## SENATE AMENDMENTS TO SENATE BILL 176

By COMMITTEE ON JUDICIARY

April 16

On page 1 of the printed bill, line 2, after "ORS" delete the rest of the line and delete lines 3 through 7 and insert "315.136, 475C.009, 475C.013, 475C.017, 475C.037, 475C.069, 475C.073, 475C.097, 475C.121, 475C.137, 475C.141, 475C.169, 475C.177, 475C.205, 475C.273, 475C.379, 475C.441, 475C.457, 475C.489, 475C.497, 475C.544, 475C.564, 475C.624, 475C.773, 475C.777, 475C.783, 475C.792, 475C.800, 475C.806, 475C.809, 475C.812, 475C.815, 475C.827, 475C.833, 475C.850, 475C.856, 475C.868, 475C.871, 475C.883, 475C.889, 475C.894, 475C.897, 475C.930, 475C.945, 475C.950, 537.387, 537.898 and 537.990; repealing ORS 475C.794, 475C.795, 475C.797, 475C.798 and 475C.803; and prescribing an effective date.".

Delete lines 9 through 24 and delete pages 2 through 29 and insert:

### "ADULT USE CANNABIS

"SECTION 1. Sections 2 and 3 of this 2025 Act are 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, the Oregon Liquor and Cannabis Commission, the State Department of Agriculture and the cannabis reference laboratory established under ORS 475C.523 shall consolidate data collection regarding the medical use of marijuana and the use of adult use cannabis items. The authority, commission, department and laboratory 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 grow site administrators designated under ORS 475C.121 and premises for which a marijuana production license is issued under ORS 475C.065;
- "(b) Any data currently collected and maintained by the authority, commission, department or laboratory regarding demographics of registry identification cardholders; and
- "(c) Other data the authority, commission, department or laboratory determines are important to achieve the goals described in this section.

"SECTION 3. (1) In order to hold a permit issued under ORS 475C.273, an individual who performs work for or on behalf of marijuana retailer that holds a license issued under ORS 475C.097 shall, once every three years, complete a responsible retailer certification training program approved by the Oregon Liquor and Cannabis Commission. A training program must include information about:

"(a) Compliance with retail inventory tracking system requirements;

- 1 "(b) Consumer privacy concerns;
- 2 "(c) Packaging and labeling requirements for adult use cannabis items;
- 3 "(d) Best practices for safe storage of adult use cannabis items;
- 4 "(e) Health and safety concerns related to the consumption and use of adult use cannabis 5 items and recommendations for safe use;
  - "(f) Driving under the influence of marijuana as provided in ORS 813.010;
  - "(g) Avoiding sales or other transfers to persons under 21 years of age;
- 8 "(h) Personal possession limits; and
- 9 "(i) The content of ORS 475C.770 to 475C.919 and rules adopted under ORS 475C.770 to 475C.919.
  - "(2) The commission may:

7

11

12

15

16

17 18

19

20

21

22

23

25

26 27

28 29

30

31

32

36

37

38

- "(a) Establish by rule a process to approve responsible retailer training programs.
- 13 "(b) Require a responsible retailer training program to include information in addition 14 to that specified in subsection (1) of this section.
  - "(c) Adopt other rules as necessary to carry out this section.
  - "SECTION 4. (1) Section 2 of this 2025 Act becomes operative on January 1, 2028.
  - "(2) The Oregon Health Authority, Oregon Liquor and Cannabis Commission and State Department of Agriculture may take any action before the operative date specified in subsection (1) of this section that is necessary to enable the authority, commission and department 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, commission and department by section 2 of this 2025 Act.
    - "SECTION 5. ORS 475C.009 is amended to read:
- 24 "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:
  - "(a) A marijuana item; or
    - "(b) An industrial hemp commodity or product that exceeds:
- 33 "(A) The concentration of adult use cannabinoids established by the Oregon Liquor and 34 Cannabis Commission, in consultation with the Oregon Health Authority and the State Department 35 of Agriculture, by rule; or
  - "(B) The greater of:
    - "(i) A concentration of more than 0.3 percent total delta-9-tetrahydrocannabinol; or
  - "(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.
- 42 "(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;
- 45 "(B) Cannabinoids that are produced by decarboxylation from a naturally occurring cannabinoid

acid without the use of a chemical catalyst; or

1

2

3 4

5

8

9

10 11

12

13

22

23

24

25

26

31

32 33

34

35

38 39

41

42

- "(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.
- 6 "(5) 'Cannabinoid concentrate' means a substance obtained by separating cannabinoids from 7 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.
- 16 "(7) 'Cannabinoid extract' means a substance obtained by separating cannabinoids from 17 marijuana by:
- 18 "(a) A chemical extraction process using a hydrocarbon-based solvent, such as butane, hexane 19 or propane;
- 20 "(b) A chemical extraction process using carbon dioxide, if the process uses high heat or pres-21 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:
- 27 "(A) Usable marijuana by itself;
- 28 "(B) A cannabinoid concentrate by itself;
- 29 "(C) A cannabinoid extract by itself; or
- 30 "(D) Industrial hemp.
  - "(9) 'Cannabis' means the plant Cannabis in the family Cannabaceae.
  - "[(9)] (10) 'Consumer' means a person who purchases, acquires, owns, holds or uses marijuana items other than for the purpose of resale.
  - "[(10)] (11) '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.
- 36 "[(11)] (12) 'Delta-9-tetrahydrocannabinol' or 'delta-9-THC' means (6aR,10aR)-6,6,9-37 trimethyl-3-pentyl-6a,7,8,10a-tetrahydro-6H- benzo[c]chromen-1-ol.
  - "[(12)] (13) '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.
- 40 "[(13)] (14) 'Designated primary caregiver' has the meaning given that term in ORS 475C.777.
  - "[(14)(a)] (15)(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.
- 45 "(16) 'Grow site administrator' means a person designated under ORS 475C.121 who

## produces marijuana for three or more registry identification cardholders.

- "[(15)] (17) 'Homegrown' means grown by a person 21 years of age or older for noncommercial purposes.
- "[(16)] (18) '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)] (19) '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)] (20) 'Immature marijuana plant' means a marijuana plant that is not flowering.
- "[(19)] (21) 'Industrial hemp' has the meaning given that term in ORS 571.269.
- 13 "[(20)] (22) '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)] (23) '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)] (24)(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.
  - "[(23)(a)] (25)(a) 'Marijuana' means the plant Cannabis family Cannabaceae, any part of the plant Cannabis family Cannabaceae and marijuana seeds.
    - "(b) 'Marijuana' does not include:
  - "(A) Industrial hemp; or

- "(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)] (26) 'Marijuana flowers' means the flowers of the plant genus Cannabis within the plant family Cannabaceae.
- "(27)(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 location at which a registry identification cardholder produces marijuana for use by the registry identification cardholder.
- "[(25)] (28) 'Marijuana items' means marijuana, cannabinoid products, cannabinoid concentrates and cannabinoid extracts.
- "[(26)] (29) 'Marijuana leaves' means the leaves of the plant genus Cannabis within the plant family Cannabaceae.
  - "[(27)] (30) '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)] (31) 'Marijuana producer' means a person that produces marijuana in this state.
- "[(29)] (32) 'Marijuana retailer' means a person that sells marijuana items to a consumer in this state.

- "[(30)(a)] (33)(a) 'Marijuana seeds' means the seeds of the plant Cannabis family Cannabaceae.
  - "(b) 'Marijuana seeds' does not include the seeds of industrial hemp.

- "[(31)] (34) 'Marijuana wholesaler' means a person that purchases marijuana items in this state for resale to a person other than a consumer.
- "[(32)] (35) 'Mature marijuana plant' means a marijuana plant that is not an immature marijuana plant.
  - "[(33)] (36) '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)] (37) '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.
- 15 "[(35)] (38) 'Noncommercial' means not dependent or conditioned upon the provision or receipt 16 of financial consideration.
  - "[(36)(a)] (39)(a) 'Premises' includes the following areas of a location licensed or designated 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.
    - "[(37)(a)] (40)(a) 'Processes' means the processing, compounding or conversion of:
- 27 "(A) Marijuana into cannabinoid products, cannabinoid concentrates or cannabinoid extracts; 28 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.
  - "[(38)(a)] (41)(a) 'Produces' means the manufacture, planting, cultivation, growing or harvesting of marijuana.
    - "(b) 'Produces' does not include:
    - "(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)] (42) 'Propagate' means to grow immature marijuana plants or to breed or produce marijuana seeds.
  - "[(40)] (43) '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)] (44) 'Registry identification cardholder' has the meaning given that term in ORS 475C.777.
- "[(42)] (45) '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.
- 6 "[(43)(a)] (46)(a) 'Usable marijuana' means the dried leaves and flowers of marijuana.
- 7 "(b) 'Usable marijuana' does not include:
- 8 "(A) Marijuana seeds;

9

13

14 15

16

17 18

19

20 21

22

23

24 25

26 27

28

29 30

31 32

33

34

35 36

37

38

39 40

41

42 43

44

45

- "(B) The stalks and roots of marijuana; or
- 10 "(C) Waste material that is a by-product of producing or processing marijuana.
- "SECTION 6. ORS 475C.013 is amended to read:
- 12 "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;
      - "(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 7. 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:
- 3 "(A) Issuing subpoenas;
- 4 "(B) Compelling the attendance of witnesses;
- 5 "(C) Administering oaths;

11

12

13

14 15

16

21

22

23 24

25

26

27

28

29

30

31

32 33

34 35

36

37 38

41

- 6 "(D) Certifying official acts;
- 7 "(E) Taking depositions as provided by law;
- 8 "(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;
- 17 "(C) That promotes illegal activity; or
- 18 "(D) That otherwise presents a significant risk to public health and safety.
- "(f) To regulate the use of marijuana items for other purposes as deemed necessary or appropriate 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 8. 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.
- 3 "(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
  - "(B) The person has not been convicted more than once for the manufacture or delivery of 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
- 22 "(B) The person has not been convicted more than once for the manufacture or delivery of 23 marijuana; or
  - "(c) The possession of marijuana.
  - "SECTION 9. ORS 475C.069 is amended to read:
  - "475C.069. (1) The requirement under ORS 475C.053 to obtain a land use compatibility statement as a condition of receiving a license under ORS 475C.065 does not apply to an applicant if:
  - "[(a) The applicant is applying for a license at an address where a marijuana grow site registered under ORS 475C.792 is located;]
    - "[(b)] (a) The address is outside of city limits;
  - "[(c)] (b) [At least one person responsible for a marijuana grow site] A grow site administrator located at the address first registered with the Oregon Health Authority under ORS 475C.792 before January 1, 2015, and is registered with the authority under ORS 475C.792, as in effect before the effective date of this 2025 Act, on the date on which the applicant submitted the application for a [license under ORS 475C.065] designation under ORS 475C.121;
  - "[(d)] (c) [Each person responsible for a marijuana grow site] A grow site administrator located at the address first registered with the authority under ORS 475C.792 before February 1, 2016, and is registered with the authority under ORS 475C.792, as in effect before the effective date of this 2025 Act, on the date on which the applicant submitted the application for a [license under ORS 475C.065] designation under ORS 475C.121; [and]
    - "[(e)] (d) The applicant is applying for a mature marijuana plant grow canopy of:
  - "(A) 5,000 square feet or less, if the marijuana is produced outdoors; or
    - "(B) 1,250 square feet or less, if the marijuana is produced indoors[.]; and
  - "(e) The applicant is applying for a grow site administrator designation under ORS 475C.121 with a total mature plant count of not more than 48 mature marijuana plants.

