Senate Bill 176

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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 says that some people who grow medical marijuana do not have to register with the OHA and that some others have to get a designation from the OLCC. The Act also protects some people who use medical marijuana from some kinds of unfair acts at work and in health care. (Flesch Readability Score: 60.0).

Removes requirements that a registry identification cardholder who produces marijuana for personal medical use register with the Oregon Health Authority. Requires a person responsible for a marijuana grow site that produces marijuana for medical use for three or more registry identification cardholders to apply for a designation from the Oregon Liquor and Cannabis Commission. Directs the authority to issue electronic registration cards. Requires a marijuana retailer to offer for sale medical grade cannabinoid items that contain not more than 20 percent total THC. Creates health care and employment protections for a person who is a registry identification cardholder.

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

1 A BILL FOR AN ACT

Relating to marijuana for medical use; creating new provisions; amending ORS 475C.009, 475C.013, 475C.017, 475C.037, 475C.073, 475C.121, 475C.149, 475C.177, 475C.441, 475C.457, 475C.497, 475C.773, 475C.783, 475C.786, 475C.792, 475C.800, 475C.806, 475C.809, 475C.812, 475C.815, 475C.827, 475C.833, 475C.856, 475C.862, 475C.889, 475C.945 and 475C.950; repealing ORS 475C.795, 475C.797, 475C.803 and 475C.871 and section 8, chapter 103, Oregon Laws 2018; and prescribing an effective date.

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

SECTION 1. Section 2 of this 2025 Act is added to and made a part of ORS 475C.005 to 475C.525.

SECTION 2. (1) In order to ensure a robust and comprehensive understanding of the impact of medical cannabis products and to support research and related policy decisions, the Oregon Health Authority and the Oregon Liquor and Cannabis Commission shall consolidate data collection regarding the medical use of marijuana and the use of adult use cannabis items. The authority and the commission shall make the data described in this section publicly available on a website operated by or on behalf of the commission.

- (2) The data must include, but are not limited to:
- (a) Data regarding marijuana grow sites registered under ORS 475C.792 and designated under ORS 475C.121 and premises for which a marijuana production license is issued under ORS 475C.065;
- (b) Health outcomes related to the medical use of marijuana and the use of adult use cannabis items:
- (c) Any data currently collected and maintained by the authority and the commission regarding demographics of registry identification cardholders;

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.

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- (d) Data regarding the development and maintenance of marijuana plant profiles; and
- (e) Other data the authority or the commission determine are important to achieve the goals described in this section.
- 4 **SECTION 3.** ORS 475C.009 is amended to read:
 - 475C.009. As used in ORS 475C.005 to 475C.525:
 - (1) "Adult use cannabinoid" includes, but is not limited to, tetrahydrocannabinols, tetrahydrocannabinolic acids that are artificially or naturally derived, delta-8-tetrahydrocannabinol, delta-9-tetrahydrocannabinol, the optical isomers of delta-8-tetrahydrocannabinol or delta-9-tetrahydrocannabinol and any artificially derived cannabinoid that is reasonably determined to have an intoxicating effect.
 - (2) "Adult use cannabis item" means:
- 12 (a) A marijuana item; or

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- (b) An industrial hemp commodity or product that exceeds:
- 14 (A) The concentration of adult use cannabinoids established by the Oregon Liquor and Cannabis 15 Commission, in consultation with the Oregon Health Authority and the State Department of Agri-16 culture, by rule; or
 - (B) The greater of:
 - (i) A concentration of more than 0.3 percent total delta-9-tetrahydrocannabinol; or
- 19 (ii) The concentration of total delta-9-tetrahydrocannabinol allowed under federal law.
 - (3)(a) "Artificially derived cannabinoid" means a chemical substance that is created by a chemical reaction that changes the molecular structure of any chemical substance derived from the plant Cannabis family Cannabaceae.
 - (b) "Artificially derived cannabinoid" does not include:
 - (A) A naturally occurring chemical substance that is separated from the plant Cannabis family Cannabaceae by a chemical or mechanical extraction process;
 - (B) Cannabinoids that are produced by decarboxylation from a naturally occurring cannabinoid acid without the use of a chemical catalyst; or
 - (C) Any other chemical substance identified by the commission, in consultation with the authority and the department, by rule.
 - (4) "Cannabinoid" means any of the chemical compounds that are the active constituents derived from marijuana.
- 32 (5) "Cannabinoid concentrate" means a substance obtained by separating cannabinoids from 33 marijuana by:
 - (a) A mechanical extraction process;
 - (b) A chemical extraction process using a nonhydrocarbon-based solvent, such as water, vegetable glycerin, vegetable oils, animal fats, isopropyl alcohol or ethanol;
 - (c) A chemical extraction process using carbon dioxide, provided that the process does not involve the use of high heat or pressure; or
 - (d) Any other process identified by the commission, in consultation with the authority, by rule.
 - (6) "Cannabinoid edible" means food or potable liquid into which a cannabinoid concentrate, cannabinoid extract or dried marijuana leaves or flowers have been incorporated.
- 42 (7) "Cannabinoid extract" means a substance obtained by separating cannabinoids from 43 marijuana by:
 - (a) A chemical extraction process using a hydrocarbon-based solvent, such as butane, hexane or propane;

- 1 (b) A chemical extraction process using carbon dioxide, if the process uses high heat or pres-2 sure; or
 - (c) Any other process identified by the commission, in consultation with the authority, by rule.
 - (8)(a) "Cannabinoid product" means a cannabinoid edible and any other product intended for human consumption or use, including a product intended to be applied to the skin or hair, that contains cannabinoids or dried marijuana leaves or flowers.
 - (b) "Cannabinoid product" does not include:
 - (A) Usable marijuana by itself;
 - (B) A cannabinoid concentrate by itself;
- 10 (C) A cannabinoid extract by itself; or
 - (D) Industrial hemp.

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- (9) "Consumer" means a person who purchases, acquires, owns, holds or uses marijuana items other than for the purpose of resale.
- (10) "Deliver" means the actual, constructive or attempted transfer from one person to another of a marijuana item, whether or not there is an agency relationship.
- (11) "Delta-9-tetrahydrocannabinol" or "delta-9-THC" means (6aR,10aR)-6,6,9-trimethyl-3-pentyl-6a,7,8,10a-tetrahydro-6H- benzo[c]chromen-1-ol.
- (12) "Delta-9-tetrahydrocannabinolic acid" or "delta-9-THCA" means (6aR,10aR)-1-hydroxy-6,6,9-trimethyl-3-pentyl-6a,7,8,10a- tetrahydro-6H-benzo[c]chromene-2-carboxylic acid.
 - (13) "Designated primary caregiver" has the meaning given that term in ORS 475C.777.
- (14)(a) "Financial consideration" means value that is given or received either directly or indirectly through sales, barter, trade, fees, charges, dues, contributions or donations.
- (b) "Financial consideration" does not include marijuana, cannabinoid products or cannabinoid concentrates that are delivered within the scope of and in compliance with ORS 475C.305.
- (15) "Homegrown" means grown by a person 21 years of age or older for noncommercial purposes.
- (16) "Household" means a housing unit and any place in or around a housing unit at which the occupants of the housing unit are producing, processing, possessing or storing homegrown marijuana, cannabinoid products, cannabinoid concentrates or cannabinoid extracts.
- (17) "Housing unit" means a house, an apartment or a mobile home, or a group of rooms or a single room that is occupied as separate living quarters, in which the occupants live and eat separately from any other persons in the building and that has direct access from the outside of the building or through a common hall.
 - (18) "Immature marijuana plant" means a marijuana plant that is not flowering.
 - (19) "Industrial hemp" has the meaning given that term in ORS 571.269.
- (20) "Licensee" means a person that holds a license issued under ORS 475C.065, 475C.085, 475C.093, 475C.097 or 475C.548 or a designation under ORS 475C.121.
- (21) "Licensee representative" means an owner, director, officer, manager, employee, agent or other representative of a licensee, to the extent that the person acts in a representative capacity.
- (22)(a) "Manufacture" means producing, propagating, preparing, compounding, converting or processing a marijuana item, either directly or indirectly, by extracting from substances of natural origin.
- (b) "Manufacture" includes any packaging or repackaging of a marijuana item or the labeling or relabeling of a container containing a marijuana item.
- 45 (23)(a) "Marijuana" means the plant Cannabis family Cannabaceae, any part of the plant

- 1 Cannabis family Cannabaceae and marijuana seeds.
 - (b) "Marijuana" does not include:
- 3 (A) Industrial hemp; or

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- (B) Prescription drugs, as that term is defined in ORS 689.005, including those containing one or more cannabinoids, that are approved by the United States Food and Drug Administration and dispensed by a pharmacy, as defined in ORS 689.005.
- (24) "Marijuana flowers" means the flowers of the plant genus Cannabis within the plant family Cannabaceae.
 - (25)(a) "Marijuana grow site" means a location at which marijuana is grown on behalf of a registry identification cardholder.
- (b) "Marijuana grow site" does not include a marijuana grow site registered under ORS 475C.792.
 - [(25)] (26) "Marijuana items" means marijuana, cannabinoid products, cannabinoid concentrates and cannabinoid extracts.
- [(26)] (27) "Marijuana leaves" means the leaves of the plant genus Cannabis within the plant family Cannabaceae.
 - [(27)] (28) "Marijuana processor" means:
 - (a) A person that processes marijuana items in this state; or
 - (b) A person that holds a license issued under ORS 475C.085 and processes industrial hemp commodities or products pursuant to ORS 571.336.
 - [(28)] (29) "Marijuana producer" means a person that produces marijuana in this state.
- [(29)] (30) "Marijuana retailer" means a person that sells marijuana items to a consumer in this state.
 - [(30)(a)] (31)(a) "Marijuana seeds" means the seeds of the plant Cannabis family Cannabaceae.
 - (b) "Marijuana seeds" does not include the seeds of industrial hemp.
 - [(31)] (32) "Marijuana wholesaler" means a person that purchases marijuana items in this state for resale to a person other than a consumer.
 - [(32)] (33) "Mature marijuana plant" means a marijuana plant that is not an immature marijuana plant.
 - [(33)] (34) "Medical grade cannabinoid product, cannabinoid concentrate or cannabinoid extract" means a cannabinoid product, cannabinoid concentrate or cannabinoid extract that has a concentration of adult use cannabinoids that is permitted under ORS 475C.620 in a single serving of the cannabinoid product, cannabinoid concentrate or cannabinoid extract for consumers who hold a valid registry identification card issued under ORS 475C.783.
 - [(34)] (35) "Medical purpose" means a purpose related to using usable marijuana, cannabinoid products, cannabinoid concentrates or cannabinoid extracts to mitigate the symptoms or effects of a debilitating medical condition, as defined in ORS 475C.777.
 - [(35)] (36) "Noncommercial" means not dependent or conditioned upon the provision or receipt of financial consideration.
- 40 [(36)(a)] (37)(a) "Premises" includes the following areas of a location licensed **or designated**41 under ORS 475C.005 to 475C.525 or 475C.548:
 - (A) All public and private enclosed areas at the location that are used in the business operated at the location, including offices, kitchens, rest rooms and storerooms;
 - (B) All areas outside a building that the commission has specifically licensed for the processing, wholesale sale or retail sale of marijuana items; and

