SENATE AMENDMENTS TO SENATE BILL 162

By COMMITTEE ON JUDICIARY

March 19

- On page 1 of the printed bill, line 2, after "133.565," delete the rest of the line and insert "475C.065, 475C.085, 475C.093, 475C.097, 475C.101, 475C.105, 475C.548".
 - After line 24, insert:

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- "SECTION 2. Section 3 of this 2025 Act is added to and made a part of ORS 475C.005 to 475C.525.
- "SECTION 3. The Oregon Liquor and Cannabis Commission may adopt rules to establish a term for a license issued under ORS 475C.065, 475C.085, 475C.093, 475C.097 or 475C.548 that is up to five years if the commission finds that adoption of such a rule is consistent with public safety and the objectives of the licensing requirements. The rules adopted under this section may apply only to the renewal of a license."
- In line 25, delete "2" and insert "4".
- On page 2, after line 12, insert:
 - "SECTION 5. ORS 475C.065 is amended to read:
 - "475C.065. (1) The production of marijuana is subject to regulation by the Oregon Liquor and Cannabis Commission.
 - "(2) A marijuana producer must have a production license issued by the commission for the premises at which the marijuana is produced. To hold a production license issued under this section, a marijuana producer:
 - "(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; and
 - "(c) Must meet the requirements of any rule adopted by the commission under subsections (3) and (4) of this section.
 - "(3)(a) If the applicant is not the owner of the premises at which the marijuana is to be produced, the applicant shall submit to the commission signed informed consent from the owner of the premises to produce marijuana at the premises.
- 26 "(b) The commission may adopt rules regarding the informed consent described in this sub-27 section.
 - "(4) The commission shall adopt rules that:
 - "(a) Subject to section 3 of this 2025 Act, require a marijuana producer to annually renew a license issued under this section;
 - "(b) Establish application, licensure and renewal of licensure fees for marijuana producers;
- 32 "(c) Require marijuana produced by marijuana producers to be tested in accordance with ORS 475C.544;
- "(d) Assist the viability of marijuana producers that are independently owned and operated and that are limited in size and revenue with respect to other marijuana producers, by minimizing bar-

riers to entry into the regulated system and by expanding, to the extent practicable, transportation options that will support their access to the retail market;

- "(e) Allow a marijuana producer registered under ORS 475C.137 to produce marijuana for medical purposes in the same manner that rules adopted under ORS 475C.005 to 475C.525 allow a marijuana producer to produce marijuana for nonmedical purposes, excepting those circumstances where differentiating between the production of marijuana for medical purposes and the production of marijuana for nonmedical purposes is necessary to protect the public health and safety;
- "(f) Require marijuana producers to submit, at the time of applying for or renewing a license under ORS 475C.033, a report describing the applicant's or licensee's electrical or water usage;
- "(g) Require a marijuana producer to meet any public health and safety standards and industry best practices established by the commission by rule related to the production of marijuana or the propagation of immature marijuana plants and marijuana seeds; and
- "(h) Support marijuana plant diversity by allowing a qualified marijuana producer to receive marijuana seeds from any source in this state, but not more than a total of 200 marijuana seeds per month from all sources combined.
 - "(5) Fees adopted under subsection (4)(b) of this section:

- "(a) May not exceed, together with other fees collected under ORS 475C.005 to 475C.525, the cost of administering ORS 475C.005 to 475C.525;
- "(b) Shall be in the form of a schedule that imposes a greater fee for premises with more square footage or on which more marijuana plants are grown; and
- "(c) Shall be deposited in the Marijuana Control and Regulation Fund established under ORS 475C.297.
 - "SECTION 6. ORS 475C.085 is amended to read:
- "475C.085. (1) The processing of marijuana items is subject to regulation by the Oregon Liquor and Cannabis Commission.
- "(2) A marijuana processor must have a processor license issued by the commission for the premises at which marijuana items are processed. To hold a processor license under this section, a marijuana processor:
 - "(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) If the marijuana processor processes marijuana extracts or industrial hemp extracts, as defined in ORS 571.269, may not be located in an area zoned exclusively for residential use; and
- 33 "(d) Must meet the requirements of any rule adopted by the commission under subsection (3) of 34 this section.
 - "(3) The commission shall adopt rules that:
 - "(a) Subject to section 3 of this 2025 Act, require a marijuana processor to annually renew a license issued under this section;
 - "(b) Establish application, licensure and renewal of licensure fees for marijuana processors;
- 39 "(c) Require marijuana processed by a marijuana processor to be tested in accordance with ORS 40 475C.544;
 - "(d) Require industrial hemp commodities and products processed by a marijuana processor to meet any requirements for industrial hemp commodities or products established under ORS 571.260 to 571.348 or rules adopted under ORS 571.260 to 571.348;
 - "(e) Allow a marijuana processor registered under ORS 475C.141 to process marijuana and usable marijuana into medical grade cannabinoid products, cannabinoid concentrates and cannabinoid

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- extracts in the same manner that rules adopted under ORS 475C.005 to 475C.525 allow a marijuana processor to process marijuana and usable marijuana into general use cannabinoid products, cannabinoid concentrates and cannabinoid extracts, excepting those circumstances where differentiating between the processing of medical grade cannabinoid products, cannabinoid concentrates and cannabinoid extracts and the processing of general use cannabinoid products, cannabinoid concentrates and cannabinoid extracts is necessary to protect the public health and safety; and
- 7 "(f) Require a marijuana processor to meet any public health and safety standards and industry 8 best practices established by the commission by rule related to:
 - "(A) Cannabinoid edibles;
- 10 "(B) Cannabinoid concentrates;