- "(2) For purposes of this section, an applicant for a license under ORS 475C.065 is not required to demonstrate that:
- "(a) [At least one person responsible for a marijuana grow site] The grow site administrator located at the address for which the applicant is applying for a license has been continuously registered with the authority under ORS 475C.792 between January 1, 2015, and the date on which the applicant applies for a [license under ORS 475C.065] designation under ORS 475C.121; or
- "(b) [Each person responsible for a marijuana grow site] A grow site administrator located at the address for which the applicant is applying for a license has been continuously registered with the authority under ORS 475C.792 between February 1, 2016, and the date on which the applicant applies for a [license under ORS 475C.065] designation under ORS 475C.121.

## "SECTION 10. ORS 475C.073 is amended to read:

 $\frac{1}{2}$ 

- "475C.073. (1) A premises for which a marijuana producer holds a production license issued under ORS 475C.065 or a designation issued 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 grow site administrator 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 11. ORS 475C.097 is amended to read:

- "475C.097. (1) The retail sale of marijuana items is subject to regulation by the Oregon Liquor and Cannabis Commission.
- "(2) A marijuana retailer must have a retail license issued by the commission for the premises at which marijuana items are sold. To hold a retail license under this section, a marijuana retailer:
- "(a) Must apply for a license in the manner described in ORS 475C.033;

- "(b) Must provide proof that the applicant is 21 years of age or older;
- 2 "(c) May not be located in an area that is zoned exclusively for residential use;
- 3 "(d) Except as provided in ORS 475C.101, may not be located within 1,000 feet of:
- 4 "(A) A building where a public prekindergarten or kindergarten program is provided by a school district or an education service district; 5
  - "(B) A public elementary or secondary school for which attendance is compulsory under ORS 339.020; or
- "(C) A private or parochial elementary or secondary school, teaching children as described in 8 9 ORS 339.030 (1)(a); and
- "(e) Must meet the requirements of any rule adopted by the commission under subsection (3) of 10 11 this section.
  - "(3) The commission shall adopt rules that:

6

7

12

13 14

15

16

17

18

19

20

21

22

23

24 25

26

27

28

29

30

31

32 33

34

35 36

37

38 39

40

41

42

44

45

- "(a) Require a marijuana retailer to annually renew a license issued under this section;
- "(b) Establish application, licensure and renewal of licensure fees for marijuana retailers;
- "(c) Require marijuana items sold by a marijuana retailer to be tested in accordance with ORS 475C.544;
- "(d) Notwithstanding ORS 475C.205, allow a marijuana retailer to deliver marijuana items to another marijuana retailer that has on the marijuana retailer's license application a person that has an interest in or authority over the management of the other marijuana retailer;
- "(e) Subject to the limitations and privileges described in ORS 475C.149 (3), allow a marijuana retailer registered under ORS 475C.149 to sell medical grade cannabinoid products, cannabinoid concentrates and cannabinoid extracts at retail in the same manner that rules adopted under ORS 475C.005 to 475C.525 allow a marijuana retailer to sell general use cannabinoid products, cannabinoid concentrates and cannabinoid extracts at retail, excepting those circumstances where differentiating between the sale of medical grade cannabinoid products, cannabinoid concentrates and cannabinoid extracts and the sale of general use cannabinoid products, cannabinoid concentrates and cannabinoid extracts is necessary to protect the public health and safety; [and]
- "(f) Require a marijuana retailer to meet any public health and safety standards and industry best practices established by the commission by rule[.]; and
- "(g) Require that if a marijuana retailer sells cannabinoid products, cannabinoid concentrates or cannabinoid extracts, at least 20 percent of the:
- "(A) Usable marijuana offered for sale must consist of usable marijuana that has a potency of not more than 16 percent cannabidiol;
- "(B) Cannabinoid concentrates and cannabinoid extracts offered for sale must consist of cannabinoid concentrates and cannabinoid extracts that have a potency of at least 25 percent cannabidiol; and
- "(C) Cannabinoid products offered for sale, including cannabinoid edibles, beverages and tinctures, must consist of cannabinoid products that have a potency of at least 33 percent cannabidiol.
  - "(4) Fees adopted under subsection (3)(b) of this section:
- "(a) May not exceed, together with other fees collected under ORS 475C.005 to 475C.525, the cost of administering ORS 475C.005 to 475C.525; and
- 43 "(b) Shall be deposited in the Marijuana Control and Regulation Fund established under ORS 475C.297.

"SECTION 12. 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 grow site administrator that produces marijuana for three or more registry identification cardholders as an exclusively medical producer registrant if the grow site administrator 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)(A) Subject to subparagraph (B) of this paragraph and 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.
- "(B) A designation issued under this section is exempt from the requirements of ORS 475C.053, 475C.117, 475C.141, 475C.165, 475C.173, 475C.189, 475C.209 and 475C.269.
- "(e) Notwithstanding ORS 475C.077, a grow site administrator 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.
- "(f) The commission may not require a grow site administrator 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 that the grow site administrator administers.
- "(3) A grow site administrator designated under this subsection may not be subject to suspension of the designation for a violation of ORS 475C.005 to 475C.525 or rules adopted under ORS 475C.005 to 475C.525.
- "[(2)] (4) [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.
- "(5) The commission may charge a fee for a designation under this section not exceed \$500 per year.
  - "SECTION 13. ORS 475C.137 is amended to read:
- "475C.137. (1) To produce marijuana for medical purposes, a marijuana producer that holds a license issued under ORS 475C.065 must register with the Oregon Liquor and Cannabis Commission under this section.
- "(2) The commission shall register a marijuana producer for the purpose of producing marijuana for medical purposes if the marijuana producer:
  - "(a) Holds a license issued under ORS 475C.065;
- "(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) Subject to subsection (4) of this section, a marijuana producer registered under this section may produce marijuana plants on a medically designated grow canopy in addition to producing marijuana plants on the grow canopy allowed under rules adopted under ORS 475C.077. The commission shall specify the size of medically designated grow canopies by rule, provided that the size of any medically designated grow canopy does not exceed 10 percent of the total size of both the medically designated grow canopy and the grow canopy allowed under rules adopted under ORS 475C.077 at the time that the marijuana producer applies for registration under this section.
- "(4) A marijuana producer registered under this section must provide, for no consideration, at least 75 percent of the annual yield of usable marijuana harvested from the marijuana producer's medically designated grow canopy to registry identification cardholders and designated primary caregivers.
- "(5) A marijuana producer registered under this section may not, during a single transaction, provide a registry identification cardholder or the designated primary caregiver of a registry identification cardholder an amount of usable marijuana that exceeds the amount of usable marijuana that a registry identification cardholder and a designated primary caregiver may jointly possess under ORS 475C.809.
- "(6) A marijuana producer registered under this section may provide immature marijuana plants to a [person responsible for a marijuana grow site registered under ORS 475C.792] grow site administrator, a registry identification cardholder or a designated primary caregiver of a registry identification cardholder.
  - "(7)(a) The commission shall adopt rules necessary to administer this section.
- "(b) The rules must establish sanctions for failure to meet the requirements of this section or a rule adopted under this section, including revocation of permission for the marijuana producer's medically designated grow canopy.
- "(c) 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 14. ORS 475C.141 is amended to read:

- "475C.141. (1) To process marijuana for medical purposes, a marijuana processor that holds a license issued under ORS 475C.085 must register with the Oregon Liquor and Cannabis Commission under this section.
- "(2) The commission shall register a marijuana processor for the purpose of processing marijuana for medical purposes if the marijuana processor:
  - "(a) Holds a license issued under ORS 475C.085;
  - "(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 processor registered under this section may:
- 40 "(a) Process marijuana and usable marijuana into medical grade cannabinoid products, 41 cannabinoid concentrates and cannabinoid extracts; and
  - "(b) Notwithstanding ORS 475C.205[,]:
  - "(A) Receive marijuana and usable marijuana from a registry identification cardholder or the designated primary caregiver or designated grower of a registry identification cardholder, and for a fee process [that] the marijuana and usable marijuana into cannabinoid products, cannabinoid

concentrates and cannabinoid extracts for[, a] **the** registry identification cardholder or the designated primary caregiver of [a] **the** registry identification cardholder[, provided that the cannabinoid products, cannabinoid concentrates and cannabinoid extracts meet the requirements of ORS 475C.540 to 475C.586 and the concentration standards adopted under ORS 475C.620.]; and

- "(B) Transfer all of the cannabinoid products, cannabinoid concentrates and cannabinoid extracts described in subparagraph (A) of this paragraph to the registry identification cardholder or designated primary caregiver of the registry identification cardholder so long as the amounts transferred at any one time do not exceed the amounts specified in ORS 475C.305.
  - "(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 15. ORS 475C.169 is amended to read:

- "475C.169. (1) The Oregon Liquor and Cannabis Commission shall adopt by rule procedures by which:
- "[(a) A person responsible for a marijuana grow site registered under ORS 475C.792, or, if multiple persons responsible for a marijuana grow site registered under ORS 475C.792 are located at the same address, each person responsible for a marijuana grow site located at the address, may apply for a license under ORS 475C.065 to transition from being registered by the Oregon Health Authority to being licensed by the commission;]
- "[(b)] (a) A marijuana processing site registered under ORS 475C.815 may apply for a license under ORS 475C.085 to transition from being registered by the authority to being licensed by the commission; and
- "[(c)] (b) A medical marijuana dispensary registered under ORS 475C.833 may apply for a license under ORS 475C.097 to transition from being registered by the authority to being licensed by the commission.
- "(2)[(a) In adopting rules under this section, the commission shall adopt, at a minimum,] **The rules** adopted under this section must include procedures by which the inventory possessed by [a person responsible for a marijuana grow site,] a marijuana processing site or a medical marijuana dispensary on the date on which [the person responsible for a marijuana grow site,] the marijuana processing site or the medical marijuana dispensary is first subject to tracking by the commission under ORS 475C.177:
- "[(A)] (a) May be delivered to a premises for which a license has been issued under ORS 475C.085, 475C.093 or 475C.097; or
- "[(B)] (b) May be sold to consumers by marijuana retailers that hold a license under ORS 475C.097.
- "[(b) Procedures adopted under this subsection must require a person responsible for a marijuana grow site registered under ORS 475C.792, or, if multiple persons responsible for a marijuana grow site registered under ORS 475C.792 are located at the same address, each person responsible for a marijuana grow site located at the address, to return to an individual to whom a registry identification card has been issued under ORS 475C.783, and for whom the person or persons are producing marijuana, all the marijuana and usable marijuana owned by the individual, except as otherwise allowed under a personal agreement entered into under ORS 475C.798, at the time that the person or the persons receive a license under ORS 475C.065.]

"SECTION 16. ORS 475C.177 is amended to read:

1 2

4

9

12

13

14

15 16

17 18

19

20 21

24

25

26

27

28

29

30

31

32 33

34

35 36

37 38

39 40

41

42 43

44

45

- "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.
- 5 "(2) The purposes of the system developed and maintained under this section include, but are 6 not limited to:
- 7 "(a) Preventing the diversion of marijuana items to criminal enterprises, gangs, cartels and other 8 states;
  - "(b) Preventing persons from substituting or tampering with marijuana items;
- 10 "(c) Ensuring an accurate accounting of the production, processing and sale of marijuana items;
- 11 "(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 grow site administrator;
      - "(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;
- 22 "(e) The sale and purchase of marijuana items between licensees, as permitted by ORS 475C.005 23 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 17. ORS 475C.205 is amended to read:

- "475C.205. (1) Except as provided in ORS 475C.137 and 475C.850 and rules adopted pursuant to ORS 475C.065, a marijuana producer that holds a license issued under ORS 475C.065, marijuana processor that holds a license issued under ORS 475C.085 or marijuana wholesaler that holds a license issued under ORS 475C.093 may deliver marijuana items only to or on a premises for which a license has been issued under ORS 475C.065, 475C.085, 475C.093 or 475C.097, or to a registry identification cardholder or designated primary caregiver as allowed under ORS 475C.005 to 475C.525.
- "(2) A licensee to which marijuana items may be delivered under subsection (1) of this section may receive marijuana items only from:
- "(a) A marijuana producer that holds a license issued under ORS 475C.065, marijuana processor that holds a license issued under ORS 475C.085, marijuana wholesaler that holds a license issued under ORS 475C.093, marijuana retailer that holds a license issued under ORS 475C.097 or a laboratory licensed under ORS 475C.548;
- "(b) A researcher of cannabis that holds a certificate issued under ORS 475C.289 and that transfers limited amounts of marijuana, usable marijuana, cannabinoid products, cannabinoid concentrates and cannabinoid extracts in accordance with procedures adopted under ORS 475C.289

(3)(d) and (e); **or** 

1

2

3 4

5 6

7

8

9 10

11

12 13

14

15 16

17 18

19

23

24 25

29

35

36

42

43

45

- (c) A [marijuana grow site registered under ORS 475C.792,] marijuana processing site registered under ORS 475C.815[,] or a medical marijuana dispensary registered under ORS 475C.833, acting in accordance with procedures adopted by the Oregon Liquor and Cannabis Commission under ORS 475C.169[; or].
- "[(d) A marijuana grow site registered under ORS 475C.792, acting in accordance with ORS 475C.800 and any procedures adopted by rule by the commission.]
- "(3) Except as provided in ORS 475C.117, the sale of marijuana items by a marijuana retailer that holds a license issued under ORS 475C.097 must be restricted to the premises for which the license has been issued.
- "(4) The commission may by order waive the requirements of subsections (1) and (2) of this section to ensure compliance with ORS 475C.005 to 475C.525 or a rule adopted under ORS 475C.005 to 475C.525. An order issued under this subsection does not constitute a waiver of any other requirement of ORS 475C.005 to 475C.525 or any other rule adopted under ORS 475C.005 to 475C.525.
- "SECTION 18. ORS 475C.273, as amended by section 28, chapter 16, Oregon Laws 2024, is amended to read:
- "475C.273. (1) The Oregon Liquor and Cannabis Commission shall issue permits to qualified applicants to perform work described in ORS 475C.269. The commission shall adopt rules establishing:
- "(a) The qualifications for performing work described in ORS 475C.269;
- "(b) The term of a permit issued under this section; 20
- 21 "(c) Procedures for applying for and renewing a permit issued under this section; and
- 22 "(d) Reasonable application, issuance and renewal fees for a permit issued under this section.
  - "(2)(a) The commission [may] shall require an individual applying for a permit under this section to successfully complete a course, made available by or through the commission, through which the individual receives training on:
- 26 "(A) Checking identification;
- 27 "(B) Detecting intoxication;
- "(C) Handling marijuana items; 28
  - "(D) If applicable, producing and propagating marijuana;
- 30 "(E) If applicable, processing marijuana;
- "(F) The content of ORS 475C.005 to 475C.525 and rules adopted under ORS 475C.005 to 31 32 475C.525;
- "(G) If applicable, the content of ORS 475C.540 to 475C.586 and rules adopted under ORS 33 475C.540 to 475C.586; or 34
  - "(H) Any matter deemed necessary by the commission to protect the public health and safety.
    - "(b) The commission or other provider of a course may charge a reasonable fee for the course.
- 37 "(c) The commission may not require an individual to successfully complete a course more than 38 once, except that:
- "(A) As part of a final order suspending a permit issued under this section, the commission may 39 40 require a permit holder to successfully complete the course as a condition of lifting the suspension; 41 and
  - "(B) As part of a final order revoking a permit issued under this section, the commission shall require an individual to successfully complete the course prior to applying for a new permit.
- 44 "(3) The commission shall conduct a criminal records check under ORS 181A.195 on an individual applying for a permit under this section.

- "(4) Subject to the applicable provisions of ORS chapter 183, the commission may suspend, revoke or refuse to issue or renew a permit or temporary permit if the individual who is applying for or who holds the permit or temporary permit:
- "(a) Is convicted of a felony or is convicted of an offense under ORS 475C.005 to 475C.525, except that the commission may not consider a conviction for an offense under ORS 475C.005 to 475C.525 if the date of the conviction is two or more years before the date of the application or renewal;
- "(b) Violates any provision of 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; or
  - "(c) Makes a false statement to the commission.

- "(5) A permit issued under this section is a personal privilege and permits work described under ORS 475C.269 only for the individual who holds the permit.
- "(6)(a) The commission shall establish by rule a process to issue to an individual, upon receipt of the individual's application for a permit described in subsection (1) of this section, a temporary permit to perform work described in ORS 475C.269 until the issuance or denial of a permit described in subsection (1) of this section.
- "(b) A temporary permit expires on the date on which the individual is issued or denied a permit described in subsection (1) of this section.
- "(c) The commission may adopt rules to establish conditions for the issuance of a temporary permit under this subsection.
  - "SECTION 19. ORS 475C.379 is added to and made a part of ORS 475C.005 to 475C.525.
  - "SECTION 20. ORS 475C.379 is amended to read:
- "475C.379. (1) A person commits the crime of unlawful production of marijuana if the person produces marijuana or industrial hemp:
- "(a) At a location that is not confirmed by [the Oregon Health Authority,] the Oregon Liquor and Cannabis Commission or the State Department of Agriculture to be the location of an industrial hemp operation [registered or] licensed under ORS 571.281[,] or a premises for which a license was issued under ORS 475C.085 [or a marijuana grow site registered under ORS 475C.792]; and
  - "(b) In an amount that is not allowed by state law.
  - "(2) Unlawful production of marijuana is a Class A misdemeanor.
- "(3) Marijuana or industrial hemp that is unlawfully produced, as described in subsection (1) of this section, is considered contraband and may be destroyed by a law enforcement agency.
  - "SECTION 21. 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.
- "(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 as described in ORS 475C.770 to 475C.919;
- 44 "(B) [Jointly] Possess up to six mature marijuana plants and up to 12 immature marijuana plants 45 under ORS 475C.806 [(1)]; or

- "[(C) Jointly possess up to 24 ounces of usable marijuana under ORS 475C.809 (1).]
- "(C) Possess the amount of usable marijuana produced by the mature marijuana plants that the registry identification cardholder or designated primary caregiver produces, as provided in ORS 475C.809.
  - "SECTION 22. ORS 475C.457 is added to and made a part of ORS 475C.005 to 475C.525.
- 6 "SECTION 23. ORS 475C.457 is amended to read:

3 4

5

15 16

17 18

19

20

21

22

23

24 25

26

2728

29

30

31

32 33

34

35 36

37

38

42

45

- "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;
  - "(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 grow site administrators that hold a designation issued 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 24. ORS 475C.489 is amended to read:
  - "475C.489. (1) Marijuana is:
- 39 "(a) A crop for the purposes of 'farm use' as defined in ORS 215.203;
- 40 "(b) A crop for purposes of a 'farm' and 'farming practice,' both as defined in ORS 30.930;
- 41 "(c) A product of farm use as described in ORS 308A.062; and
  - "(d) The product of an agricultural activity for purposes of ORS 568.909.
- "(2) Notwithstanding ORS chapters 195, 196, 197, 197A, 215 and 227, the following are not permitted uses on land designated for exclusive farm use:
  - "(a) A new dwelling used in conjunction with a marijuana crop;

- "(b) A farm stand, as described in ORS 215.213 (1)(r) or 215.283 (1)(o), used in conjunction with a marijuana crop; and
- "(c) A commercial activity, as described in ORS 215.213 (2)(c) or 215.283 (2)(a), carried on in conjunction with a marijuana crop.
  - "(3) A county may allow the production of marijuana as a farm use on land zoned for farm or forest use in the same manner as the production of marijuana is allowed in exclusive farm use zones under this section and ORS 215.213, 215.283 and 475C.053.
    - "(4) This section applies to:
    - "(a) Marijuana producers that hold a license issued under ORS 475C.065;
- "(b) [Persons registered under ORS 475C.792 and designated to produce marijuana by one or more persons who hold valid registry identification cards issued under ORS 475C.783] Grow site administrators designated under ORS 475C.121; and
- "(c) For the purpose of producing marijuana or propagating immature marijuana plants, researchers of cannabis that hold a certificate issued under ORS 475C.289.
  - "SECTION 25. 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.