- (C) For a location that the commission has specifically licensed **or designated** for the production of marijuana outside a building, that portion of the location used to produce marijuana.
 - (b) "Premises" does not include a primary residence.
- 4 [(37)(a)] (38)(a) "Processes" means the processing, compounding or conversion of:
 - (A) Marijuana into cannabinoid products, cannabinoid concentrates or cannabinoid extracts; or
 - (B) Pursuant to ORS 571.336, industrial hemp or industrial hemp commodities or products into industrial hemp commodities or products that contain cannabinoids and are intended for human consumption or use.
 - (b) "Processes" does not include packaging or labeling.
- 10 [(38)(a)] (39)(a) "Produces" means the manufacture, planting, cultivation, growing or harvesting of marijuana.
 - (b) "Produces" does not include:

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- (A) The drying of marijuana by a marijuana processor, if the marijuana processor is not otherwise producing marijuana; or
- (B) The cultivation and growing of an immature marijuana plant by a marijuana processor, marijuana wholesaler or marijuana retailer if the marijuana processor, marijuana wholesaler or marijuana retailer purchased or otherwise received the plant from a licensed marijuana producer.
- [(39)] (40) "Propagate" means to grow immature marijuana plants or to breed or produce marijuana seeds.
- [(40)] (41) "Public place" means a place to which the general public has access and includes, but is not limited to, hallways, lobbies and other parts of apartment houses and hotels not constituting rooms or apartments designed for actual residence, and highways, streets, schools, places of amusement, parks, playgrounds and areas used in connection with public passenger transportation.
 - [(41)] (42) "Registry identification cardholder" has the meaning given that term in ORS 475C.777.
- [(42)] (43) "Total delta-9-tetrahydrocannabinol" or "total delta-9-THC" means the sum of the concentration or mass of delta-9-THCA multiplied by 0.877 plus the concentration or mass of delta-9-THC.
 - [(43)(a)] (44)(a) "Usable marijuana" means the dried leaves and flowers of marijuana.
- 29 (b) "Usable marijuana" does not include:
- 30 (A) Marijuana seeds;
 - (B) The stalks and roots of marijuana; or
- 32 (C) Waste material that is a by-product of producing or processing marijuana.
 - **SECTION 4.** ORS 475C.013 is amended to read:
- 34 475C.013. ORS 475C.005 to 475C.525 may not be construed:
 - (1) To amend or affect state or federal law pertaining to employment matters;
 - (2) To amend or affect state or federal law pertaining to landlord-tenant matters;
 - (3) To prohibit a recipient of a federal grant or an applicant for a federal grant from prohibiting the manufacture, delivery, possession or use of marijuana to the extent necessary to satisfy federal requirements for the grant;
 - (4) To prohibit a party to a federal contract or a person applying to be a party to a federal contract from prohibiting the manufacture, delivery, possession or use of marijuana to the extent necessary to comply with the terms and conditions of the contract or to satisfy federal requirements for the contract:
 - (5) To require a person to violate a federal law;
- 45 (6) To exempt a person from a federal law or obstruct the enforcement of a federal law; or

(7) To amend or affect the Oregon Medical [Marijuana] Cannabis Act.

SECTION 5. ORS 475C.017 is amended to read:

475C.017. (1) The Oregon Liquor and Cannabis Commission has the duties, functions and powers specified in ORS 475C.005 to 475C.525 and 475C.540 to 475C.586 and the powers necessary or proper to enable the commission to carry out the commission's duties, functions and powers under ORS 475C.005 to 475C.525 and 475C.540 to 475C.586. The jurisdiction, supervision, duties, functions and powers of the commission extend to any person that produces, processes, transports, delivers, sells, purchases or tests a marijuana item in this state. The commission may sue and be sued.

- (2) The duties, functions and powers of the commission specified in ORS 475C.005 to 475C.525 and 475C.540 to 475C.586 include the following:
- (a) To regulate the production, processing, transportation, delivery, sale, purchase and testing of marijuana items in accordance with the provisions of ORS 475C.005 to 475C.525 and 475C.540 to 475C.586.
- (b) To issue, renew, suspend, revoke or refuse to issue or renew licenses **or designations** for the production, processing, sale or testing of marijuana items, or other licenses related to the consumption of marijuana items, and to permit, in the commission's discretion, the transfer of a license between persons.
- (c) To adopt, amend or repeal rules as necessary to carry out the intent and provisions of ORS 475C.005 to 475C.525 and 475C.540 to 475C.586, including rules that the commission considers necessary to protect the public health and safety.
- (d) To exercise all powers incidental, convenient or necessary to enable the commission to administer or carry out the provisions of ORS 475C.005 to 475C.525 and 475C.540 to 475C.586 or any other law of this state that charges the commission with a duty, function or power related to marijuana. Powers described in this paragraph include, but are not limited to:
 - (A) Issuing subpoenas;
- (B) Compelling the attendance of witnesses;
- (C) Administering oaths;
- (D) Certifying official acts;
 - (E) Taking depositions as provided by law;
- (F) Compelling the production of books, payrolls, accounts, papers, records, documents and testimony; and
 - (G) Establishing fees in addition to the application, licensing, **designating** and renewal fees described in ORS 475C.065, 475C.085, 475C.093, 475C.097, **475C.121** and 475C.548, provided that any fee established by the commission is reasonably calculated not to exceed the cost of the activity for which the fee is charged.
 - (e) To adopt rules regulating and prohibiting advertising marijuana items in a manner:
 - (A) That is appealing to minors;
 - (B) That promotes excessive use;
 - (C) That promotes illegal activity; or
 - (D) That otherwise presents a significant risk to public health and safety.
- 41 (f) To regulate the use of marijuana items for other purposes as deemed necessary or appropri-42 ate by the commission.
 - (g) To establish pilot programs, of not more than three years in duration, to expand access to marijuana for medical use for registry identification cardholders and designated primary caregivers, as defined in ORS 475C.777.

- (h) To regulate the processing, transportation, delivery, sale, purchase and testing of artificially derived cannabinoids in accordance with the provisions of ORS 475C.005 to 475C.525 and 475C.540 to 475C.586.
- (i) To regulate the testing and labeling of inhalant delivery systems, as defined in ORS 431A.175, that include industrial hemp-derived vapor items, as defined in ORS 475C.540, that are sold in this state by any person.
- (3) Fees collected pursuant to subsection (2)(d)(G) of this section shall be deposited in the Marijuana Control and Regulation Fund established under ORS 475C.297.

SECTION 6. ORS 475C.037 is amended to read:

- 475C.037. (1) The Oregon Liquor and Cannabis Commission may not license **or designate** an applicant under the provisions of ORS 475C.005 to 475C.525 or 475C.548 if the applicant is under 21 years of age.
- (2) The commission may refuse to issue a license **or designation** or may issue a restricted license to an applicant under the provisions of ORS 475C.005 to 475C.525 or 475C.548 if the commission makes a finding that the applicant:
- (a) Is in the habit of using alcoholic beverages, habit-forming drugs, marijuana or controlled substances to excess.
 - (b) Has made false statements to the commission.
- (c) Is incompetent or physically unable to carry on the management of the establishment proposed to be licensed.
- (d) Has been convicted of violating a federal law, state law or local ordinance if the conviction is substantially related to the fitness and ability of the applicant to lawfully carry out activities under the license.
 - (e) Is not of good repute and moral character.
- (f) Does not have a good record of compliance with ORS 475C.005 to 475C.525 or 475C.540 to 475C.586 or any rule adopted under ORS 475C.005 to 475C.525 or 475C.540 to 475C.586.
- (g) Is not the legitimate owner of the premises proposed to be licensed **or designated**, or has not disclosed that other persons have ownership interests in the premises proposed to be licensed **or designated**.
- (h) Has not demonstrated financial responsibility sufficient to adequately meet the requirements of the premises proposed to be licensed **or designated**.
- (i) Is unable to understand the laws of this state relating to marijuana items or the rules adopted under ORS 475C.005 to 475C.525 and 475C.540 to 475C.586.
- (3) Notwithstanding subsection (2)(d) of this section, in determining whether to issue a license or a restricted license to an applicant, the commission may not consider the prior conviction of the applicant or any owner, director, officer, manager, employee, agent or other representative of the applicant for:
 - (a) The manufacture of marijuana, if:
 - (A) The date of the conviction is two or more years before the date of the application; and
- 40 (B) The person has not been convicted more than once for the manufacture or delivery of 41 marijuana;
 - (b) The delivery of marijuana to a person 21 years of age or older, if:
 - (A) The date of the conviction is two or more years before the date of the application; and
 - (B) The person has not been convicted more than once for the manufacture or delivery of marijuana; or

(c) The possession of marijuana.

SECTION 7. ORS 475C.073 is amended to read:

475C.073. (1) A premises for which a marijuana producer holds a production license issued under ORS 475C.065 or a person responsible for a marijuana grow site designated under ORS 475C.121 and that is located in an area subject to the jurisdiction of a city or county that has adopted a prohibition under ORS 475C.950 on marijuana production, or has adopted or amended a county or local ordinance that causes marijuana production to be a nonconforming land use, since the date on which the production license was first issued may continue to be used to produce marijuana.