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- 11 "(C) Cannabinoid extracts; and
- "(D) Any other type of cannabinoid product or industrial hemp commodity or product identified by the commission by rule.
 - "(4) Fees adopted under subsection (3)(b) of this section:
- "(a) May not exceed, together with other fees collected under ORS 475C.005 to 475C.525, the cost of administering ORS 475C.005 to 475C.525; and
 - "(b) Shall be deposited in the Marijuana Control and Regulation Fund established under ORS 475C.297.
 - "SECTION 7. ORS 475C.093 is amended to read:
 - "475C.093. (1) The wholesale sale of marijuana items is subject to regulation by the Oregon Liquor and Cannabis Commission.
 - "(2) A marijuana wholesaler must have a wholesale license issued by the commission for the premises at which marijuana items are received, stored or delivered. To hold a wholesale license under this section, a marijuana wholesaler:
 - "(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; and
 - "(d) 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) Subject to section 3 of this 2025 Act, require a marijuana wholesaler to annually renew a license issued under this section;
 - "(b) Establish application, licensure and renewal of licensure fees for marijuana wholesalers;
 - "(c) Require marijuana items received, stored or delivered by a marijuana wholesaler to be tested in accordance with ORS 475C.544;
 - "(d) Allow a marijuana wholesaler registered under ORS 475C.145 to sell medical grade cannabinoid products, cannabinoid concentrates and cannabinoid extracts at wholesale in the same manner that rules adopted under ORS 475C.005 to 475C.525 allow a marijuana wholesaler to sell general use cannabinoid products, cannabinoid concentrates and cannabinoid extracts at wholesale, 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
 - "(e) Require a marijuana wholesaler to meet any public health and safety standards and industry best practices established by the commission by rule.

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- "(4) Fees adopted under subsection (3)(b) of this section:
- "(a) May not exceed, together with other fees collected under ORS 475C.005 to 475C.525, the cost of administering ORS 475C.005 to 475C.525; and
- "(b) Shall be deposited in the Marijuana Control and Regulation Fund established under ORS 4 475C.297.". 5
- 6 In line 13, delete "3" and insert "8".
- In line 31, after "(a)" insert "Subject to section 3 of this 2025 Act,". 7
- On page 3, line 8, delete "4" and insert "9". 8
- In line 23, delete "5" and insert "10". 9
- After line 40, insert: 10

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- "SECTION 11. ORS 475C.548 is amended to read:
- "475C.548. (1) A laboratory that conducts testing of marijuana items or industrial hemp-derived vapor items as required by ORS 475C.544 must have a license to operate at the premises at which the marijuana items or industrial hemp-derived vapor items are tested.
 - "(2) For purposes of this section, the Oregon Liquor and Cannabis Commission shall adopt rules establishing:
 - "(a) Qualifications to be licensed under this section, including that an applicant for licensure under this section must be accredited by the Oregon Health Authority as described in ORS 475C.560;
- "(b) Processes for applying for and renewing a license under this section, which may be the same as the application process established under ORS 475C.033;
 - "(c) Fees for applying for, receiving and renewing a license under this section; and
- 22 "(d) Procedures for:
- 23 "(A) Tracking usable marijuana, cannabinoid products, cannabinoid concentrates or extracts or industrial hemp-derived vapor items to be tested; 24
 - "(B) Documenting and reporting test results; and
 - "(C) Disposing of samples of usable marijuana, cannabinoid products, cannabinoid concentrates or extracts or industrial hemp-derived vapor items that have been tested.
 - "(3) A license issued under this section:
 - "(a) Subject to section 3 of this 2025 Act, must be renewed annually.
 - "(b) Is subject to the conditions provided in ORS 475C.049 for licenses issued under ORS 475C.005 to 475C.525.
 - "(4) The commission may inspect premises licensed under this section to ensure compliance with ORS 475C.540 to 475C.586 and rules adopted under ORS 475C.540 to 475C.586.
 - "(5) Subject to the applicable provisions of ORS chapter 183, the commission may refuse to issue or renew, or may suspend or revoke, a license issued under this section for violation of:
- "(a) A provision of ORS 475C.540 to 475C.586 or a rule adopted under a provision of ORS 36 475C.540 to 475C.586; or 37
- "(b) A provision of ORS 475C.005 to 475C.525 or a rule adopted under a provision of ORS 38 475C.005 to 475C.525. 39
- 40 "(6) Fees adopted under subsection (2)(c) of this section must be reasonably calculated to pay 41 the expenses incurred by the commission under ORS 475C.540 to 475C.586.
- "(7) Fee moneys collected under this section shall be deposited in the Marijuana Control and 42 Regulation Fund established under ORS 475C.297 and are continuously appropriated to the commission for the purpose of carrying out the duties, functions and powers of the commission under ORS 475C.540 to 475C.586.".

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- In line 41, delete "6" and insert "12".
- 2 On page 5, delete lines 4 through 7.
- In line 8, delete "8" and insert "13".

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