# "CANNABIS TESTING, LABELING AND PACKAGING REQUIREMENTS

## "SECTION 26. ORS 475C.544 is amended to read:

- "475C.544. (1) As is necessary to protect the public health and safety, and in consultation with the Oregon Liquor and Cannabis Commission and the State Department of Agriculture, the Oregon Health Authority shall adopt rules:
  - "(a) Establishing standards for testing marijuana items and industrial hemp-derived vapor items.
- "(b) Identifying appropriate tests for marijuana items and industrial hemp-derived vapor items, depending on the type of marijuana item or industrial hemp-derived vapor item and the manner in which the marijuana item or industrial hemp-derived vapor item was produced or processed, that are necessary to protect the public health and safety, including, but not limited to, tests for:
  - "(A) Microbiological contaminants;
  - "(B) Pesticides;
  - "(C) Other contaminants;
  - "(D) Solvents or residual solvents: and
  - "(E) Adult use cannabinoid and cannabidiol concentration.
- "(c) Establishing procedures for determining batch sizes and for sampling usable marijuana, cannabinoid products, cannabinoid concentrates or extracts and industrial hemp-derived vapor items.
- "(d) Establishing different minimum standards for different varieties of usable marijuana and different types of cannabinoid products and cannabinoid concentrates and extracts and, as appropriate, industrial hemp-derived vapor items.
- "(2) In addition to the testing requirements established under subsection (1) of this section, the authority or the commission may require cannabinoid edibles to be tested in accordance with any

applicable law of this state, or any applicable rule adopted under a law of this state, related to the production and processing of food products or commodities.

"(3) In adopting rules under ORS 475C.770 to 475C.919, the authority may require:

- "(a) [A person responsible for a marijuana grow site under ORS 475C.792] A designated grower to test usable marijuana before transferring the usable marijuana to a [registrant] person other than an individual who holds a registry identification card under ORS 475C.783; and
- "(b) A person processing marijuana to test cannabinoid products or cannabinoid concentrates or extracts before transferring the cannabinoid products or cannabinoid concentrates or extracts to a registrant other than an individual who holds a registry identification card under ORS 475C.783.
  - "(4) In adopting rules under ORS 475C.005 to 475C.525, the commission may require:
- "(a) A marijuana producer that holds a license under ORS 475C.065 or a marijuana wholesaler that holds a license under ORS 475C.093 to test usable marijuana before selling or transferring the usable marijuana; and
- "(b) A marijuana processor that holds a license under ORS 475C.085 or a marijuana wholesaler that holds a license under ORS 475C.093 to test cannabinoid products or cannabinoid concentrates or extracts before selling or transferring the cannabinoid products or cannabinoid concentrates or extracts.
- "(5) The authority and the commission may conduct testing of marijuana items or industrial hemp-derived vapor items for the purpose of determining whether a person subject to testing under subsection (3) of this section or a licensee subject to testing under subsection (4) of this section is in compliance with this section.
- "(6) In adopting rules to implement this section, the authority and commission may not require a marijuana item or industrial hemp-derived vapor item to undergo the same test more than once unless:
- "(a) The marijuana item or industrial hemp-derived vapor item is processed into a different type of marijuana item or industrial hemp-derived vapor item or the condition of the marijuana item or industrial hemp-derived vapor item has fundamentally changed;
- "(b) The authority or the commission has reason to believe that the marijuana item or industrial hemp-derived vapor item is not in compliance with rules adopted under this section; or
- "(c) The test to which the marijuana item or industrial hemp-derived vapor item is subject more than once is a test described in subsection (5) of this section.
- "(7) The testing of marijuana items and industrial hemp-derived vapor items as required by this section must be conducted by a laboratory licensed by the commission under ORS 475C.548 and accredited by the authority under ORS 475C.560.
  - "(8) In adopting rules under subsection (1) of this section, the authority:
- "(a) Shall consider the cost of a potential testing procedure and how that cost will affect the cost to the ultimate consumer of the marijuana item or industrial hemp-derived vapor item; and
- "(b) May not adopt rules that are more restrictive than is reasonably necessary to protect the public health and safety.
  - "SECTION 27. ORS 475C.564 is amended to read:
  - "475C.564. ORS 475C.540 to 475C.586 do not apply to:
  - "(1) [A person responsible for a marijuana grow site under ORS 475C.792 if the person] A person who holds a registry identification card issued under ORS 475C.783, if the person produces marijuana for the person's own use and is transferring usable marijuana or an immature marijuana plant, as defined in ORS 475C.009, to:

- "(a) A person who holds a registry identification card under ORS 475C.783 and who designated the person [responsible for the marijuana grow site] who is transferring marijuana to grow marijuana for the person who holds a registry identification card; or
- "(b) A person [who has been] designated as the primary caregiver under ORS 475C.789 of a person who:
  - "(A) Holds a registry identification card under ORS 475C.783; and [who]
- "(B) Designated the person [responsible for the marijuana grow site] who is transferring marijuana to grow marijuana for the person who holds a registry identification card; or
- "(2) A person who has been designated as the primary caregiver under ORS 475C.789 of a person who holds a registry identification card under ORS 475C.783 if the person is transferring a marijuana item to the person who holds a registry identification card.

"SECTION 28. ORS 475C.624 is amended to read:

"475C.624. (1) ORS 475C.600 to 475C.648 do not apply to:

- "(a) [A person responsible for a marijuana grow site under ORS 475C.792] A person who holds a registry identification card issued under ORS 475C.783, if the person produces marijuana for the person's own use and if the person is transferring usable marijuana or an immature marijuana plant, as defined in ORS 475C.009, to:
- "(A) A person who holds a registry identification card under ORS 475C.783 and who designated the person [responsible for the marijuana grow site] who is transferring marijuana to grow marijuana for the person who holds a registry identification card; or
- "(B) A person [who has been] designated as the primary caregiver under ORS 475C.789 of a person who holds a registry identification card under ORS 475C.783, and who designated the person [responsible for the marijuana grow site] who is transferring marijuana to grow marijuana for the person who holds a registry identification card; or
- "(b) A person who has been designated as the primary caregiver under ORS 475C.789 of a person who holds a registry identification card under ORS 475C.783 if the person is transferring a marijuana item to the person who holds a registry identification card.
- "(2) The labeling and packaging requirements and standards of ORS 475C.600 to 475C.648 do not apply to a marijuana processor registered under ORS 475C.141 when the marijuana processor receives marijuana and usable marijuana from, and for a fee processes that marijuana and usable marijuana into cannabinoid products, cannabinoid concentrates and cannabinoid extracts for, a registry identification cardholder or the designated primary caregiver of a registry identification cardholder.

## "OREGON MEDICAL CANNABIS ACT

"SECTION 29. ORS 475C.773 is amended to read:

"475C.773. ORS 475C.770 to 475C.919 shall be known as the Oregon Medical [Marijuana] Cannabis Act.

"SECTION 30. ORS 475C.777, as amended by section 105, chapter 73, Oregon Laws 2024, is amended to read:

"475C.777. As used in ORS 475C.770 to 475C.919:

- "(1) 'Attending provider' means one of the following health care providers who has primary responsibility for the care and treatment of a person diagnosed with a debilitating medical condition:
- "(a) A physician licensed under ORS chapter 677;

- 1 "(b) A physician associate licensed under ORS 677.505 to 677.525;
- 2 "(c) A nurse practitioner licensed under ORS 678.375 to 678.390;
- 3 "(d) A clinical nurse specialist licensed under ORS 678.370 and 678.372;
- 4 "(e) A certified registered nurse anesthetist as defined in ORS 678.010; or
- 5 "(f) A naturopathic physician licensed under ORS chapter 685.
- 6 "(2) 'Cannabinoid' means any of the chemical compounds that are the active constituents of marijuana.
- 8 "(3) 'Cannabinoid concentrate' means a substance obtained by separating cannabinoids from 9 marijuana by:
- 10 "(a) A mechanical extraction process;