- (2) A premises described in subsection (1) of this section is not required to be continually owned or operated by the marijuana producer that was first issued a license under ORS 475C.065 or designation under ORS 475C.121.
- (3) A land use compatibility statement, in addition to that required for initial licensure, from the city or county is not required for a premises described in subsection (1) of this section if:
- (a) The marijuana producer **or person responsible for a marijuana grow site** is applying for [licensure] renewal **of a license or designation**; or
- (b) A change in ownership of the premises occurs but does not alter the marijuana plant grow canopy size or whether the marijuana plant grow canopy is indoors or outdoors.
- (4)(a) Alterations may be made to premises described in subsection (1) of this section if the alterations:
- (A) Are necessary in order for the premises to comply with a lawful requirement for alteration in production; or
- (B) In the production or in the buildings, structures or physical improvements associated with the premises have no greater adverse impact to the surrounding area.
- (b) The city or county that has jurisdiction over the premises shall perform an evaluation of proposed alterations and may deny only alterations that do not meet the criteria set out in this subsection.
- (5) If a premises described in subsection (1) of this section is not used for marijuana production for a period of at least 12 calendar months, marijuana production may not be resumed on the premises unless the marijuana production conforms to any zoning requirements or regulations applicable at the time of the proposed resumption.

SECTION 8. ORS 475C.121 is amended to read:

- 475C.121. (1) The Oregon Liquor and Cannabis Commission shall designate any marijuana producer that holds a license issued under ORS 475C.065 and that is registered under ORS 475C.137 as an exclusively medical licensee if the marijuana producer attests, in a form and manner prescribed by the commission, to:
 - (a) Producing marijuana only for medical purposes; and
- (b) Transferring usable marijuana only to marijuana processors registered under ORS 475C.141, marijuana wholesalers registered under ORS 475C.145, marijuana retailers registered under ORS 475C.149, registry identification cardholders and designated primary caregivers.
- (2)(a) The commission shall designate, in the manner described for licenses in ORS 475C.049, a person responsible for a marijuana grow site that produces marijuana for three or more registry identification cardholders as an exclusively medical producer registrant if the person makes the attestations described in subsection (1) of this section and applies to the commission in the manner described in ORS 475C.033.

- (b) The commission may require fingerprints of the applicant for the purpose of requesting a state or nationwide criminal records check under ORS 181A.195.
- (c) A designation issued under this section shall carry the same privileges and properties as those described for licenses in ORS 475C.045.
- (d) Prior to receiving a designation under this subsection, an applicant shall request a land use compatibility statement as described in ORS 475C.053.
- (e) Except as otherwise provided by law, a designation issued under this subsection is subject to the provisions of ORS 475C.005 to 475C.525 as if the designation were a license issued under ORS 475C.065.
- (f) Notwithstanding ORS 475C.077, a person designated under this subsection is subject to the possession limits described in ORS 475C.806 and 475C.809 and to the transfer limits described in ORS 475C.800.
- (g) The commission may not require a person to whom a designation has been issued under this subsection to use a security system or any component of a security system, such as video surveillance, an alarm system, sensors or physical barriers, at the marijuana grow site for which the person is responsible.
- [(2)] (3) [If the commission makes a designation under this section,] The commission shall keep a record of the [designation] of the designations made under this section.
- (4) The commission may charge a fee for a designation under this section not exceed \$500 per year.

SECTION 9. ORS 475C.149 is amended to read:

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- 475C.149. (1) To sell marijuana items at retail for medical purposes, a marijuana retailer that holds a license issued under ORS 475C.097 must register with the Oregon Liquor and Cannabis Commission under this section.
- (2) The commission shall register a marijuana retailer for the purpose of selling marijuana items at retail for medical purposes if the marijuana retailer:
 - (a) Holds a license issued under ORS 475C.097;
 - (b) Meets any qualifications adopted by the commission by rule;
 - (c) Applies to the commission in a form and manner prescribed by the commission; and
 - (d) Pays any fee adopted by the commission by rule.
 - (3) A marijuana retailer registered under this section:
- (a) May sell medical grade cannabinoid products, cannabinoid concentrates and cannabinoid extracts to registry identification cardholders and designated primary caregivers;
- (b) May not sell medical grade cannabinoid products, cannabinoid concentrates and cannabinoid extracts to individuals other than registry identification cardholders and designated primary caregivers;
- (c) May sell usable marijuana and medical grade cannabinoid products, cannabinoid concentrates and cannabinoid extracts to registry identification cardholders and designated primary caregivers at a discounted price; [and]
- (d) May provide, for no consideration, usable marijuana and medical grade cannabinoid products, cannabinoid concentrates and cannabinoid extracts to a registry identification cardholder and the designated primary caregiver of the registry identification cardholder[.]; and
- (e) If the marijuana retailer sells cannabinoid products, cannabinoid concentrates and cannabinoid extracts, shall offer a selection for sale to registry identification cardholders and designated primary caregivers of medical grade cannabinoid products, cannabinoid concen-

trates and cannabinoid extracts that have a potency of not more than 20 percent total delta-9-tetrahydrocannabinol.

- (4)(a) The commission shall adopt rules necessary to administer this section.
- (b) The rules must provide that any fee adopted by the commission under subsection (2)(d) of this section be in an amount reasonably calculated to not exceed, together with other fees collected under ORS 475C.005 to 475C.525, the cost of administering ORS 475C.005 to 475C.525.

SECTION 10. ORS 475C.177 is amended to read:

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- 475C.177. (1) The Oregon Liquor and Cannabis Commission shall develop and maintain a system for tracking the transfer of marijuana items between premises for which licenses **or designations** have been issued under ORS 475C.005 to 475C.525 or 475C.548.
 - (2) The purposes of the system developed and maintained under this section include, but are not limited to:
 - (a) Preventing the diversion of marijuana items to criminal enterprises, gangs, cartels and other states;
 - (b) Preventing persons from substituting or tampering with marijuana items;
 - (c) Ensuring an accurate accounting of the production, processing and sale of marijuana items;
 - (d) Ensuring that laboratory testing results are accurately reported; and
 - (e) Ensuring compliance with ORS 475C.005 to 475C.525 and 475C.540 to 475C.586, rules adopted under ORS 475C.005 to 475C.525 and 475C.540 to 475C.586 and any other law of this state that charges the commission with a duty, function or power related to marijuana.
 - (3) The system developed and maintained under this section must be capable of tracking, at a minimum:
 - (a) The propagation of immature marijuana plants and the production of marijuana by a marijuana producer or a person responsible for a marijuana grow site designated under ORS 475C.121;
 - (b) The processing of marijuana by a marijuana processor;
 - (c) The receiving, storing and delivering of marijuana items by a marijuana wholesaler;
 - (d) The sale of marijuana items by a marijuana retailer to a consumer;
- 29 (e) The sale and purchase of marijuana items between licensees, as permitted by ORS 475C.005 30 to 475C.525;
 - (f) The transfer of marijuana items between premises for which licenses have been issued under ORS 475C.005 to 475C.525 or 475C.548; and
 - (g) Any other information that the commission determines is reasonably necessary to accomplish the duties, functions and powers of the commission under ORS 475C.005 to 475C.525 and 475C.540 to 475C.586.

SECTION 11. ORS 475C.441 is amended to read:

- 475C.441. (1) As used in this section, "designated primary caregiver," "immature marijuana plant," "marijuana," "medical cannabinoid product" and "registry identification cardholder" have the meanings given those terms in ORS 475C.777.
- 40 (2) A city or county may not adopt an ordinance, by referral or otherwise, that prohibits or otherwise limits:
 - (a) The privileges described in ORS 475C.305; or
 - (b) The right of a registry identification cardholder and the designated primary caregiver of a registry identification cardholder to:
 - (A) Possess the seeds of marijuana, immature marijuana plants or medical cannabinoid products

1 as described in ORS 475C.770 to 475C.919;

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- (B) Jointly possess up to six mature marijuana plants and up to 12 immature marijuana plants under ORS 475C.806 [(1)]; or
- 4 (C) Jointly possess up to 24 ounces of usable marijuana under ORS 475C.809 (1).
 - SECTION 12. ORS 475C.457 is added to and made a part of ORS 475C.005 to 475C.525.
- 6 **SECTION 13.** ORS 475C.457 is amended to read:
 - 475C.457. (1) The governing body of a city or county may repeal an ordinance that prohibits the establishment of any one or more of the following in the area subject to the jurisdiction of the city or in the unincorporated area subject to the jurisdiction of the county:
 - (a) Marijuana processing sites registered under ORS 475C.815;
 - (b) Medical marijuana dispensaries registered under ORS 475C.833;
- 12 (c) Marijuana producers that hold a license issued under ORS 475C.065;
 - (d) Marijuana processors that hold a license issued under ORS 475C.085;
 - (e) Marijuana wholesalers that hold a license issued under ORS 475C.093;
- 15 (f) Marijuana retailers that hold a license issued under ORS 475C.097;
 - (g) Marijuana producers that hold a license issued under ORS 475C.065 and that the Oregon Liquor and Cannabis Commission has designated as an exclusively medical licensee under ORS 475C.121 and persons responsible for a marijuana grow site that the commission has designated under ORS 475C.121;
 - (h) Marijuana processors that hold a license issued under ORS 475C.085 and that the commission has designated as an exclusively medical licensee under ORS 475C.125;
 - (i) Marijuana wholesalers that hold a license issued under ORS 475C.093 and that the commission has designated as an exclusively medical licensee under ORS 475C.129;
 - (j) Marijuana retailers that hold a license issued under ORS 475C.097 and that the commission has designated as an exclusively medical licensee under ORS 475C.133; or
 - (k) Any combination of the entities described in this subsection.
 - (2) If the governing body of a city or county repeals an ordinance under this section, the governing body must provide the text of the ordinance:
 - (a) To the Oregon Health Authority, in a form and manner prescribed by the authority, if the ordinance concerns a medical marijuana dispensary registered under ORS 475C.833 or a marijuana processing site registered under ORS 475C.815; or
 - (b)(A) To the commission, in a form and manner prescribed by the commission, if the ordinance concerns a premises for which a license has been issued under ORS 475C.005 to 475C.525; and
 - (B) To the Oregon Department of Administrative Services, in a form and manner prescribed by the department, within 30 days of enactment of the repeal of the ordinance, if the ordinance concerns a premises for which issuance of a license is required under ORS 475C.065, 475C.085, 475C.093 or 475C.097.
 - **SECTION 14.** ORS 475C.497 is amended to read:
 - 475C.497. Except for ORS 475C.489 and 475C.493, ORS 475C.005 to 475C.525:
 - (1) Do not apply to the extent a person acts within the scope of and in compliance with the Oregon Medical [Marijuana] Cannabis Act; and
 - (2) Do not amend or affect duties, functions and powers of the Oregon Health Authority under the Oregon Medical [Marijuana] Cannabis Act.
 - **SECTION 15.** ORS 475C.773 is amended to read:
- 45 475C.773. ORS 475C.770 to 475C.919 shall be known as the Oregon Medical [Marijuana]

Cannabis Act.

