A-Engrossed Senate Bill 907

Ordered by the Senate April 16 Including Senate Amendments dated April 16

Sponsored by Senator THATCHER, Representative LEWIS; Representative MANNIX

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure. The statement includes a measure digest written in compliance with applicable readability standards.

Digest: The Act changes some requirements for a person who wants to be allowed to grow marijuana or psilocybin. The Act states that the person must tell the OHA or the OLCC where the person plans to grow, process or produce the marijuana or psilocybin and who owns the site that the person plans to use. The Act specifies some cases when the OHA or the OLCC cannot give permission to the person. (Flesch Readability Score: 60.2).

Requires an applicant for a license to manufacture psilocybin to submit to the Oregon Health Authority information regarding the ownership and location of the premises to be licensed **or for which a license will be renewed**. Prohibits the authority from issuing **or renewing** a license in specified circumstances.

Requires an applicant for a license to produce or process marijuana to submit to the Oregon Liquor and Cannabis Commission information regarding the ownership and location of the premises to be licensed or for which a license will be renewed. Prohibits the commission from issuing or renewing a license in specified circumstances.

Requires an applicant for a medical marijuana grow site or medical marijuana processing site registration to submit to the authority information regarding the ownership and location of the premises to be registered or for which a registration is being renewed. Prohibits the authority from issuing or renewing a registration in specified circumstances. Allows the authority to release certain information about a marijuana grow site to a county for purposes of verifying ownership of a premises for which a marijuana grow site registration may be issued or renewed.

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

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A BILL FOR AN ACT

2 Relating to ownership of premises; creating new provisions; amending ORS 475A.250, 475A.290,

475C.037, 475C.065, 475C.085, 475C.792, 475C.815 and 475C.859; and prescribing an effective date.

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

5 <u>SECTION 1.</u> Section 2 of this 2025 Act is added to and made a part of ORS 475A.210 to 6 475A.722.

7 <u>SECTION 2.</u> (1) The Oregon Health Authority may not issue a psilocybin manufacturer 8 license under ORS 475A.290 unless the applicant submits with the application a statement 9 accurately identifying the legal address and owner of the premises to be licensed and the 10 requirements of subsections (2) and (3) of this section are met.

11 (2) The authority shall independently verify the information provided under subsection

(1) of this section regarding the ownership of the premises with the county in which the
 premises to be licensed under ORS 475A.290 is located.

(3) If the applicant described in subsection (1) of this section is not the owner of the
 premises to be licensed under ORS 475A.290, the applicant shall:

(a) Inform the owner in writing that the premises is intended to be licensed under ORS
 475A.290;

(b) If the owner wishes to consent to the use of the premises for the purposes of manu-1 2 facturing psilocybin, obtain from the owner the owner's written signature, witnessed by a notary public, confirming ownership of the premises and consenting to the applicant's use 3 of the premises for the purpose of manufacturing psilocybin; and 4 (c) Provide the owner's witnessed signature as described in paragraph (b) of this sub-5 section to the authority. 6 (4) An owner who consents as described in subsection (3) of this section to the use of the 7 owner's premises for the purpose of manufacturing psilocybin may specify in the document 8 9 that contains the owner's witnessed signature the number of annual licensure terms for which the owner's consent to the use of the premises is valid. 10 (5) The authority shall cancel an application for a license under ORS 475A.290 if the au-11 12thority: 13 (a) Is not able to verify ownership of the premises described in subsection (1) of this section; or 14 (b) Does not receive, if the application is from an applicant described in subsection (3) 15 of this section, the witnessed signature described in subsection (3) of this section. 16 (6) The authority may adopt rules to carry out this section. Rules adopted under this 17 section may include rules to establish a form for the purposes of this section. 18 SECTION 3. ORS 475A.250 is amended to read: 19 475A.250. [Grounds for refusing to issue license or issuing restricted license.] (1) The Oregon 20Health Authority may not license an applicant under the provisions of ORS 475A.210 to 475A.722 2122if the applicant is under 21 years of age. 23(2) The authority may refuse to issue a license or may issue a restricted license to an applicant under the provisions of ORS 475A.210 to 475A.722 if the authority makes a finding that the appli-2425cant: (a) Has not completed any education or training required by the provisions of ORS 475A.210 to 2627475A.722 or rules adopted under ORS 475A.210 to 475A.722. (b) Has not passed any examination required by the provisions of ORS 475A.210 to 475A.722 or 28rules adopted under ORS 475A.210 to 475A.722. 2930 (c) Is in the habit of using alcoholic beverages, habit-forming drugs, or controlled substances to 31 excess. 32(d) Has made false statements to the authority. (e) Is incompetent or physically unable to carry on the management of the establishment pro-33 34 posed to be licensed. 35 (f) 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 36 37 under the license. (g) Is not of good repute and moral character. 38 (h) Does not have a good record of compliance with ORS 475A.210 to 475A.722 or any rule 39 adopted under ORS 475A.210 to 475A.722. 40 (i) Except as provided in section 2 of this 2025 Act, is not the legitimate owner of the 41 premises proposed to be licensed, or has not disclosed that other persons have ownership interests 42