14

17 18

23

24

27

28

29 30

35

36

- "(b) A chemical extraction process using a nonhydrocarbon-based solvent, such as vegetable glycerin, vegetable oils, animal fats, isopropyl alcohol or ethanol;
  - "(c) A chemical extraction process using the hydrocarbon-based solvent carbon dioxide, provided that the process does not involve the use of high heat or pressure; or
- 15 "(d) Any other process identified by the Oregon Health Authority, in consultation with the 16 Oregon Liquor and Cannabis Commission, by rule.
  - "(4) 'Cannabinoid edible' means food or potable liquid into which a cannabinoid concentrate, cannabinoid extract or dried leaves or flowers of marijuana have been incorporated.
- 19 "(5) 'Cannabinoid extract' means a substance obtained by separating cannabinoids from 20 marijuana by:
- 21 "(a) A chemical extraction process using a hydrocarbon-based solvent, such as butane, hexane 22 or propane;
  - "(b) A chemical extraction process using the hydrocarbon-based solvent carbon dioxide, if the process uses high heat or pressure; or
- 25 "(c) Any other process identified by the Oregon Health Authority, in consultation with the 26 Oregon Liquor and Cannabis Commission, by rule.
  - "(6) 'Debilitating medical condition' means:
  - "(a) Cancer, glaucoma, a degenerative or pervasive neurological condition, positive status for human immunodeficiency virus or acquired immune deficiency syndrome, or a side effect related to the treatment of those medical conditions;
- "(b) A medical condition or treatment for a medical condition that produces, for a specific patient, one or more of the following:
- 33 "(A) Cachexia;
- 34 "(B) Severe pain;
  - "(C) Severe nausea;
  - "(D) Seizures, including seizures caused by epilepsy; or
- 37 "(E) Persistent muscle spasms, including spasms caused by multiple sclerosis;
- 38 "(c) Post-traumatic stress disorder; or
- "(d) Any other medical condition or side effect related to the treatment of a medical condition
  [adopted by the Oregon Health Authority by rule or approved by the authority pursuant to a petition
  filed under ORS 475C.913] that an attending provider determines, in accordance with
  evidence-based practice and professional judgement, may be mitigated by the medical use of
  marijuana.
- 44 "(7)(a) 'Delivery' has the meaning given that term in ORS 475.005.
- 45 "(b) 'Delivery' does not include transfer of marijuana by a registry identification cardholder to

- another registry identification cardholder if no consideration is paid for the transfer.
- "(8) 'Designated grower' means a person designated to produce marijuana by a registry identification cardholder who:
- "(a) Produces marijuana for the registry identification cardholder at an address where no more than 12 mature marijuana plants are produced; or
  - "(b) Is designated to produce marijuana under ORS 475C.121.
  - "[(8)(a)] (9)(a) 'Designated primary caregiver' means an individual:
- "(A) Who is 18 years of age or older;

3 4

5 6

7

8

9

10 11

12 13

14 15

16

17 18

19

20

21

23

24 25

26

27

28

29

30

33

34 35

36

37

38

41

42 43

44

45

- "(B) Who has significant responsibility for managing the well-being of a person who has been diagnosed with a debilitating medical condition; and
- "(C) Who is designated as the person responsible for managing the well-being of a person who has been diagnosed with a debilitating medical condition on that person's application for a registry identification card or in other written notification submitted to the authority.
  - "(b) 'Designated primary caregiver' does not include a person's attending provider.
- "(10) 'Grow site administrator' means a person designated under ORS 475C.121 who produces marijuana for three or more registry identification cardholders.
  - "[(9)] (11) 'High heat' means a temperature exceeding 180 degrees.
- "[(10)] (12) 'Immature marijuana plant' means a marijuana plant that is not flowering.
- "[(11)(a)] (13)(a) 'Marijuana' means the plant Cannabis family Cannabaceae, any part of the plant Cannabis family Cannabaceae and the seeds of the plant Cannabis family Cannabaceae.
  - "(b) 'Marijuana' does not include:
- 22 "(A) Industrial hemp, as defined in ORS 571.269; or
  - "(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.
  - "[(12)] (14) 'Marijuana grow site' means a location [registered under ORS 475C.792] where marijuana is produced for use by a registry identification cardholder.
    - "[(13)] (15) 'Marijuana processing site' means a marijuana processing site registered under ORS 475C.815 or a site for which an applicant has submitted an application for registration under ORS 475C.815.
- "[(14)] (16) 'Mature marijuana plant' means a marijuana plant that is not an immature marijuana plant.
  - "[(15)(a)] (17)(a) 'Medical cannabinoid product' means a cannabinoid edible and any other product intended for human consumption or use, including a product intended to be applied to a person's skin or hair, that contains cannabinoids or dried leaves or flowers of marijuana.
    - "(b) 'Medical cannabinoid product' does not include:
  - "(A) Usable marijuana by itself;
  - "(B) A cannabinoid concentrate by itself;
- 39 "(C) A cannabinoid extract by itself; or
- 40 "(D) Industrial hemp, as defined in ORS 571.269.
  - "[(16)] (18) 'Medical marijuana dispensary' means a medical marijuana dispensary registered under ORS 475C.833 or a site for which an applicant has submitted an application for registration under ORS 475C.833.
  - "[(17)] (19) 'Medical use of marijuana' means the production, processing, possession, delivery or administration of marijuana, or use of paraphernalia used to administer marijuana, to mitigate the

symptoms or effects of a debilitating medical condition.

"[(18) 'Person designated to produce marijuana by a registry identification cardholder' means a person designated to produce marijuana by a registry identification cardholder under ORS 475C.792 who produces marijuana for a registry identification cardholder at an address other than the address where the registry identification cardholder resides or at an address where more than 12 mature marijuana plants are produced.]

- "[(19)] (20) 'Process' means the compounding or conversion of marijuana into medical cannabinoid products, cannabinoid concentrates or cannabinoid extracts.
  - "[(20)] (21) 'Production' means:

- "(a) Planting, cultivating, growing, trimming or harvesting marijuana; or
- 11 "(b) Drying marijuana leaves or flowers.
  - "[(21)] (22) 'Registry identification card' means a document issued by the Oregon Health Authority under ORS 475C.783 that identifies a person authorized to engage in the medical use of marijuana and, if the person has a designated primary caregiver under ORS 475C.789, the person's designated primary caregiver.
  - "[(22)] (23) 'Registry identification cardholder' means a person to whom a registry identification card has been issued under ORS 475C.783.
    - "[(23)(a)] (24)(a) 'Usable marijuana' means the dried leaves and flowers of marijuana.
  - "(b) 'Usable marijuana' does not include:
- 20 "(A) The seeds, stalks and roots of marijuana; or
  - "(B) Waste material that is a by-product of producing marijuana.
    - "[(24)] (25) 'Written documentation' means a statement signed by the attending provider of a person diagnosed with a debilitating medical condition or copies of the person's relevant medical records.
      - "SECTION 31. 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.
    - "(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:
- 45 "[(A)] (a) The applicant pays the fee and submits the application described in subsection (2) of

this section; and

1

2

3 4

5 6

7

10 11

12 13

14 15

16

17

18

19

20 21

22

23

24

25

26

27

28 29

30

31

32 33

34

35

36 37

38

39 40

41

42

43 44

45

- "[(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;
- 8 "[(iii)] (C) The custodial parent or legal guardian agrees to serve as the applicant's designated 9 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 registry identification card to the applicant within five days after approving the application. 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; and
    - "[(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)] (C) 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 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] Designated grower or grow site administrator, including the designation of a grower or grow site administrator 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 the authority within 30 calendar days after receiving notice of the determination.
- "(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 the authority, the authority may grant the registry 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 iden-

tification 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 authority 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) If the authority issues a registry identification card under this section to an applicant who is diagnosed by the applicant's attending provider with a permanent debilitating medical condition, including but not limited to multiple sclerosis, cerebral palsy, Parkinson's disease and epilepsy, the registry identification cardholder is not required to obtain updated written documentation from the registry identification cardholder's attending provider as described in this section when applying for renewal of the registry identification cardholder's registry identification card.
  - "SECTION 32. ORS 475C.783, as amended by section 31 of this 2025 Act, 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 and download the registry identification card to a cellular telephone or similar device.
- "(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;
- 8 "(e) The name and address of the applicant's designated primary caregiver, if the applicant is 9 designating a primary caregiver under ORS 475C.789; and
  - "(f) If the applicant is applying to designate another person to produce marijuana on the applicant's behalf, the name and address of the designee.
  - "(3) The authority shall issue a registry identification card to an applicant who is under 18 years of age if:
  - "(a) The applicant pays the fee and submits the application described in subsection (2) of this section; and
  - "(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:
  - "(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;
  - "(B) The custodial parent or legal guardian consents to the medical use of marijuana by the applicant;
  - "(C) The custodial parent or legal guardian agrees to serve as the applicant's designated primary caregiver; and
  - "(D) The custodial parent or legal guardian agrees to control the acquisition, dosage and frequency of the medical use of marijuana by the applicant.
    - "(4) The authority shall:

 $\frac{1}{2}$ 

3 4

5 6

7

10 11

12 13

14 15

16

17 18

19

20 21

22

23

24

25

26

27

28

29

30

31

32 33

34 35

36

37

38

39 40

41

42

43

44

45

- "(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 application. The registry identification card must include **a permanent serial number and** 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; and
  - "(C) 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) Designated grower or grow site administrator, including the designation of a grower or grow site administrator 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:

 $\frac{1}{2}$ 

- "(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 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, the authority shall also revoke any associated identification card issued under subsection (5)(b) of this section.
- "(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 authority 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) If the authority issues [a] an electronic registry identification card under this section to an applicant who is diagnosed by the applicant's attending provider with a permanent debilitating medical condition, including but not limited to multiple sclerosis, cerebral palsy, Parkinson's disease and epilepsy, the registry identification cardholder is not required to obtain updated written documentation from the registry identification cardholder's attending provider as described in this section when applying for renewal of the registry identification cardholder's registry identification

card.

"SECTION 33. 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.]

- "[(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 marijuana grow site registration card if the requirements of subsections (2) and (3) of this section are met.]
- "[(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.]
- "[(6) 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.]
- "[(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 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.]
- "[(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.]
- "The Oregon Health Authority shall establish by rule a system to facilitate the collection of data related to the demographics of registry identification cardholders, designated primary caregivers and designated growers. The rules adopted by the authority under this section must require:
- "(1) An applicant for a registry identification card who designates a designated grower to include on the application the name of the person who intends to produce marijuana for the registry identification cardholder.
- "(2) An applicant for a registry identification card who intends to produce marijuana for use by the registry identification cardholder to submit with the application proof that the applicant is at least 18 years of age.
  - "SECTION 34. ORS 475C.800 is amended to read:
- "475C.800. (1) Subject to subsection (2) of this section, a [marijuana grow site] grow site administrator 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 that the grow site administrator administers;
- "[(c) 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 that the grow site administrator administers was 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 35. 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.]
- "[(D) An address that is subject to this paragraph may not be used to produce more than 12 total mature marijuana plants.]
- "[(2)(a) A person may be designated to produce marijuana under ORS 475C.792 by no more than eight registry identification cardholders.]
- 40 "[(b) 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;]
  - "[(B) 12 immature marijuana plants that are 24 inches or more in height; and]
- 44 "[(C) The amount, established by the Oregon Health Authority by rule, of immature marijuana 45 plants that are less than 24 inches in height.]