SECTION 16. ORS 475C.783 is amended to read:

475C.783. (1) The Oregon Health Authority shall establish a program for the issuance of registry identification cards to applicants who meet the requirements of this section. The authority shall issue an electronic registry identification card that includes a quick response code and enables the registry identification cardholder to print the registry identification card.

- (2) The authority shall issue a registry identification card to an applicant who is 18 years of age or older if the applicant pays a fee in an amount established by the authority by rule and submits to the authority an application containing the following information:
- (a) Written documentation from the applicant's attending provider stating that the attending provider has diagnosed the applicant as having a debilitating medical condition and that the medical use of marijuana may mitigate the symptoms or effects of the applicant's debilitating medical condition;
 - (b) The name, address and date of birth of the applicant;
 - (c) The name, address and telephone number of the applicant's attending provider;
 - (d) Proof of residency, submitted in a form required by the authority by rule;
- (e) The name and address of the applicant's designated primary caregiver, if the applicant is designating a primary caregiver under ORS 475C.789; and
- (f) [The information described in ORS 475C.792 (2),] If the applicant is applying to [produce marijuana or] designate another person [under ORS 475C.792] to produce marijuana on the applicant's behalf, the name and address of the designee.
- [(3)(a)] (3) The authority shall issue a registry identification card to an applicant who is under 18 years of age if:
- [(A)] (a) The applicant pays the fee and submits the application described in subsection (2) of this section; and
- [(B)] (b) The custodial parent or legal guardian who is responsible for the health care decisions of the applicant signs and submits to the authority a written statement that:
- [(i)] (A) The applicant's attending provider has explained to the applicant and to the custodial parent or legal guardian the possible risks and benefits of the medical use of marijuana;
- [(ii)] (B) The custodial parent or legal guardian consents to the medical use of marijuana by the applicant;
- [(iii)] (C) The custodial parent or legal guardian agrees to serve as the applicant's designated primary caregiver; and
- [(iv)] (D) The custodial parent or legal guardian agrees to control the acquisition, dosage and frequency of the medical use of marijuana by the applicant.
- [(b) An applicant who is under 18 years of age may not apply to produce marijuana under subsection (2)(f) of this section.]
 - (4) The authority shall:
- (a) On the date on which the authority receives an application described in subsection (2) of this section, issue a receipt to the applicant verifying that the authority received an application under subsection (2) or (3) of this section; and
- (b) Approve or deny an application received under subsection (2) or (3) of this section within 30 days after receiving the application.
- (5)(a) If the authority approves an application, the authority shall issue a serially numbered **electronic** registry identification card to the applicant within five days after approving the appli-

- 1 cation. The registry identification card must include the following information:
 - (A) The registry identification cardholder's name, address and date of birth;
 - (B) The issuance date and expiration date of the registry identification card;
 - (C) If the registry identification cardholder designated a primary caregiver under ORS 475C.789, the name and address of the registry identification cardholder's designated primary caregiver; and
 - (D) Any other information required by the authority by rule.
 - (b) If the registry identification cardholder designated a primary caregiver under ORS 475C.789, the authority shall issue an **electronic** identification card to the designated primary caregiver. The identification card must contain the information required by paragraph (a) of this subsection.
 - (6) A registry identification cardholder shall:

- (a) In a form and manner prescribed by the authority, notify the authority of any change concerning the registry identification cardholder's:
 - (A) Name, address or attending provider;
- (B) Designated primary caregiver, including the designation of a primary caregiver made at a time other than at the time of applying for or renewing a registry identification card; or
- (C) Person responsible for a marijuana grow site, including the designation of a person responsible for a marijuana grow site made at a time other than at the time of applying for or renewing a registry identification card.
- (b) **Subject to subsection (13) of this section,** annually renew the registry identification card by paying a fee in an amount established by the authority by rule and submitting to the authority an application that contains the following information:
- (A) Updated written documentation from the registry identification cardholder's attending provider stating that the registry identification cardholder still has a debilitating medical condition and that the medical use of marijuana may mitigate the symptoms or effects of the registry identification cardholder's debilitating medical condition;
 - (B) The information described in subsection (2)(b) to (f) of this section; and
- (C) If the registry identification cardholder is under 18 years of age, a statement signed by the custodial parent or legal guardian of the registry identification cardholder that meets the requirements of subsection (3) of this section.
 - (7) The authority shall:
- (a) On the date on which the authority receives an application described in subsection (2) of this section, issue a receipt to the applicant verifying that the authority received an application under subsection (6)(b) of this section; and
- (b) Approve or deny an application received under subsection (6)(b) of this section within 30 days after receiving the application.
- (8)(a) If the registry identification cardholder's attending provider determines that the registry identification cardholder no longer has a debilitating medical condition, or determines that the medical use of marijuana is contraindicated for the registry identification cardholder's debilitating medical condition, the registry identification cardholder [shall return the registry identification card to] notify the authority of the determination within 30 calendar days after receiving notice of the determination[.] and the authority shall invalidate the electronic registry identification card.
- (b) If, because of circumstances beyond the control of the registry identification cardholder, a registry identification cardholder is unable to obtain a second medical opinion about the registry identification cardholder's continuing eligibility for the medical use of marijuana before having to [return the registry identification card to] **notify** the authority, the authority may grant the registry

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1 identification cardholder additional time to obtain a second medical opinion.

- (9)(a) The authority may deny an application for a registry identification card or an application to renew a registry identification card, or may suspend or revoke a registry identification card, if:
- (A) The applicant or registry identification cardholder does not provide the information required by this section;
- (B) The authority determines that the applicant or registry identification cardholder provided false information; or
- (C) The authority determines that the applicant or registry identification cardholder violated a provision of ORS 475C.770 to 475C.919 or a rule adopted under ORS 475C.770 to 475C.919.
- (b) If **the authority revokes** a registry identification card [is revoked], **the authority shall also revoke** any associated identification card issued under subsection (5)(b) of this section[,] or marijuana grow site registration card issued under ORS 475C.792 [(6), shall also be revoked].
- (c) A person whose application is denied, or whose registry identification card is revoked, under this subsection may not reapply for a registry identification card for six months from the date of the denial or revocation unless otherwise authorized by the authority.
- (10)(a) The authority may deny a designation of a primary caregiver made under ORS 475C.789, or suspend or revoke an associated identification card issued under subsection (5)(b) of this section, if the authority determines that the designee or the registry identification cardholder violated a provision of ORS 475C.770 to 475C.919 or a rule adopted under ORS 475C.770 to 475C.919.
- (b) A person whose designation has been denied, or whose identification card has been revoked, under this subsection may not be designated as a primary caregiver under ORS 475C.789 for six months from the date of the denial or revocation unless otherwise authorized by the authority.
- (11)(a) Notwithstanding subsection (2) or (6)(b) of this section, if an applicant for a registry identification card, or a registry identification cardholder applying for renewal of a registry identification card, submits to the authority proof of having served in the Armed Forces of the United States, the authority:
- (A) May not impose a fee that is greater than \$20 for the issuance or renewal of the registry identification card; and
- (B) Must waive the fee for the issuance or renewal of the registry identification card if the applicant submits proof of having a United States Department of Veterans Affairs total disability rating of at least 50 percent as a result of an injury or illness that the veteran incurred, or that was aggravated, during active military service and who received a discharge or release under other than dishonorable conditions.
- (b) Notwithstanding subsection (6)(b)(A) of this section, the requirement that a registry identification cardholder include in the application to renew a registry identification card updated written documentation from the cardholder's attending provider regarding the cardholder's continuing debilitating medical condition does not apply to a service-disabled veteran who:
- (A) Has been assigned a total and permanent disability rating for compensation that rates the veteran as unable to secure or follow a substantially gainful occupation as a result of service-connected disabilities as described in 38 C.F.R. 4.16; or
- (B) Has a United States Department of Veterans Affairs total disability rating of 100 percent as a result of an injury or illness that the veteran incurred, or that was aggravated, during active military service and who received a discharge or release under other than dishonorable conditions.
- (c) Notwithstanding subsection (2) or (6)(b) of this section, if an applicant for a registry identification card, or registry identification cardholder applying for renewal of a registry

identification card, submits to the authority proof of qualification for federal Social Security disability benefits, the commission may not impose a fee that is greater than \$20 for the issuance or renewal of the registry identification card.

- (12) For any purpose described in ORS 475C.770 to 475C.919, including exemption from criminal liability under ORS 475C.883, a receipt issued by the authority verifying that an application has been submitted to the authority under subsection (2), (3) or (6)(b) of this section has the same legal effect as a registry identification card for 30 days following the date on which the receipt was issued to the applicant.
- (13) The authority may issue a permanent electronic registry identification card under this section. A registry identification cardholder who holds a permanent electronic registry identification card is not required to apply for renewal of the card under this section.

SECTION 17. ORS 475C.786 is amended to read:

475C.786. A designated primary caregiver may assist the designating registry identification cardholder with any matter related to the medical use of marijuana, including[:]

- [(1) The production of marijuana at the address provided by the registry identification cardholder to the Oregon Health Authority pursuant to ORS 475C.783 (2)(f); and]
 - [(2)] the processing of marijuana into cannabinoid concentrates or medical cannabinoid products. **SECTION 18.** ORS 475C.792 is amended to read:

475C.792. (1)(a) The Oregon Health Authority shall establish by rule a marijuana grow site registration system to track and regulate the production of marijuana by a [registry identification cardholder or a person designated by the registry identification cardholder to produce marijuana for the registry identification cardholder] person designated to produce marijuana for not more than two registry identification cardholders.