43 in the premises proposed to be licensed.

(j) Has not demonstrated financial responsibility sufficient to adequately meet the requirementsof the premises proposed to be licensed.

(k) Is unable to understand the laws of this state relating to psilocybin products, psilocybin 1 services, or the rules adopted under ORS 475A.210 to 475A.722. 2 (3) Notwithstanding subsection (2)(f) of this section, in determining whether to issue a license 3 or a restricted license to an applicant, the authority may not consider the prior conviction of the 4 applicant or any owner, director, officer, manager, employee, agent or other representative of the $\mathbf{5}$ 6 applicant for: (a) The manufacture of psilocybin or the manufacture of a marijuana item, as defined in ORS 7 475C.009, if: 8 9 (A) The date of the conviction is two or more years before the date of the application; and 10 (B) The person has not been convicted more than once for the manufacture of psilocybin or a 11 marijuana item; or 12(b) The possession of a controlled substance, as defined in ORS 475.005, or a marijuana item, as defined in ORS 475C.009, if: 13 (A) The date of the conviction is two or more years before the date of the application; or 14 15 (B) The person has not been convicted more than once for the possession of a controlled substance or a marijuana item. 16 SECTION 4. ORS 475A.290 is amended to read: 17 18 475A.290. [Manufacturer license; fees; rules.] (1) The manufacture of psilocybin products is subject to regulation by the Oregon Health Authority. 19 (2) A psilocybin product manufacturer must have a manufacturer license issued by the authority 20for the premises at which the psilocybin products are manufactured. To hold a manufacturer license 2122issued under this section, a psilocybin product manufacturer: 23(a) Must apply for a license in the manner described in ORS 475A.245; (b) Must provide proof that the applicant is 21 years of age or older; and 24 (c) Must meet the requirements of any rule adopted by the authority under this section. 25[(c) Must, until January 1, 2025:] 2627[(A) If the direct owner of the business operating or to be operated under the license is a legal entity, provide proof that more than 50 percent of the shares, membership interests, partnership inter-28ests, or other ownership interests of the legal entity are held, directly or indirectly, by one or more in-2930 dividuals who have been residents of this state for two or more years;] 31 [(B) If the direct owner of the business operating or to be operated under the license is a partnership that is not a legal entity, provide proof that more than 50 percent of the partnership interests of 32the partnership are held, directly or indirectly, by one or more individuals who have been residents of 33 34 this state for two or more years; and] 35 [(C) If the direct owner of the business operating or to be operated under the license is an individual, provide proof that the individual has been a resident of this state for two or more years; and] 36 37 [(d) Must meet the requirements of any rule adopted by the authority under subsections (3) and (4) 38 of this section.] (3)[(a) If the applicant is not the owner of the premises at which the psilocybin is to be manufac-39 tured,] The applicant shall [submit to the authority signed informed consent from the owner of the 40 premises to manufacture psilocybin at the premises], with the application submitted to the au-41 thority, provide the information described under and meet the requirements of section 2 of 42 this 2025 Act. 43 [(b) The authority may adopt rules regarding the informed consent described in this subsection.] 44

45 (4) The authority shall adopt rules that:

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(a) Require a psilocybin product manufacturer to annually renew a license issued under this 1 section and, if the applicant or licensee is not the owner of the premises for which the license 2 is being renewed, to submit with the application for renewal the owner's written signature, 3 witnessed by a notary public, confirming ownership of the premises and consenting to the 4 applicant's or licensee's use of the premises for the purpose of manufacturing psilocybin, if 5 the owner's consent to the use of the premises is expired; 6 (b) Establish application, licensure and renewal of licensure fees for psilocybin product man-7 ufacturers; and 8 9 (c) Require psilocybin products manufactured by psilocybin product manufacturers to be tested in accordance with ORS 475A.590. 10 (5) Fees adopted under subsection (4)(b) of this section: 11 12(a) May not exceed, together with other fees collected under ORS 475A.210 to 475A.722, the cost of administering ORS 475A.210 to 475A.722; and 13 (b) Shall be deposited in the Psilocybin Control and Regulation Fund established under ORS 14 15 475A.492. SECTION 5. Section 6 of this 2025 Act is added to and made a part of ORS 475C.005 to 16 475C.525. 17 18 SECTION 6. (1) The Oregon Liquor and Cannabis Commission may not issue a marijuana production license under ORS 475C.065 or a marijuana processor license under ORS 475C.085 19 unless the applicant submits with the application a statement accurately identifying the legal 20address and owner of the premises to be licensed and the requirements of subsections (2) and 2122(3) of this section are met. 23(2) The commission shall independently verify the information provided under subsection (1) of this section regarding the ownership of the premises with the county in which the 24premises to be licensed under ORS 475C.065 or 475C.085 is located. 25(3) If the applicant described in subsection (1) of this section is not the owner of the 2627premises to be licensed under ORS 475C.065 or 475C.085, the applicant shall: (a) Inform the owner in writing that the premises is intended to be licensed under ORS 28475C.065 or 475C.085; 2930 (b) If the owner wishes to consent to the use of the premises for the purposes of 31 producing or processing marijuana, obtain from the owner the owner's written signature, witnessed by a notary public, confirming ownership of the premises and consenting to the 32applicant's use of the premises for the purpose of producing or processing marijuana; and 33 34 (c) Provide the owner's witnessed signature as described in paragraph (b) of this sub-35 section to the commission. (4) An owner who consents as described in subsection (3) of this section to the use of the 36 37 owner's premises for the purpose of producing or processing marijuana may specify in the 38 document that contains the owner's witnessed signature the number of annual licensure terms for which the owner's consent to the use of the premises is valid. 39 40 (5) The commission shall cancel an application for a license under ORS 475C.065 or 475C.085 if the commission: 41 (a) Is not able to verify ownership of the premises described in subsection (1) of this 4243 section: or

(b) Does not receive, if the application is from an applicant described in subsection (3)
 of this section, the witnessed signature described in subsection (3) of this section.

1	(6) The commission may adopt rules to carry out this section. Rules adopted under this
2	section may include rules to establish a form for the purposes of this section.
3	SECTION 7. ORS 475C.037 is amended to read:
4	475C.037. (1) The Oregon Liquor and Cannabis Commission may not license an applicant under
5	the provisions of ORS 475C.005 to 475C.525 or 475C.548 if the applicant is under 21 years of age.
6	(2) The commission may refuse to issue a license or may issue a restricted license to an appli-
7	cant under the provisions of ORS 475C.005 to 475C.525 or 475C.548 if the commission makes a find-
8	ing that the applicant:
9	(a) Is in the habit of using alcoholic beverages, habit-forming drugs, marijuana or controlled
10	substances to excess.
11	(b) Has made false statements to the commission.
12	(c) Is incompetent or physically unable to carry on the management of the establishment pro-
13	posed to be licensed.
14	(d) Has been convicted of violating a federal law, state law or local ordinance if the conviction
15	is substantially related to the fitness and ability of the applicant to lawfully carry out activities
16	under the license.
17	(e) Is not of good repute and moral character.
18	(f) Does not have a good record of compliance with ORS 475C.005 to 475C.525 or 475C.540 to
19	475C.586 or any rule adopted under ORS 475C.005 to 475C.525 or 475C.540 to 475C.586.
20	(g) Except as provided in section 6 of this 2025 Act, is not the legitimate owner of the
21	premises proposed to be licensed, or has not disclosed that other persons have ownership interests
22	in the premises proposed to be licensed.
23	(h) Has not demonstrated financial responsibility sufficient to adequately meet the requirements
24	of the premises proposed to be licensed.
25	(i) Is unable to understand the laws of this state relating to marijuana items or the rules adopted
26	under ORS 475C.005 to 475C.525 and 475C.540 to 475C.586.
27	(3) Notwithstanding subsection (2)(d) of this section, in determining whether to issue a license
28	or a restricted license to an applicant, the commission may not consider the prior conviction of the
29	applicant or any owner, director, officer, manager, employee, agent or other representative of the
30	applicant for:
31	(a) The manufacture of marijuana, if:
32	(A) The date of the conviction is two or more years before the date of the application; and
33	(B) The person has not been convicted more than once for the manufacture or delivery of
34	marijuana;
35	(b) The delivery of marijuana to a person 21 years of age or older, if:
36	(A) The date of the conviction is two or more years before the date of the application; and
37	(B) The person has not been convicted more than once for the manufacture or delivery of
38	marijuana; or
39	(c) The possession of marijuana.
40	SECTION 8. ORS 475C.065 is amended to read:
41	475C.065. (1) The production of marijuana is subject to regulation by the Oregon Liquor and
42	Cannabis Commission.
43	(2) A marijuana producer must have a production license issued by the commission for the
44	premises at which the marijuana is produced. To hold a production license issued under this section,