- 1 "[(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;]

9

10 11

14

17 18

19

20 21

22

23

24 25

26

27

28

29 30

31 32

33

34

35

36

37

38

39

42

43

44

45

- "[(B) 24 immature marijuana plants that are 24 inches or more in height; and]
- 7 "[(C) The amount, established by the authority by rule, of immature marijuana plants that are less 8 than 24 inches in height; or]
  - "[(b) Subject to subsection (5) 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 of marijuana plants may be produced at the address:]
- "[(A) The amount 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, established by the authority by rule, of immature marijuana plants that are less than 24 inches in height.]
  - "[(4) 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]
  - "[(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 subsections (5) and (6) 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 of marijuana plants may be produced at the address:]
  - "[(A) The amount of mature marijuana plants located at that address on December 31, 2014, in excess of 48 mature marijuana plants, not to exceed 96 mature marijuana plants;]
    - "[(B) 192 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.]
  - "[(5)(a) 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) of this section, no more than the following amounts of marijuana plants may subsequently be produced at any address described in subsection (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]
- 40 "[(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) 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 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) Subject to the limits described in subsections (2) to (6) 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.]
- "[(8) 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) of this section, the law enforcement officer may confiscate only the excess number of marijuana plants.]
- "(1)(a) A registry identification cardholder, or the registry identification cardholder's designated primary caregiver, may produce up to six mature marijuana plants for use by the registry identification cardholder.
- "(b) A designated grower may produce up to six mature marijuana plants for each registry identification cardholder for whom the designated grower produces marijuana and may not produce more than 12 mature marijuana plants at a single address.
- "(2) At an address located within city limits in an area zoned for residential use, a grow site administrator designated under ORS 475C.121:
- "(a) May produce up to six mature marijuana plants for a registry identification cardholder who designates the grow site administrator to produce marijuana for the registry identification cardholder.
  - "(b) May not produce more than a total of 12 mature marijuana plants.
- "(3) At an address in an area other than an area described in subsection (2) of this section, a grow site administrator designated under ORS 475C.121 may produce up to 48 mature marijuana plants.
- "(4) Nothing in this section restricts the number of registry identification cardholders for whom a grow site administrator designated under ORS 475C.121 may produce marijuana.
- "(5) If a law enforcement officer determines that there is a number of marijuana plants at an address in excess of the numbers specified in this section, or that an address is being used to produce a number of marijuana plants in excess of the numbers specified in subsections (2) and (3) of this section, the law enforcement officer may confiscate only the excess number of marijuana plants.
  - "SECTION 36. ORS 475C.809 is amended to read:
- 45 "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.]
- "(1)(a) A registry identification cardholder who produces marijuana for use by the registry identification cardholder may produce up to six mature marijuana plants.
- "(b) A person who is a designated primary caregiver for a registry identification cardholder and who produces marijuana for the registry identification cardholder may produce up to six mature marijuana plants for the registry identification cardholder.
- "(2) Except as provided in subsection (3) of this section and subject to the limits provided in subsection (4) of this section, a person described in subsection (1) of this section may possess the amount of usable marijuana produced by the mature marijuana plants that the person produces.
- "(3) A person who is a designated primary caregiver for more than one registry identification cardholder may possess at any one time up to eight ounces of usable marijuana for each registry identification cardholder.
- "[(3)] (4) A [person designated to produce marijuana by a registry identification cardholder] designated grower 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 37. ORS 475C.812 is amended to read:

"475C.812. A person to whom a registry identification card **or an 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 38. 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, vio-

- lated 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 39. 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] If marijuana to be processed was transferred to a marijuana processing site on behalf of a registry identification cardholder, the marijuana processing site may transfer [a] all of the medical cannabinoid product, cannabinoid concentrate or cannabinoid extract processed from the marijuana described in this paragraph to [a] the registry identification cardholder, or the designated primary caregiver of [a] the registry identification cardholder[, provided that the registry identification cardholder or designated primary caregiver provides the marijuana processing site with the marijuana to be processed into the medical cannabinoid product, cannabinoid concentrate or cannabinoid extract and the marijuana processing site receives no compensation for the transfer] in amounts that do not exceed the amounts provided in ORS 475C.809.
- "(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.

# "SECTION 40. 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], designated growers and grow site administrators 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:
- 12 "(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;
- "(c) Must be registered as a business, or have filed an application to register as a business, with 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;
- 19 "(B) A public elementary or secondary school for which attendance is compulsory under ORS 339.020; or
  - "(C) A private or parochial elementary or secondary school, teaching children as described in 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 41. ORS 475C.850 is amended to read:

- "475C.850. (1) In addition to the powers granted nonprofit corporations under ORS 65.077 and 65.081, a medical marijuana dispensary that is owned by a nonprofit corporation organized under ORS chapter 65 may receive by gift, devise or bequest:
- "(a) Usable marijuana, immature marijuana plants and seeds from registry identification cardholders, designated primary caregivers, [persons responsible for marijuana grow sites] designated growers, grow site administrators, persons who hold a license under ORS 475C.065 and persons who hold a certificate under ORS 475C.289; and
- "(b) Medical cannabinoid products, cannabinoid concentrates and cannabinoid extracts from persons responsible for marijuana processing sites, persons who hold a license under ORS 475C.085 and persons who hold a certificate under ORS 475C.289.
- "(2) If a registry identification cardholder's annual income is at or below the federal poverty guidelines, a medical marijuana dispensary that is owned by a nonprofit corporation organized under ORS chapter 65 shall dispense usable marijuana, immature marijuana plants, seeds, medical cannabinoid products, cannabinoid concentrates and cannabinoid extracts to that registry identification cardholder or the designated primary caregiver of that registry identification cardholder free of charge or at a discounted price.
  - "(3) The Oregon Health Authority shall adopt rules necessary to implement this section.

# "SECTION 42. ORS 475C.856 is amended to read:

"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 43. 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 44. ORS 475C.865 is amended to read:

"475C.865. Notwithstanding ORS 475C.862, if the Oregon Health Authority suspends or revokes the registration of [the marijuana grow site of a person designated to produce marijuana by a registry identification cardholder,] a marijuana processing site or a medical marijuana dispensary, or otherwise takes disciplinary action against [the marijuana grow site of a person designated to produce marijuana by a registry identification cardholder,] a marijuana processing site or a medical marijuana dispensary, the authority shall provide that information to a law enforcement agency.

# "SECTION 45. ORS 475C.868 is amended to read:

"475C.868. (1) Except as provided in subsection (5) of this section, the Oregon Health Authority

shall establish, maintain and operate an electronic system for the keeping of information received by the authority under ORS 475C.783 [and 475C.792] or information included on a registry identification card issued under ORS 475C.783 [or on a marijuana grow site registration card issued under ORS 475C.792].

- "(2) The authority may contract with a state agency or private entity to ensure the effective establishment, maintenance or operation of the electronic system.
- "(3) Except as provided in subsection (4) of this section, information kept in the electronic system is confidential and not subject to public disclosure under ORS 192.311 to 192.478. Except as provided in subsection (4) of this section, the authority may not disclose the information for any reason.
- "(4) Except as provided in subsection (5) of this section, the authority shall establish the electronic system in a manner that allows the Oregon Liquor and Cannabis Commission and the Department of Revenue to remotely access the electronic system. Information disclosed to the commission and the department under this subsection remains confidential and not subject to public disclosure under ORS 192.311 to 192.478. The commission and the department may not disclose the information for any reason.
- "(5) The authority is not required to keep in the database, and the commission and the department may not access, the following types of information:
  - "(a) Information related to the debilitating condition of a registry identification cardholder; or
- "(b) The contact information or address of a registry identification cardholder or a designated primary caregiver[, unless the contact information or address are the same as the contact information or address of a marijuana grow site].
- "(6) The electronic system must be immediately accessible by the commission and the department at all times.

## "SECTION 46. ORS 475C.871 is amended to read:

- "475C.871. (1) The Oregon Health Authority shall enter into an agreement with the Oregon Liquor and Cannabis Commission under which the commission shall use the system developed and maintained under ORS 475C.177 to track:
- "[(a) The propagation of immature marijuana plants and the production of marijuana by marijuana grow sites;]

# "(a) Marijuana production at a marijuana grow site administered by a grow site administrator;

- "(b) The processing of marijuana into medical cannabinoid products, cannabinoid concentrates and cannabinoid extracts that are transferred to a medical marijuana dispensary;
- "(c) The transfer of usable marijuana, immature marijuana plants, medical cannabinoid products, cannabinoid concentrates and cannabinoid extracts by a marijuana grow site or a medical marijuana dispensary to a registry identification cardholder or the designated primary caregiver of a registry identification cardholder; and
- "(d) The transfer of usable marijuana, immature marijuana plants, medical cannabinoid products, cannabinoid concentrates and cannabinoid extracts between marijuana grow sites, marijuana processing sites and medical marijuana dispensaries.
- "(2) Marijuana grow sites **administered by grow site administrators**, marijuana processing sites and medical marijuana dispensaries are subject to tracking under this section.
- "[(3) On and after the date on which a marijuana grow site becomes subject to tracking under this section, the person is exempt from the requirements of ORS 475C.795 and the provisions of ORS

475C.792 that relate to ORS 475C.795.]

"[(4)] (3) On and after the date on which a marijuana processing site becomes subject to tracking under this section, the marijuana processing site is exempt from the requirements of ORS 475C.821 and the provisions of ORS 475C.815 that relate to ORS 475C.821.

"[(5)] (4) On and after the date on which a medical marijuana dispensary becomes subject to tracking under this section, the medical marijuana dispensary is exempt from the requirements of ORS 475C.843 and the provisions of ORS 475C.833 that relate to ORS 475C.843.