- (b) Except as provided in paragraph (c) of this subsection, a person may not produce marijuana unless the person is registered under this section.
- (c) Paragraph (b) of this subsection does not apply to the production of marijuana as provided in ORS 475C.005 to 475C.525 or as otherwise provided for by the statutory laws of this state.
- (2) Rules adopted under this section must require an applicant for a registry identification card[, or a registry identification cardholder who produces marijuana or] who designates another person to produce marijuana[,] to submit an application to the authority containing the following information at the time of making an application under ORS 475C.783 (2), renewing a registry identification card under ORS 475C.783 (6)(b), or notifying the authority of a change under ORS 475C.783 (6)(a):
 - (a) The name of the person responsible for the marijuana grow site;
 - (b) Proof that the person is 21 years of age or older;
- (c) If the [registry identification cardholder or the] person responsible for the marijuana grow site is not the owner of the premises of the marijuana grow site, signed informed consent from the owner of the premises to register the premises as a marijuana grow site;
 - (d) The address of the marijuana grow site; and
- (e) Any other information that the authority considers necessary to track the production of marijuana under ORS 475C.770 to 475C.919.
- (3)(a) The authority shall conduct a criminal records check under ORS 181A.195 of any person whose name is submitted under this section as the person responsible for a marijuana grow site.
- (b) A person convicted of a Class A or Class B felony under ORS 475.752 to 475.920 for the manufacture or delivery of a controlled substance in Schedule I or Schedule II may not act as or

be designated a person responsible for a marijuana grow site for two years from the date of conviction.

- (c) A person convicted more than once of a Class A or Class B felony under ORS 475.752 to 475.920 for the manufacture or delivery of a controlled substance in Schedule I or Schedule II may not act as or be designated a person responsible for a marijuana grow site.
- (4) Subject to subsection (11) of this section, the authority shall issue [a] an electronic marijuana grow site registration card if the requirements of subsections (2) and (3) of this section are met. The electronic marijuana grow site registration card must include a quick response code and allow the holder to print the marijuana grow site registration card.
- (5) A person who holds a marijuana grow site registration card under this section [must display the card at the marijuana grow site at all times] shall provide proof of the card upon request of the authority.
- (6) **Proof of** a marijuana grow site registration card [must be obtained and posted] for each registry identification cardholder for whom marijuana is being produced at a marijuana grow site must be available upon request of the authority.
- (7)(a) All seeds, immature marijuana plants, mature marijuana plants and usable marijuana associated with the production of marijuana for a registry identification cardholder by a person responsible for a marijuana grow site are the property of the registry identification cardholder.
- (b) All seeds, immature marijuana plants, mature marijuana plants and usable marijuana associated with the production of marijuana for a registry identification cardholder by a person responsible for a marijuana grow site must be transferred to the registry identification cardholder upon the request of the registry identification cardholder.
- (c) All usable marijuana associated with the production of marijuana for a registry identification cardholder by a person responsible for a marijuana grow site must be transferred to a marijuana processing site upon the request of the registry identification cardholder. For purposes of this paragraph, a request to transfer usable marijuana constitutes an assignment of the right to possess the usable marijuana.
- (d) All seeds, immature marijuana plants and usable marijuana associated with the production of marijuana for a registry identification cardholder by a person responsible for a marijuana grow site must be transferred to a medical marijuana dispensary upon request of the registry identification cardholder. For purposes of this paragraph, a request to transfer seeds, immature marijuana plants or usable marijuana constitutes an assignment of the right to possess the seeds, immature marijuana plants or usable marijuana.
- [(e) Information related to transfers made under this subsection must be submitted to the authority in the manner required by ORS 475C.795.]
- (8) A registry identification cardholder, or the designated **primary** caregiver of a registry identification cardholder, may reimburse a person responsible for a marijuana grow site for all costs associated with the production of marijuana for the registry identification cardholder.
 - (9) The authority may inspect:

- (a) The marijuana grow site of a person designated to produce marijuana by a registry identification cardholder to ensure compliance with this section [and ORS 475C.795 and 475C.806] and any rule adopted under this section [and ORS 475C.795 and 475C.806]; and
- (b) The records of the marijuana grow site of a person designated to produce marijuana by a registry identification cardholder to ensure compliance with this section [and ORS 475C.795] and any rule adopted under this section [and ORS 475C.795].

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- (10) The authority may refuse to register [a registry identification cardholder or a designee under this section] or may suspend or revoke the registration of a person responsible for a marijuana grow site if the authority determines that [the applicant or] the person responsible for a marijuana grow site violated a provision of ORS 475C.770 to 475C.919, a rule adopted under ORS 475C.770 to 475C.919 or an ordinance adopted pursuant to ORS 475C.827.
- (11) The authority may require a person responsible for a marijuana grow site, prior to issuing a marijuana grow site registration card under subsection (4) of this section, to pay a fee reasonably calculated to pay costs incurred under this section and ORS [475C.795 and] 475C.856.

SECTION 19. ORS 475C.800 is amended to read:

- 475C.800. (1) Subject to subsection (2) of this section, a marijuana grow site may transfer up to [20] **45** pounds of usable marijuana per year to a person that holds a license issued under ORS 475C.085 or 475C.093, provided that:
 - (a) The transfer is tracked using the system developed and maintained under ORS 475C.177;
 - [(b) More than 12 mature marijuana plants are produced at the marijuana grow site;]
- [(c)] (b) The usable marijuana has been assigned to the person responsible for the marijuana grow site pursuant to ORS 475C.798;
- [(d)] (c) The usable marijuana has been tested in accordance with the provisions of ORS 475C.540 to 475C.586; and
- [(e)] (d) The marijuana grow site first registered with the Oregon Health Authority under ORS 475C.792 on or before August 2, 2017.
- (2) If the Oregon Liquor and Cannabis Commission determines that the supply of marijuana items offered for sale by marijuana retailers that hold a license issued under ORS 475C.097 is exceeding consumer demand for the marijuana items, and if the commission determines that the market for marijuana items in this state will not self-correct for the excess, the commission may issue an order that temporarily reduces the amount of usable marijuana that may be transferred pursuant to this section or that temporarily suspends the ability to transfer usable marijuana pursuant to this section.

SECTION 20. ORS 475C.806 is amended to read:

- 475C.806. [(1)(a) A registry identification cardholder and the designated primary caregiver of the registry identification cardholder may jointly possess:]
 - [(A) Six or fewer mature marijuana plants; and]
 - [(B) Twelve or fewer immature marijuana plants.]
- [(b)(A) Unless an address is the marijuana grow site of a person designated to produce marijuana by a registry identification cardholder, the address where a registry identification cardholder or the primary caregiver of a registry identification cardholder produces marijuana may be used to produce not more than:]
- [(i) Six or fewer mature marijuana plants per registry identification cardholder, up to 12 mature marijuana plants; and]
- [(ii) Twelve or fewer immature marijuana plants per registry identification cardholder, up to 24 immature marijuana plants.]
- [(B) Except as provided in subparagraph (C) of this paragraph, an address that is subject to this paragraph may not be used to produce plants in the genus Cannabis within the plant family Cannabaceae pursuant to ORS 475C.305.]
- [(C) Subject to subparagraph (D) of this paragraph, an address that is subject to this paragraph may be used to produce plants in the genus Cannabis within the plant family Cannabaceae pursuant

- to ORS 475C.305 if a person other than a registry identification cardholder who is using the address to produce marijuana plants pursuant to ORS 475C.770 to 475C.919 resides at the address.]
- 3 [(D) An address that is subject to this paragraph may not be used to produce more than 12 total 4 mature marijuana plants.]
 - [(2)(a)] (1) A person may be designated to produce marijuana under ORS 475C.792 by no more than [eight] two registry identification cardholders.
 - [(b)](2)(a) Except as provided in paragraph (b) of this subsection, a person responsible for a marijuana grow site may produce for a registry identification cardholder who designates the person to produce marijuana no more than:
 - (A) Six mature marijuana plants;

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- (B) 12 immature marijuana plants that are 24 inches or more in height; and
- (C) The [amount] **number**, established by the Oregon Health Authority by rule, of immature marijuana plants that are less than 24 inches in height.
 - [(3) If the address of a person responsible for a marijuana grow site registered under ORS 475C.792 is located within city limits in an area zoned for residential use:]
- [(a) Except as provided in paragraph (b) of this subsection, no more than the following amounts of marijuana plants may be produced at the address:]
 - [(A) 12 mature marijuana plants;]
 - [(B) 24 immature marijuana plants that are 24 inches or more in height; and]
- [(C) The amount, established by the authority by rule, of immature marijuana plants that are less than 24 inches in height; or]
 - (b) Subject to subsection [(5)] (4) of this section, if each person responsible for a marijuana grow site located at the address first registered with the authority under ORS 475C.792 before January 1, 2015, no more than the following [amounts] numbers of marijuana plants may be produced at the address:
 - (A) The [amount] **number** of mature marijuana plants located at that address on December 31, 2014, in excess of 12 mature marijuana plants, not to exceed 24 mature marijuana plants;
 - (B) 48 immature marijuana plants that are 24 inches or more in height; and
 - (C) The [amount] **number**, established by the authority by rule, of immature marijuana plants that are less than 24 inches in height.
 - [(4)] (3) Subject to subsection (4) of this section, if the address of a person responsible for a marijuana grow site registered under ORS 475C.792 is [located in an area other than an area described in subsection (3) of this section:]
 - [(a) Except as provided in paragraph (b) of this subsection, no more than the following amounts of marijuana plants may be produced at the address:]
 - [(A) 48 mature marijuana plants;]
 - [(B) 96 immature marijuana plants that are 24 inches or more in height; and]
- 38 [(C) The amount, established by the authority by rule, of immature marijuana plants that are less 39 than 24 inches in height; or]
 - [(b) Subject to subsections (5) and (6) of this section, if] not located in an area zoned for residential use and each person responsible for a marijuana grow site located at the address first registered with the authority under ORS 475C.792 before January 1, 2015, no more than the following [amounts] numbers of marijuana plants may be produced at the address:
- 44 [(A)] (a) The [amount] number of mature marijuana plants located at that address on December 45 31, 2014, in excess of 48 mature marijuana plants, not to exceed 96 mature marijuana plants;

