopted under subsection (3)(b) of this section:

4 (a) May not exceed, together with other fees collected under ORS 475C.005 to 475C.525, the cost  
5 of administering ORS 475C.005 to 475C.525; and

6 (b) Shall be deposited in the Marijuana Control and Regulation Fund established under ORS  
7 475C.297.

8 **SECTION 4.** ORS 475C.101 is amended to read:

9 475C.101. Notwithstanding ORS 475C.097 (2)(d), a marijuana retailer may be located within 1,000  
10 feet of a building described in ORS 475C.097 (2)(d) if:

11 (1)(a) The marijuana retailer is not located within 500 feet of:

12 [(A) *A building where a public prekindergarten or kindergarten program is provided by a school*  
13 *district or an education service district;*]

14 [(B)] **(A)** A public elementary or secondary school for which attendance is compulsory under  
15 ORS 339.020; or

16 [(C)] **(B)** A private or parochial elementary or secondary school, teaching children as described  
17 in ORS 339.030 (1)(a); and

18 (b) The Oregon Liquor and Cannabis Commission determines that there is a physical or ge-  
19 ographic barrier capable of preventing children from traversing to the premises of the marijuana  
20 retailer; or

21 (2) The marijuana retailer was established before August 1, 2017, in accordance with a city or  
22 county ordinance adopted under section 29b, chapter 83, Oregon Laws 2016.

23 **SECTION 5.** ORS 475C.105 is amended to read:

24 475C.105. (1) If a building described in ORS 475C.097 (2)(d) that has not previously been attended  
25 by children is established within 1,000 feet of a premises for which a license has been issued under  
26 ORS 475C.097, the marijuana retailer located at that premises may remain at that location unless  
27 the Oregon Liquor and Cannabis Commission revokes the license of the marijuana retailer under  
28 ORS 475C.265.

29 (2)(a) **Subject to subsection (3) of this section**, if the commission issues a license for a prem-  
30 ises under ORS 475C.097 and, after issuance, the commission becomes aware that a school estab-  
31 lished prior to issuance of the license is located within 1,000 feet of the premises, the commission  
32 may allow the marijuana retailer to relocate to a premises that is not within 1,000 feet of the school  
33 without applying for and being issued a new license under ORS 475C.097.

34 (b) The commission may adopt rules to carry out this subsection.

35 **(3) If the commission issued a license for a premises under ORS 475C.097 prior to January**  
36 **1, 2025, and, after issuance, the commission becomes aware that a building where a public**  
37 **prekindergarten or kindergarten program is provided by a school district or an education**  
38 **service district is located within 1,000 feet of the premises, the marijuana retailer located**  
39 **at the premises may remain at the premises unless the commission revokes the license of**  
40 **the marijuana retailer under ORS 475C.265.**

41 **SECTION 6.** ORS 571.281 is amended to read:

42 571.281. (1)(a) To grow or handle industrial hemp, a person must be licensed by the State De-  
43 partment of Agriculture as a grower or handler.

44 (b) The department may identify by rule activities related to growing or handling hemp in ad-  
45 dition to those described in ORS 571.269 and may require licensure to engage in those activities.

1 The department may issue, renew, suspend, revoke or refuse to issue or renew a license required  
2 pursuant to this subsection.

3 (2)(a) Only a grower or handler licensed under this section may produce agricultural hemp seed.  
4 For a grower or handler to produce agricultural hemp seed, the grower or handler must be licensed  
5 by the department as an agricultural hemp seed producer.

6 (b) Notwithstanding paragraph (a) of this subsection:

7 (A) A grower licensed under this section that retains agricultural hemp seed for the purpose of  
8 personally propagating industrial hemp in a subsequent year is not required to be licensed by the  
9 department as an agricultural hemp seed producer; and

10 (B) A grower or handler licensed under this section that produces Cannabis seeds that are in-  
11 capable of germination, or a handler licensed under this section that processes Cannabis seeds that  
12 are incapable of germination into commodities or products, is not required to be licensed by the  
13 department as an agricultural hemp seed producer.

14 (3) An applicant for a license under this section must submit to the department, in a form and  
15 manner prescribed by the department, the following information:

16 (a) The name and address of the applicant;

17 (b) The name and address of the industrial hemp operation of the applicant; and

18 (c) Any other information required by the department by rule.

19 (4) The department shall adopt rules specifying the period of time for which a license issued  
20 under this section is valid. A licensee may renew a license under this section in a form and manner  
21 prescribed by the department.

22 (5) A license under this section is a personal privilege and is not transferable.

23 (6) A grower or handler licensed under this section must keep records as required by the de-  
24 partment by rule. Upon not less than three days' notice, the department may subject the records to  
25 inspection or audit during normal business hours. The department may make an inspection or audit  
26 for the purpose of ensuring compliance with:

27 (a) A provision of ORS 571.260 to 571.348;

28 (b) A rule adopted under a provision of ORS 571.260 to 571.348; or

29 (c) An order issued by the department pursuant to a provision of ORS 571.260 to 571.348 or a  
30 rule adopted under a provision of ORS 571.260 to 571.348.

31 (7)(a) In addition to any inspection conducted pursuant to ORS 561.275, the department may  
32 inspect any crop during the crop's growth phase and take a representative composite sample for  
33 field analysis. If a crop contains an average tetrahydrocannabinol concentration exceeding the con-  
34 centration specified by the department by rule, the department may detain, seize or embargo the  
35 crop as provided under ORS 561.605 to 561.620, subject to any process established under ORS  
36 571.345.

37 **(b) The department may inspect biomass or processed industrial hemp that is stored at**  
38 **a location for which a license is issued under this section.**

39 (8)(a) The department may charge licensees the following fees in amounts reasonably calculated  
40 by the department to pay the cost of administering ORS 571.260 to 571.348:

41 (A) Application fees;

42 (B) License and license renewal fees;

43 (C) Administrative change fees; and

44 (D) Fees for other services.

45 (b) Moneys from fees charged under this subsection shall be deposited in the Industrial Hemp

1 Fund established under ORS 571.278.

2 (9) The department may adopt rules establishing public health and safety standards and industry  
3 best practices for growers and handlers licensed under this section.

4 **SECTION 7. In addition to and not in lieu of any other appropriation, there is appropri-**  
5 **ated to the Oregon Criminal Justice Commission, for the biennium beginning July 1, 2025,**  
6 **out of the General Fund, the amount of \$11,100,000 for deposit in the Illegal Marijuana Mar-**  
7 **ket Enforcement Grant Program Fund established under ORS 475C.535.**

8 **SECTION 8. This 2025 Act being necessary for the immediate preservation of the public**  
9 **peace, health and safety, an emergency is declared to exist, and this 2025 Act takes effect**  
10 **on its passage.**

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