"[(6)] (5) The commission may conduct inspections and investigations of alleged violations of ORS 475C.770 to 475C.919 about which the commission obtains knowledge as a result of performing the commission's duties under this section. Notwithstanding ORS 475C.301, the commission may use regulatory specialists, as defined in ORS 471.001, to conduct the inspections and investigations, including inspections and investigations of [marijuana grow sites] a marijuana grow site administered by a grow site administrator and located at a primary residence.

"[(7)] (6) Notwithstanding ORS 475C.726 and subject to subsection (7) of this section, before making any other distribution from the Oregon Marijuana Account established under ORS 475C.726, the Department of Revenue shall first distribute moneys quarterly from the account to the commission for deposit in the Marijuana Control and Regulation Fund established under ORS 475C.297 for purposes of paying administrative, inspection and investigatory costs incurred by the commission under this section, provided that the total amount of distributed moneys under this subsection together with the moneys distributed under subsection (7) of this section does not exceed [\$1.25] \$1.50 million per quarter. For purposes of estimating the amount of moneys necessary to pay costs incurred under this section, the commission shall establish a formulary based on expected costs for each marijuana grow site administered by a grow site administrator, marijuana processing site or medical marijuana dispensary that is tracked under this section. The commission shall provide to the department [of Revenue] and the Legislative Fiscal Officer before each quarter the estimated amount of moneys necessary to pay costs expected to be incurred under this section and the formulary.

"(7) Notwithstanding ORS 475C.726, before making any other distribution from the Oregon Marijuana Account established under ORS 475C.726, and at the time of making the distribution described in subsection (6) of this section, the department shall distribute moneys quarterly from the account to the authority for purposes of paying administrative, inspection and investigatory costs incurred by the authority under ORS 475C.770 to 475C.919. For purposes of estimating the amount of moneys necessary to pay costs described in this subsection, the authority shall establish a formulary based on expected costs for each marijuana processing site and medical marijuana dispensary tracked under this section. The authority shall provide to the department and the Legislative Fiscal Officer before each quarter the estimated amount of moneys necessary to pay costs expected to be incurred under this section and the formulary.

"(8) When imposing a fee on a [person responsible for a marijuana grow site,] marijuana processing site or medical marijuana dispensary under ORS [475C.792,] 475C.815 or 475C.833, the authority shall impose an additional fee that is reasonably calculated to pay costs incurred under this section other than costs paid pursuant to subsection [(7)] (6) of this section. As part of the agreement entered into under subsection (1) of this section, the authority shall transfer fee moneys collected pursuant to this subsection to the commission for deposit in the Marijuana Control and Regulation Fund established under ORS 475C.297. Moneys collected pursuant to this subsection and

- deposited in the Marijuana Control and Regulation Fund are continuously appropriated to the commission for purposes of this section.
- 3 "(9) The authority and the commission may adopt rules as necessary to administer this section.
- 4 "[(10) This section does not apply to a marijuana grow site located at an address where:]
- 5 "[(a) A registry identification cardholder produces marijuana and no more than 12 mature 6 marijuana plants and 24 immature marijuana plants are produced; or]
- 7 "[(b)(A) No more than two persons are registered under ORS 475C.792 to produce marijuana; 8 and]
  - "[(B) The address is used to produce marijuana for no more than two registry identification cardholders.]
    - "(10) This section does not apply to:

9

10

11

12 13

14

15 16

17

18 19

20 21

22

23

24

25

26

27

28

29

30 31

32

33

34

35 36

37

38

39 40

41

44

45

- "(a) A registry identification cardholder who produces marijuana only for the use of the registry identification cardholder; or
- "(b) A designated grower who produces marijuana at an address where no more than 12 mature marijuana plants are produced and who produces marijuana for no more than two registry identification cardholders.
  - "SECTION 47. ORS 475C.883 is amended to read:
- "475C.883. Except as provided in ORS 475C.886, a person engaged in or assisting in the medical use of marijuana is exempt from the criminal laws of this state for possession, delivery or manufacture of marijuana, aiding and abetting another in the possession, delivery or manufacture of marijuana, or any other criminal offense in which possession, delivery or manufacture of marijuana is an element if:
  - "(1) The person holds a registry identification card.
- "(2) The person has applied for a registry identification card under ORS 475C.783 and the person has proof of written documentation described in ORS 475C.783 (2)(a) and proof of the date on which the person submitted the application to the Oregon Health Authority. An exemption under this subsection applies only until the authority approves or denies the application.
  - "(3) The person is designated as a primary caregiver under ORS 475C.789.
- "(4) The person is [responsible for or is employed by a marijuana grow site registered under ORS 475C.792] a designated grower or grow site administrator.
  - "(5) The person owns, is responsible for, or is employed by, a marijuana processing site.
  - "(6) The person owns, is responsible for, or is employed by, a medical marijuana dispensary.
  - "SECTION 48. 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
- 42 "(c) Possesses, delivers or manufactures marijuana only in quantities permitted under ORS 43 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 49. ORS 475C.894 is amended to read:

"475C.894. (1) Registration under ORS 475C.770 to 475C.919 or possession of proof of registration under ORS 475C.770 to 475C.919 does not constitute probable cause to search the person or property of the registrant or otherwise subject the person or property of the registrant to inspection by a government agency. However, the Oregon Health Authority may inspect the marijuana grow site of a [person designated to produce marijuana by a registry identification cardholder] designated grower or grow site administrator, a marijuana processing site registered under ORS 475C.815, or a medical marijuana dispensary registered under ORS 475C.833, at any reasonable time to determine whether the [person responsible for the marijuana grow site] designated grower or grow site administrator, the person responsible for the marijuana processing site, or the person responsible for the medical marijuana dispensary, is in compliance with ORS 475C.770 to 475C.919 and rules adopted under ORS 475C.770 to 475C.919.

"(2) Any property interest possessed, owned or used in connection with the medical use of marijuana or acts incidental to the medical use of marijuana that has been seized by state or local law enforcement officers may not be harmed, neglected, injured or destroyed while in the possession of a law enforcement agency, except that a law enforcement agency has no responsibility to maintain live marijuana plants lawfully seized. Such property interest may not be forfeited under any provision of law providing for the forfeiture of property, except pursuant to a sentence imposed after conviction of a criminal offense. Marijuana and equipment or paraphernalia used to produce, process or administer marijuana that was seized by a law enforcement officer shall be returned immediately if the district attorney in whose county the property was seized, or the district attorney's designee, determines that the person from whom the marijuana, equipment or paraphernalia was seized is entitled to the protections provided by ORS 475C.770 to 475C.919. The determination may be evidenced by a decision not to prosecute, the dismissal of charges or acquittal.

#### "SECTION 50. ORS 475C.897 is amended to read:

- "475C.897. (1) For purposes of this section, 'reasonable regulations' includes:
- "(a) Reasonable limitations on the hours during which [the marijuana grow site of a person designated to produce marijuana by a registry identification cardholder,] a marijuana processing site or a medical marijuana dispensary may operate;

- "(b) Reasonable conditions on the manner in which [the marijuana grow site of a person designated to produce marijuana by a registry identification cardholder,] a marijuana processing site or a medical marijuana dispensary may transfer usable marijuana, medical cannabinoid products, cannabinoid concentrates, cannabinoid extracts, immature marijuana plants and seeds;
- "(c) Reasonable requirements related to the public's access to [the marijuana grow site of a person designated to produce marijuana by a registry identification cardholder,] a marijuana processing site or a medical marijuana dispensary; and
- "(d) Reasonable limitations on where [the marijuana grow site of a person designated to produce marijuana by a registry identification cardholder,] a marijuana processing site or a medical marijuana dispensary may be located.
- "(2) Notwithstanding ORS 30.935, 215.253 (1) or 633.738, the governing body of a city or county may adopt ordinances that impose reasonable regulations on the operation of [marijuana grow sites of persons designated to produce marijuana by registry identification cardholders,] marijuana processing sites and medical marijuana dispensaries that are located in the area subject to the jurisdiction of the city or county.

#### "SECTION 51. ORS 475C.930 is amended to read:

- "475C.930. (1) The Oregon Cannabis Commission is established within the Oregon Health Authority. The commission consists of:
- "(a) The Public Health Officer or the Public Health Officer's designee; and
- "(b) Eight members appointed by the Governor as follows:
- "(A) A registry identification cardholder, as defined in ORS 475C.777;
- "(B) [A person designated to produce marijuana by a registry identification cardholder, as defined in ORS 475C.777] A designated grower, as defined in ORS 475C.777, or a grow site administrator designated under ORS 475C.121;
  - "(C) An attending provider, as defined in ORS 475C.777;
- "(D) A person representing the Oregon Health Authority;
  - "(E) A person representing the Oregon Liquor and Cannabis Commission;
- "(F) A local health officer, as described in ORS 431.418;
- "(G) A law enforcement officer; and

- "(H) A person knowledgeable about research proposal grant protocols.
- "(2) The term of office of each member of the commission is four years, but a member serves at the pleasure of the Governor. Before the expiration of the term of a member, the Governor shall appoint a successor whose term begins on January 1 of the following year. A member is eligible for reappointment. If there is a vacancy for any cause, the Governor shall make an appointment to become immediately effective for the unexpired term.
- "(3) The appointment of each member of the commission is subject to confirmation by the Senate in the manner prescribed in ORS 171.562 and 171.565.
- "(4) Members of the commission are not entitled to compensation, but may be reimbursed for actual and necessary travel and other expenses incurred by them in the performance of their official duties in the manner and amounts provided for in ORS 292.495.

#### "SECTION 52. 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 pro-

hibit 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 53. 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;
- 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;
    - "(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 grow site administrators 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.
  - "(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 54. Section 55 of this 2025 Act is added to and made a part of ORS 475C.005 to 475C.525.
- "SECTION 55. (1) A grow site administrator may continue to produce marijuana at the marijuana grow site that the grow site administrator administers if:
- "(a) The grow site administrator was first registered under ORS 475C.792 as a person responsible for a marijuana grow site prior to the effective date of this 2025 Act; and
- "(b) The marijuana grow site is at an address located within the boundaries of a city or county that prohibits the establishment of marijuana producers licensed under ORS 475C.065 and designated as exclusively medical licensees under ORS 475C.121.
- "(2) The grow site administrator shall cease production of marijuana at the marijuana grow site, and may not resume production of marijuana at the marijuana grow site, if the Oregon Liquor and Cannabis Commission revokes the grow site administrator's designation under ORS 475C.121.