- [(B)] (b) 192 immature marijuana plants that are 24 inches or more in height; and
- [(C)] (c) The [amount] **number**, established by the authority by rule, of immature marijuana plants that are less than 24 inches in height.
- [(5)(a)] (4) If the authority suspends or revokes the registration of a person responsible for a marijuana grow site that is located at an address described in subsection [(3)(b)] (2)(b) of this section, no more than the $[following\ amounts]$ numbers of marijuana plants described in subsection (2)(a) of this section may subsequently be produced at any address described in subsection (2)(b) or (3) of this section at which the person responsible for the marijuana grow site produces marijuana.[:]
 - [(A) 12 mature marijuana plants;]

- [(B) 24 immature marijuana plants that are 24 inches or more in height; and]
- [(C) The amount, established by the authority by rule, of immature marijuana plants that are less than 24 inches in height.]
- [(b) If the authority suspends or revokes the registration of a person responsible for a marijuana grow site that is located at an address described in subsection (4)(b) of this section, no more than the following amounts of marijuana plants may subsequently be produced at any address described in subsection (4) of this section at which the person responsible for the marijuana grow site produces marijuana:]
 - [(A) 48 mature marijuana plants;]
 - [(B) 96 immature marijuana plants that are 24 inches or more in height; and]
- [(C) The amount, established by the authority by rule, of immature marijuana plants that are less than 24 inches in height.]
- [(6)] (5) If a registry identification cardholder who designated a person to produce marijuana for the registry identification cardholder pursuant to ORS 475C.792 terminates the designation, the person responsible for the marijuana grow site whose designation has been terminated [may not be designated to produce marijuana by another registry identification cardholder, except that the person] may be designated to produce marijuana by another registry identification cardholder [if no more than 48 mature marijuana plants and no more than 96 immature marijuana plants that are 24 or more inches in height are produced at the address for the marijuana grow site at which the person produces marijuana].
- [(7)] (6) Subject to the limits described in subsections (2) to [(6)] (5) of this section, if multiple persons responsible for a marijuana grow site under ORS 475C.792 are located at the same address, the persons designated to produce marijuana by registry identification cardholders who are located at that address may collectively produce marijuana plants for any number of registry identification cardholders who designate the persons to produce marijuana, except that the total number of registry identification cardholders for whom marijuana is produced at the address may not exceed more than two registry identification cardholders for each person responsible for a marijuana grow site located at the address.
- [(8)] (7) If a law enforcement officer determines that there is a number of marijuana plants at an address in excess of the quantities specified in this section, or that an address is being used to produce a number of marijuana plants in excess of the quantities specified in subsection [(1)(b)] (2) of this section, the law enforcement officer may confiscate only the excess number of marijuana plants.
- **SECTION 21.** ORS 475C.809 is amended to read:
 - 475C.809. (1) Except as provided in subsection (2) of this section, a registry identification

cardholder and the designated primary caregiver of the registry identification cardholder may jointly possess no more than 24 ounces of usable marijuana.

- (2) Subject to subsection (3) of this section, a person designated to produce marijuana by a registry identification cardholder may possess the amount of usable marijuana that the person harvests from the person's mature marijuana plants[, provided that the person may not possess usable marijuana in excess of the amount of usable marijuana in the person's possession as reported to the Oregon Health Authority under ORS 475C.795].
- (3) A person designated to produce marijuana by a registry identification cardholder may not possess usable marijuana in excess of:
- (a) For a marijuana grow site located outdoors, 12 pounds of usable marijuana per mature marijuana plant; or
- (b) For a marijuana grow site located indoors, six pounds of usable marijuana per mature marijuana plant.

SECTION 22. ORS 475C.812 is amended to read:

475C.812. A person to whom a registry identification card has been issued under ORS 475C.783 (5)(a), an identification card has been issued under ORS 475C.783 (5)(b), or a marijuana grow site registration card has been issued under ORS 475C.792, may not possess marijuana, usable marijuana, medical cannabinoid products, cannabinoid concentrates or cannabinoid extracts in a location other than the address on file with the Oregon Health Authority unless the person is [carrying] able to provide proof of issuance of the card.

SECTION 23. ORS 475C.815 is amended to read:

475C.815. (1)(a) The Oregon Health Authority shall establish by rule a marijuana processing site registration system to track and regulate the processing of marijuana by a person responsible for a marijuana processing site.

- (b) Except as provided in paragraph (c) of this subsection, a person may not process marijuana unless the person is registered under this section.
- (c) Paragraph (b) of this subsection does not apply to the processing of marijuana as provided in ORS 475C.005 to 475C.525 or as otherwise provided for by the statutory laws of this state.
- (2) The registration system established under subsection (1) of this section must require an applicant for a marijuana processing site to submit an application to the authority that includes:
- (a) The name of the individual who owns the marijuana processing site or, if a business entity owns the marijuana processing site, the name of each individual who has a financial interest in the marijuana processing site;
- (b) The name of the individual or individuals responsible for the marijuana processing site, if different from the name of the individual who owns the marijuana processing site;
 - (c) The address of the marijuana processing site;
- (d) Proof that each individual responsible for the marijuana processing site is 21 years of age or older;
- (e) Documentation, as required by the authority by rule, that demonstrates the marijuana processing site meets the requirements of subsection (3) of this section; and
 - (f) Any other information that the authority considers necessary.
 - (3) To qualify for registration under this section, a marijuana processing site:
- (a) May not be located in an area that is zoned for residential use if the marijuana processing site processes cannabinoid extracts;
 - (b) Must be registered as a business, or have filed an application to register as a business, with

the office of the Secretary of State; and

- (c) Must meet the requirements of any rule adopted by the authority under subsection (10) of this section.
- (4)(a) The authority shall conduct a criminal records check under ORS 181A.195 for each individual named in an application under subsection (2) of this section.
- (b) An individual convicted for the manufacture or delivery of a controlled substance in Schedule I or Schedule II may not own or be responsible for a marijuana processing site for two years from the date the individual is convicted.
- (c) An individual convicted more than once for the manufacture or delivery of a controlled substance in Schedule I or Schedule II may not own or be responsible for a marijuana processing site.
- (5) If a person submits the application required under subsection (2) of this section, if the marijuana processing site identified in the application meets the requirements of this section and any rules adopted under this section and if each individual named in the application passes the criminal records check required under subsection (4) of this section, the authority shall register the marijuana processing site and issue **electronic** proof of registration. Proof of registration must be [displayed on the premises of the marijuana processing site at all times] **provided by the holder at any time upon request of the authority**.
- (6) A marijuana processing site that is registered under this section is not required to register with the State Board of Pharmacy under ORS 475.125.
- (7) The individual or individuals responsible for a marijuana processing site shall maintain documentation of each transfer of usable marijuana, medical cannabinoid products, cannabinoid concentrates and cannabinoid extracts.
 - (8) The authority may inspect:
- (a) The premises of a proposed marijuana processing site or a registered marijuana processing site to ensure compliance with this section and ORS 475C.821 and 475C.824 and any rules adopted under this section and ORS 475C.821 and 475C.824; and
- (b) The records of a registered marijuana processing site to ensure compliance with subsection (7) of this section.
- (9) Subject to the provisions of ORS chapter 183, the authority may refuse to register an applicant under this section or may suspend or revoke the registration of a marijuana processing site if the authority determines that the applicant, the owner of the marijuana processing site, a person responsible for the marijuana processing site, or an employee of the marijuana processing site, violated a provision of ORS 475C.770 to 475C.919, a rule adopted under ORS 475C.770 to 475C.919 or an ordinance adopted pursuant to ORS 475C.897.
 - (10) The authority shall adopt rules to implement this section, including rules that:
- (a) Require a registered marijuana processing site to annually renew the registration for that site:
 - (b) Establish fees for registering, and renewing the registration of, a marijuana processing site;
- (c) Require that medical cannabinoid products, cannabinoid concentrates and cannabinoid extracts transferred by a marijuana processing site be tested to ensure the public health and safety; and
- (d) Impose any other standard on the operation of a marijuana processing site to ensure the public health and safety.

SECTION 24. ORS 475C.827 is amended to read:

475C.827. (1)(a) Except as provided in paragraph (b) of this subsection, a marijuana processing site may not transfer medical cannabinoid products, cannabinoid concentrates or cannabinoid extracts to a person other than another marijuana processing site or a medical marijuana dispensary.

- (b) A marijuana processing site may transfer a medical cannabinoid product, cannabinoid concentrate or cannabinoid extract to a registry identification cardholder, or the designated primary caregiver of a registry identification cardholder, [provided that the registry identification cardholder or designated primary caregiver provides the marijuana processing site with] if the marijuana to be processed into the medical cannabinoid product, cannabinoid concentrate or cannabinoid extract was provided to the marijuana processing site on behalf of the registry identification cardholder and the marijuana processing site receives no compensation for the transfer.
- (c) A registry identification cardholder, or the designated primary caregiver of a registry identification cardholder, may reimburse a marijuana processing site for all costs associated with the processing of marijuana for the registry identification cardholder.
- (2) A person other than a marijuana processing site may not transfer medical cannabinoid products, cannabinoid concentrates or cannabinoid extracts to a medical marijuana dispensary.
- (3)(a) A marijuana processing site may receive from a person responsible for a marijuana grow site marijuana produced on behalf of a registry identification cardholder. The marijuana processing site may transfer the marijuana, and a medical cannabinoid product, cannabinoid concentrate or cannabinoid extract to the registry identification cardholder, or the designated primary caregiver of the registry identification cardholder, on whose behalf the marijuana was transferred to the marijuana processor.
- (b) A person responsible for a marijuana grow site may transfer to a marijuana processor marijuana produced at the grow site for a registry identification cardholder at the request of the registry identification cardholder or the designated primary caregiver of the registry identification cardholder.