### "CONFORMING AMENDMENTS

 $\frac{1}{2}$ 

"SECTION 56. ORS 315.136 is amended to read:

"315.136. (1) In order to receive a notice of acknowledgment from the Department of Revenue in support of a tax credit allowed under ORS 315.133, a taxpayer shall submit to the department an application under this section. The application shall be made in the form and manner prescribed by the department and must be submitted by the taxpayer no later than January 31 following the calendar year for which the taxpayer seeks credit.

"(2) The taxpayer must include with the application required under this section the following:

"(a) The address and tax identification number of the taxpayer.

- "(b) A statement by the taxpayer of the overtime hours worked and overtime wages paid, on an hourly basis, to agricultural workers employed by the taxpayer and the amount of overtime wages paid by or on behalf of the taxpayer as compensation to agricultural workers during the calendar year. The taxpayer shall provide aggregate data as to employees of the taxpayer who received overtime pay from the taxpayer and those who did not.
- "(c) The number of the license issued under ORS 658.410 to any labor contractor used to recruit, solicit, supply or employ workers on behalf of the taxpayer, or other permit or registration numbers issued to the labor contractor.
- "(d) If applicable, any license required under ORS 475C.065 or 571.281 [or registration required under ORS 475C.792].
- "(e) Any other information required by the department to verify the identity of the taxpayer or the potential maximum amount of credit allowed to the taxpayer under ORS 315.133.
- "(3) Upon receipt of an application under this section, the department shall immediately allow an extension, from the next applicable due date, for filing of the taxpayer's income or corporate excise tax return.
- "(4) Not later than June 1 of the year in which the application under subsection (1) of this section is filed, the department shall issue written notice to taxpayers that meet the application requirements of this section. The notice of acknowledgment shall state the maximum amount of credit for which the taxpayer is eligible for the tax year. The credit claimed may not exceed the actual amount of excess paid as overtime wages to agricultural workers during the calendar year by the taxpayer.

#### "SECTION 57. ORS 537.387 is amended to read:

- "537.387. (1) At a location described in subsection (2) of this section, a person may not:
- "(a) Use, store or divert any waters under ORS 537.130;
- "(b) Use or attempt to use any ground water under ORS 537.535;
- "(c) Construct or attempt to construct any well or other means of developing and securing ground water under ORS 537.535;
- "(d) Collect or use precipitation water from an artificial impervious surface as described in ORS 537.141; or
  - "(e) Use ground water as described in ORS 537.545 (1)(b) or (f).
- "(2) A person may not engage in or undertake an action described in subsection (1) of this section at a location where plants in the plant Cannabis family Cannabaceae are grown, if:
- "(a) The location described in this section is not licensed [or registered] under ORS 475C.065[, 475C.792] or 571.281; and
- "(b) The number of plants described in this section is greater than the number of marijuana plants or industrial hemp plants allowed under ORS 475C.005 to 475C.525, 475C.770 to 475C.919 or 571.260 to 571.348.

# " $\underline{\textbf{SECTION 58.}}$ ORS 537.898 is amended to read:

- 40 "537.898. (1) A person may not haul water to, or arrange for the hauling of water to, a grow site 41 for plants in the plant Cannabis family Cannabaceae if:
  - "(a) The grow site is not [registered or] licensed under ORS 475C.065[, 475C.792] or 571.281; and
- 43 "(b) The crop of plants is in an amount that is not allowed under state law.
- 44 "(2) A person may not willfully or negligently provide false information to law enforcement or 45 the Water Resources Department regarding the hauling of water related to plants in the plant

- 1 Cannabis family Cannabaceae.
  - "SECTION 59. ORS 537.990 is amended to read:
- 3 "537.990. (1) Violation of ORS 537.130 (2) is a Class B misdemeanor.
  - "(2) Any person who willfully diverts or uses water to the detriment of others without compliance with law shall be punished as provided in subsection (1) of this section. The possession or use of water, except when a right of use is acquired in accordance with law, shall be prima facie evidence of the guilt of the person using it.
    - "(3) Violation of ORS 537.535 (1) or 537.747 is a Class B misdemeanor.
      - "(4) Violation of ORS 537.387 or 537.898 (2) is a Class A misdemeanor.
  - "(5)(a) Violation of ORS 537.898 (1) with criminal negligence, as defined in ORS 161.085, is a Class A misdemeanor.
  - "(b) Notwithstanding ORS 161.635, the maximum fine for a violation described in this subsection is \$25,000 if the person:
    - "(A) Owns a water hauling business; or
  - "(B) Owns, operates or is responsible for the grow site to which the water was hauled or arranged to be hauled.
  - "(6)(a) Notwithstanding subsections (1) to (3) of this section, violation of ORS 537.130 (2) or 537.535 that concerns the use of water at a grow site for a crop of plants in the plant Cannabis family Cannabaceae is a Class A misdemeanor if:
    - "(A) The grow site is not [registered or] licensed under ORS 475C.065[, 475C.792] or 571.281; and
    - "(B) The crop of plants is in an amount that is not allowed under state law.
  - "(b) Notwithstanding ORS 161.635, the maximum fine for a violation described in this subsection is \$25,000.

24 25

2

4

5

6 7

8 9

10 11

12 13

14 15

16

17 18

19

20 21

22

23

## "MISCELLANEOUS

26 27

28 29

30

31

32

33

35

36 37

38

39 40

41

42 43

44

45

- "SECTION 60. (1) As used in this section:
- "(a) 'Health care facility' has the meaning given that term in ORS 442.015.
- "(b) 'Health professional regulatory board' has the meaning given that term in ORS 676.160.
- "(c) 'Medical resources' includes but is not limited to:
  - "(A) Medical devices or equipment.
  - "(B) Prescription drugs.
- 34 "(C) Laboratory testing.
  - "(d) 'Provider' means:
    - "(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 61. (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. A person responsible for a marijuana grow site at which marijuana is produced for three or more registry identification cardholders may continue to produce marijuana at the marijuana grow site until January 1, 2027, if:

- "(a) The marijuana grow site was first registered under ORS 475C.792 prior to the effective date of this 2025 Act; and
- "(b) The registration must be renewed after the effective date of this 2025 Act and on or before the operative date specified in section 67 (1) of this 2025 Act.
- "(2) On and after January 1, 2027, 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.
- "(3) A person responsible for a marijuana grow site that is first registered under ORS 475C.792 prior to the effective date of this 2025 Act who applies for a grow site administrator designation under ORS 475C.121 shall maintain in the person's possession, until the person is designated under ORS 475C.121, any marijuana and usable marijuana that the person possessed for a registry identification cardholder when the person was registered under ORS 475C.792.

"SECTION 62. The Oregon Health Authority and the Oregon Liquor and Cannabis Commission shall study the impacts of this 2025 Act on the adult use cannabis industry and the Oregon Medical Cannabis Act. The authority and the commission shall submit a report, including findings and recommendations for legislation, in the manner provided in ORS 192.245 to the interim committees of the Legislative Assembly related to the judiciary not later than September 1, 2027.

"SECTION 63. Section 62 of this 2025 Act is repealed on January 2, 2028.

"SECTION 64. ORS 475C.728 and 475C.730 are added to and made a part of ORS 475C.670 to 475C.734.

"REPEALS

"SECTION 65. ORS 475C.794, 475C.795, 475C.797, 475C.798 and 475C.803 are repealed.

#### "CAPTIONS

"SECTION 66. The unit captions used in this 2025 Act are provided only for the convenience of the reader and do not become part of the statutory law of this state or express any legislative intent in the enactment of this 2025 Act.

# "OPERATIVE AND EFFECTIVE DATES

"SECTION 67. (1) Sections 3, 55 and 60 of this 2025 Act, the amendments to ORS 315.136, 475C.009, 475C.013, 475C.017, 475C.037, 475C.069, 475C.073, 475C.097, 475C.121, 475C.137, 475C.141, 475C.169, 475C.177, 475C.205, 475C.273, 475C.379, 475C.441, 475C.457, 475C.489, 475C.497, 475C.544, 475C.564, 475C.624, 475C.773, 475C.777, 475C.783, 475C.792, 475C.800, 475C.806, 475C.809, 475C.812, 475C.815, 475C.827, 475C.833, 475C.850, 475C.856, 475C.862, 475C.865, 475C.868, 475C.871, 475C.883,

475C.889, 475C.894, 475C.897, 475C.930, 475C.945, 475C.950, 537.387, 537.898 and 537.990 by sections 5 to 18, 20, 21, 23 to 31, 33 to 53 and 56 to 59 of this 2025 Act and the repeal of ORS 475C.794, 475C.795, 475C.797, 475C.798 and 475C.803 by section 65 of this 2025 Act become operative on January 1, 2026.

"(2) The amendments to ORS 475C.783 by section 32 of this 2025 Act become operative on January 1, 2027.

"(3) 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 3, 55 and 60 of this 2025 Act, the amendments to ORS 315.136, 475C.009, 475C.013, 475C.017, 475C.037, 475C.069, 475C.073, 475C.097, 475C.121, 475C.137, 475C.141, 475C.169, 475C.177, 475C.205, 475C.273, 475C.379, 475C.441, 475C.457, 475C.489, 475C.497, 475C.544, 475C.564, 475C.624, 475C.773, 475C.777, 475C.783, 475C.792, 475C.800, 475C.806, 475C.809, 475C.812, 475C.815, 475C.827, 475C.833, 475C.850, 475C.866, 475C.868, 475C.868, 475C.871, 475C.883, 475C.889, 475C.894, 475C.897, 475C.930, 475C.945, 475C.950, 537.387, 537.898 and 537.990 by sections 5 to 18, 20, 21, 23 to 31, 33 to 53 and 56 to 59 of this 2025 Act and the repeal of ORS 475C.794, 475C.795, 475C.797, 475C.798 and 475C.803 by section 65 of this 2025 Act.

"SECTION 68. 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.".