SECTION 25. ORS 475C.833 is amended to read:

- 475C.833. (1)(a) The Oregon Health Authority shall establish by rule a medical marijuana dispensary registration system for the purpose of tracking and regulating the transfer of:
- (A) Usable marijuana, immature marijuana plants and seeds from registry identification cardholders, designated primary caregivers and persons responsible for marijuana grow sites to medical marijuana dispensaries;
- (B) Medical cannabinoid products, cannabinoid concentrates and cannabinoid extracts from persons responsible for marijuana processing sites to medical marijuana dispensaries; and
- (C) Usable marijuana, immature marijuana plants, seeds, medical cannabinoid products, cannabinoid concentrates and cannabinoid extracts from medical marijuana dispensaries to registry identification cardholders and designated primary caregivers.
- (b) A person may not operate an establishment for the purpose of providing the services described in paragraph (a) of this subsection unless the person is registered under this section.
- (2) The registration system established under subsection (1) of this section must require an applicant for a medical marijuana dispensary to submit an application to the authority that includes:
- (a) The name of the individual who owns the medical marijuana dispensary or, if a business entity owns the medical marijuana dispensary, the name of each individual who has a financial interest in the medical marijuana dispensary;
- (b) The name of the individual or individuals responsible for the medical marijuana dispensary, if different from the name of the individual who owns the medical marijuana dispensary;

(c) The address of the medical marijuana dispensary;

- (d) Proof that each individual responsible for the medical marijuana dispensary is 21 years of age or older;
- (e) Documentation, as required by the authority by rule, that demonstrates the medical marijuana dispensary meets the requirements of subsection (3) of this section; and
 - (f) Any other information that the authority considers necessary.
 - (3) To qualify for registration under this section, a medical marijuana dispensary:
 - (a) May not be located in an area that is zoned for residential use;
 - (b) May not be located at the same address as a marijuana grow site;
- 10 (c) Must be registered as a business, or have filed an application to register as a business, with 11 the office of the Secretary of State;
 - (d) Except as provided under ORS 475C.840, 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 public elementary or secondary school for which attendance is compulsory under ORS 339.020; or
- 17 (C) A private or parochial elementary or secondary school, teaching children as described in 18 ORS 339.030 (1)(a);
 - (e) Must not be located within 1,000 feet of another medical marijuana dispensary; and
 - (f) Must meet the requirements of any rule adopted by the authority under subsection (10) of this section.
 - (4)(a) The authority shall conduct a criminal records check under ORS 181A.195 for each individual named in an application submitted under subsection (2) of this section.
 - (b) An individual convicted for the manufacture or delivery of a controlled substance in Schedule I or Schedule II may not own or be responsible for a medical marijuana dispensary for two years from the date the individual is convicted.
 - (c) An individual convicted more than once for the manufacture or delivery of a controlled substance in Schedule I or Schedule II may not own or be responsible for a medical marijuana dispensary.
 - (5) If a person submits the application required under subsection (2) of this section, if the medical marijuana dispensary identified in the application meets the requirements of this section and any rules adopted under this section and if each individual named in the application passes the criminal records check required under subsection (4) of this section, the authority shall register the medical marijuana dispensary and issue electronic proof of registration. Proof of registration must be [displayed on the premises of the medical marijuana dispensary at all times] provided by the holder at any time upon request of the authority.
 - (6) A medical marijuana dispensary that is registered under this section is not required to register with the State Board of Pharmacy under ORS 475.125.
 - (7) The individual or individuals responsible for a medical marijuana dispensary shall maintain documentation of each transfer of usable marijuana, medical cannabinoid products, cannabinoid concentrates, cannabinoid extracts, immature marijuana plants and seeds.
 - (8) The authority may inspect:
 - (a) The premises of a proposed medical marijuana dispensary or a registered medical marijuana dispensary to ensure compliance with this section and ORS 475C.843 and any rules adopted under this section or ORS 475C.843; and

- (b) The records of a registered medical marijuana dispensary to ensure compliance with subsection (7) of this section.
- (9) Subject to the provisions of ORS chapter 183, the authority may refuse to register an applicant under this section or may suspend or revoke the registration of a medical marijuana dispensary if the authority determines that the applicant, the owner of the medical marijuana dispensary, a person responsible for the medical marijuana dispensary, or an employee of the medical marijuana dispensary, violated a provision of ORS 475C.770 to 475C.919, a rule adopted under ORS 475C.770 to 475C.919 or an ordinance adopted pursuant to ORS 475C.897.
 - (10) The authority shall adopt rules to implement this section, including rules that:
- (a) Require a registered medical marijuana dispensary to annually renew the registration for that dispensary;
- (b) Establish fees for registering, and renewing the registration of, a medical marijuana dispensary;
- (c) Require that each medical marijuana dispensary install and maintain a minimum security system that includes video surveillance, an alarm system and a safe;
- (d) Require that usable marijuana, medical cannabinoid products, cannabinoid concentrates, cannabinoid extracts and immature marijuana plants transferred by a medical marijuana dispensary be tested to ensure the public health and safety; and
- (e) Impose any other standard on the operation of a medical marijuana dispensary to ensure the public health and safety.

SECTION 26. ORS 475C.856 is amended to read:

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475C.856. (1) The Oregon Health Authority shall develop and maintain a database of information related to [the production of marijuana by persons designated to produce marijuana by a registry identification cardholder,] the processing of marijuana by a marijuana processing site under ORS 475C.815 and the transfer of usable marijuana, medical cannabinoid products, cannabinoid concentrates and cannabinoid extracts by medical marijuana dispensaries under ORS 475C.833. At a minimum, the database must include the information submitted to the authority under ORS [475C.795,] 475C.821 and 475C.843.

- (2)(a) Subject to paragraph (c) of this subsection, the authority may provide information that is stored in the database developed and maintained under this section to a law enforcement agency.
- (b) Subject to paragraph (c) of this subsection, the authority may provide information that is stored in the database developed and maintained under this section to the regulatory agencies of a city or county.
 - (c) The authority may not disclose:
- (A) Any personally identifiable information related to a registry identification cardholder or a designated primary caregiver that is stored in the database developed and maintained under this section.
- (B) Any information related to the amount and type of usable marijuana, medical cannabinoid products, cannabinoid concentrates and cannabinoid extracts transferred to or by [persons designated to produce marijuana by a registry identification cardholder,] marijuana processing sites or medical marijuana dispensaries.
- (3) Nothing in this section prevents a law enforcement agency from lawfully obtaining information that is stored in the database developed and maintained under this section by subpoena.

SECTION 27. ORS 475C.862 is amended to read:

475C.862. (1) Any personally identifiable information, as defined in ORS 432.005, other than a

- name of an individual or an address submitted with an application under ORS 475C.815 or 475C.833, that the Oregon Health Authority collects and maintains for purposes of registering a marijuana grow site under ORS 475C.792, a marijuana processing site under ORS 475C.815, or a medical marijuana dispensary under ORS 475C.833, is confidential and not subject to public disclosure under ORS 192.311 to 192.478, except that the authority may provide personally identifiable information to a person registered under ORS 475C.770 to 475C.919 if the registrant requests the information and the information is related to a designation made under ORS 475C.770 to 475C.919.
 - (2) Any personally identifiable information, as defined in ORS 432.005, submitted to the authority under ORS [475C.795,] 475C.821 or 475C.843 or pursuant to ORS 475C.856 is confidential and not subject to public disclosure under ORS 192.311 to 192.478.
 - (3) Any record that the authority keeps or maintains for purposes related to the installation or maintenance of a security system by a medical marijuana dispensary pursuant to rules adopted under ORS 475C.833 (10) is confidential and not subject to public disclosure under ORS 192.311 to 192.478.

SECTION 28. ORS 475C.889 is amended to read:

- 475C.889. (1) Except as provided in ORS 475C.886, a person has an affirmative defense to a criminal charge of possession, delivery or manufacture of marijuana, or any other criminal offense in which possession, delivery or manufacture of marijuana is an element, if the person charged with the offense:
- (a) Was diagnosed with a debilitating medical condition within 12 months of the date on which the person was arrested and was advised by the person's attending provider that the medical use of marijuana may mitigate the symptoms or effects of that debilitating medical condition;
 - (b) Is engaged in the medical use of marijuana; and
- (c) Possesses, delivers or manufactures marijuana only in quantities permitted under ORS 475C.806.
- (2) A person does not need to lawfully possess a registry identification card to assert the affirmative defense established in this section.
- (3) A person engaged in the medical use of marijuana who claims that marijuana provides medically necessary benefits and who is charged with a crime pertaining to the use of marijuana is not precluded from presenting a defense of choice of evils, as set forth in ORS 161.200, or from presenting evidence supporting the necessity of marijuana for treatment of a specific disease or medical condition, provided that:
- (a) The person possesses, delivers or manufactures marijuana only as permitted under ORS 475C.806 [(1)]; and
- (b) The person has taken a substantial step toward complying with the provisions of ORS 475C.770 to 475C.919.
- (4) A defendant proposing to use the affirmative defense established in this section in a criminal action shall, not less than five days before the trial of the cause, file and serve upon the district attorney a written notice of the intention to assert the affirmative defense. The notice must specifically state the reasons why the defendant is entitled to assert the affirmative defense and the factual basis for the affirmative defense. If the defendant fails to file and serve the notice, the defendant is not permitted to assert the affirmative defense at the trial of the cause unless the court orders, for good cause, otherwise.
- SECTION 29. ORS 475C.945 is amended to read:
- 475C.945. If a city or county enacts or has enacted an ordinance prohibiting or allowing

- marijuana processing sites registered under ORS 475C.815 or medical marijuana dispensaries registered under ORS 475C.833, the governing body of the city or the county may amend the ordinance, without referring the amendment to the electors of the city or county under ORS 475C.950, to prohibit or allow the premises of a licensee, as those terms are defined in ORS 475C.009, that has been designated an exclusively medical licensee under ORS 475C.121, 475C.125, 475C.129 or 475C.133 or the premises of a person that has been designated as an exclusively medical producer registrant under ORS 475C.121.
 - **SECTION 30.** ORS 475C.950 is amended to read:

- 475C.950. (1) The governing body of a city or county may adopt ordinances to be referred to the electors of the city or county as described in subsection (2) of this section that prohibit or allow the establishment of any one or more of the following in the area subject to the jurisdiction of the city or in the unincorporated area subject to the jurisdiction of the county:
 - (a) Marijuana processing sites registered under ORS 475C.815;
 - (b) Medical marijuana dispensaries registered under ORS 475C.833;
- (c) Marijuana producers that hold a license issued under ORS 475C.065;
- (d) Marijuana processors that hold a license issued under ORS 475C.085;
- (e) Marijuana wholesalers that hold a license issued under ORS 475C.093;
- (f) Marijuana retailers that hold a license issued under ORS 475C.097;
- (g) Marijuana producers that hold a license issued under ORS 475C.065 and that the Oregon Liquor and Cannabis Commission has designated as an exclusively medical licensee under ORS 475C.121 and persons responsible for a marijuana grow site that the commission has designated under ORS 475C.121;
- (h) Marijuana processors that hold a license issued under ORS 475C.085 and that the commission has designated as an exclusively medical licensee under ORS 475C.125;
- (i) Marijuana wholesalers that hold a license issued under ORS 475C.093 and that the commission has designated as an exclusively medical licensee under ORS 475C.129;
- (j) Marijuana retailers that hold a license issued under ORS 475C.097 and that the commission has designated as an exclusively medical licensee under ORS 475C.133; or
 - (k) Any combination of the entities described in this subsection.
- (2) If the governing body of a city or county adopts an ordinance under this section, the governing body shall submit the measure of the ordinance to the electors of the city or county for approval at the next statewide general election.
- (3) If the governing body of a city or county adopts an ordinance under this section, the governing body must provide the text of the ordinance:
- (a) To the Oregon Health Authority, in a form and manner prescribed by the authority, if the ordinance concerns a medical marijuana dispensary registered under ORS 475C.833 or a marijuana processing site registered under ORS 475C.815; or
- (b) To the commission, if the ordinance concerns a premises for which a license has been issued under ORS 475C.005 to 475C.525.
- (4)(a) Upon receiving notice of a prohibition under subsection (3) of this section, the authority shall discontinue registering those entities to which the prohibition applies until the date of the next statewide general election.
- (b) Upon receiving notice of a prohibition under subsection (3) of this section, the commission shall discontinue licensing those premises to which the prohibition applies until the date of the next statewide general election.

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- (5)(a) If an allowance is approved at the next statewide general election under subsection (2) of this section, and the allowance concerns an entity described in subsection (1)(a) or (b) of this section, the authority shall begin registering the entity to which the allowance applies on the first business day of the January immediately following the date of the statewide general election.
- (b) If an allowance is approved at the next statewide general election under subsection (2) of this section, and the allowance concerns an entity described in subsection (1)(c) to (j) of this section, the commission shall begin licensing the premises to which the allowance applies on the first business day of the January immediately following the date of the next statewide general election.
- (6) If the electors of a city or county approve an ordinance prohibiting or allowing an entity described in subsection (1)(a), (b) or (g) to (j) of this section, the governing body of the city or county may amend the ordinance, without referring the amendment to the electors of the city or county, to prohibit or allow any other entity described in subsection (1)(a), (b) or (g) to (j) of this section.
- (7) Notwithstanding any other provisions of law, a city or county that adopts an ordinance under this section that prohibits the establishment of an entity described in subsection (1) of this section may not impose a tax or fee on the production, processing or sale of marijuana or any product into which marijuana has been incorporated.
- (8) Notwithstanding subsection (1) of this section, a medical marijuana dispensary is not subject to an ordinance adopted under this section if the medical marijuana dispensary:
- (a) Is registered under ORS 475C.833 on or before the date on which the governing body adopts the ordinance; and
 - (b) Has successfully completed a city or county land use application process.
- (9) Notwithstanding subsection (1) of this section, a marijuana processing site is not subject to an ordinance adopted under this section if the marijuana processing site:
- (a) Is registered under ORS 475C.815 on or before the date on which the governing body adopts the ordinance; and
 - (b) Has successfully completed a city or county land use application process.
- SECTION 31. If the grow site of a person responsible for a marijuana grow site registered under ORS 475C.792 that is designated under ORS 475C.121 by the Oregon Liquor and Cannabis Commission as an exclusively medical producer registrant is located within the boundaries of a city or county that prohibits the establishment of marijuana producers that hold a license issued under ORS 475C.065 and that the commission has designated as an exclusively medical licensee under ORS 475C.121, the person may continue to produce marijuana at the grow site unless the Oregon Health Authority revokes the person's registration under ORS 475C.792 or the commission revokes the person's designation under ORS 475C.121.

SECTION 32. (1) As used in this section:

- (a) "Health care facility" has the meaning given that term in ORS 442.015.
- 38 (b) "Health professional regulatory board" has the meaning given that term in ORS 39 676.160.
 - (c) "Medical resources" includes but is not limited to:
- 41 (A) Medical devices or equipment.
 - (B) Prescription drugs.
 - (C) Laboratory testing.
- 44 (d) "Provider" means:

45 (A) An individual licensed or certified by a health professional regulatory board.

(B) A health care facility.

- (e) "Registry identification cardholder" has the meaning given that term in ORS 475C.777.
- (2) It is unlawful for a provider or any person acting on behalf of a provider to discriminate against a patient by doing any of the following based on the fact that a patient is a registry identification cardholder who uses medical marijuana to mitigate the symptoms or effects of the patient's debilitating medical condition:
- (a) Deny medical treatment to the patient that is likely to benefit the patient based on an individualized assessment of the patient using objective medical evidence; or
 - (b) Limit or restrict in any manner the allocation of medical resources to the patient.
- SECTION 33. Sections 34 and 35 of this 2025 Act are added to and made a part of ORS chapter 659A.

SECTION 34. (1) As used in this section and section 35 of this 2025 Act:

- (a) "Cannabinoid" has the meaning given that term in ORS 475C.009.
- (b) "Employment decision" means any decision relating to the hiring, promoting, terminating or disciplining of an employee or prospective employee.
 - (c) "Marijuana" has the meaning given that term in ORS 475C.777.
 - (d) "Registry identification cardholder" has the meaning given that term in ORS 475C.777.
- (2) It is an unlawful practice for an employer or prospective employer to make an employment decision solely on the basis that the employee or prospective employee:
- (a) Is a registry identification cardholder who uses medical marijuana to mitigate the symptoms or effects of a debilitating medical condition.
- (b) Has tested positive for cannabinoid metabolites following any employment-related drug test required by the employer if the positive test result is in connection with the employee's or prospective employee's use of marijuana as a registry identification cardholder.
 - (3) Nothing in this section:
 - (a) Prevents an employer from:
- (A) Making an employment decision based upon the employer's reasonable suspicion that an employee is impaired at work due to recent marijuana use. An employer may not rely solely on a positive test result that confirms the presence of cannabinoid metabolites to establish the employer's reasonable suspicion of workplace impairment.
- (B) Prohibiting employees from using marijuana on workplace premises during or after working hours.
- (b) Applies to an employer that is a federal contractor or that receives federal grants that are subject to the federal Drug-Free Workplace Act of 1988 (41 U.S.C. 8101 et seq.).
- SECTION 35. It is an unlawful practice for any employer to require, as a condition of employment, that any employee or prospective employee who is a registry identification cardholder to refrain from using marijuana during nonworking hours to mitigate the symptoms or effects of a debilitating medical condition except when the restriction relates to the performance of work while impaired.
- <u>SECTION 36.</u> ORS 475C.795, 475C.797, 475C.803 and 475C.871 and section 8, chapter 103, Oregon Laws 2018, are repealed.
- <u>SECTION 37.</u> (1) Sections 2, 31, 32, 34 and 35 of this 2025 Act, the amendments to ORS 475C.009, 475C.013, 475C.017, 475C.037, 475C.073, 475C.121, 475C.149, 475C.177, 475C.441, 475C.457, 475C.497, 475C.773, 475C.783, 475C.786, 475C.792, 475C.800, 475C.806, 475C.809, 475C.812, 475C.815,

475C.827, 475C.833, 475C.856, 475C.862, 475C.889, 475C.945 and 475C.950 by sections 3 to 11 and 13 to 30 of this 2025 Act and the repeal of ORS 475C.795, 475C.797, 475C.803 and 475C.871 and section 8, chapter 103, Oregon Laws 2018, by section 36 of this 2025 Act become operative on January 1, 2026.

(2) The Oregon Health Authority and the Oregon Liquor and Cannabis Commission may take any action before the operative date specified in subsection (1) of this section that is necessary to enable the authority and the commission to exercise, on and after the operative date specified in subsection (1) of this section, all of the duties, functions and powers conferred on the authority and the commission by sections 2, 31, 32, 34 and 35 of this 2025 Act, the amendments to ORS 475C.009, 475C.013, 475C.017, 475C.037, 475C.073, 475C.121, 475C.149, 475C.177, 475C.441, 475C.457, 475C.497, 475C.773, 475C.783, 475C.786, 475C.792, 475C.800, 475C.806, 475C.809, 475C.812, 475C.815, 475C.827, 475C.833, 475C.856, 475C.862, 475C.889, 475C.945 and 475C.950 by sections 3 to 11 and 13 to 30 of this 2025 Act and the repeal of ORS 475C.795, 475C.797, 475C.803 and 475C.871 and section 8, chapter 103, Oregon Laws 2018, by section 36 of this 2025 Act.

SECTION 38. (1) On and after the effective date of this 2025 Act, the Oregon Health Authority may not issue or renew a registration for a marijuana grow site at which marijuana is produced for more than two registry identification cardholders. A person responsible for a marijuana grow site at which marijuana is produced for three or more registry identification cardholders that is first registered under ORS 475C.792 prior to the effective date of this 2025 Act and that holds a registration that must be renewed after the effective date of this 2025 Act and on or before the operative date specified in section 37 of this 2025 Act may continue to produce marijuana at the marijuana grow site until the operative date specified in section 37 of this 2025 Act.

(2) On and after the operative date specified in section 37 of this 2025 Act, a marijuana grow site that produces marijuana for three or more registry identification cardholders may produce marijuana only if the person responsible for the marijuana grow site is designated under ORS 475C.121.

SECTION 39. This 2025 Act takes effect on the 91st day after the date on which the 2025 regular session of the Eighty-third Legislative Assembly adjourns sine die.