45 a marijuana producer:

(a) Must apply for a license in the manner described in ORS 475C.033; 1 2 (b) Must provide proof that the applicant is 21 years of age or older; and (c) Must meet the requirements of any rule adopted by the commission under [subsections (3) and 3 (4) of] this section. 4 5 (3)[(a) If the applicant is not the owner of the premises at which the marijuana is to be produced,] The applicant shall [submit to the commission signed informed consent from the owner of 6 the premises to produce marijuana at the premises], with the application submitted to the com-7 mission, provide the information described under and meet the requirements of section 6 of 8 9 this 2025 Act. [(b) The commission may adopt rules regarding the informed consent described in this 10 subsection.] 11 12 (4) The commission shall adopt rules that: 13 (a) Require a marijuana producer to annually renew a license issued under this section; (b) Establish application, licensure and renewal of licensure fees for marijuana producers; 14 15 (c) Require marijuana produced by marijuana producers to be tested in accordance with ORS 475C.544; 16 (d) Assist the viability of marijuana producers that are independently owned and operated and 17 18 that are limited in size and revenue with respect to other marijuana producers, by minimizing barriers to entry into the regulated system and by expanding, to the extent practicable, transportation 19 20options that will support their access to the retail market;

- (e) Allow a marijuana producer registered under ORS 475C.137 to produce marijuana for medical purposes in the same manner that rules adopted under ORS 475C.005 to 475C.525 allow a marijuana producer to produce marijuana for nonmedical purposes, excepting those circumstances where differentiating between the production of marijuana for medical purposes and the production of marijuana for nonmedical purposes is necessary to protect the public health and safety;
- (f) Require marijuana producers to submit, at the time of applying for or renewing a license
 under ORS 475C.033[, a report describing the applicant's or licensee's electrical or water usage;]:

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(A) A report describing the applicant's or licensee's electrical or water usage; and

(B) If the applicant or licensee is not the owner of the premises for which the license is
being renewed, the owner's written signature, witnessed by a notary public, confirming
ownership of the premises and consenting to the applicant's or licensee's use of the premises
for the purpose of producing marijuana, if the owner's consent to the use of the premises is
expired;

(g) Require a marijuana producer to meet any public health and safety standards and industry
 best practices established by the commission by rule related to the production of marijuana or the
 propagation of immature marijuana plants and marijuana seeds; and

(h) Support marijuana plant diversity by allowing a qualified marijuana producer to receive
 marijuana seeds from any source in this state, but not more than a total of 200 marijuana seeds per
 month from all sources combined.

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

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

(b) Shall be in the form of a schedule that imposes a greater fee for premises with more squarefootage or on which more marijuana plants are grown; and

45 (c) Shall be deposited in the Marijuana Control and Regulation Fund established under ORS

475C.297. 1 2 SECTION 9. ORS 475C.085 is amended to read: 3 475C.085. (1) The processing of marijuana items is subject to regulation by the Oregon Liquor and Cannabis Commission. 4 (2) A marijuana processor must have a processor license issued by the commission for the 5 premises at which marijuana items are processed. To hold a processor license under this section, a 6 7 marijuana processor: 8 (a) Must apply for a license in the manner described in ORS 475C.033; 9 (b) Must provide proof that the applicant is 21 years of age or older; 10 (c) If the marijuana processor processes marijuana extracts or industrial hemp extracts, as defined in ORS 571.269, may not be located in an area zoned exclusively for residential use; [and] 11 12 (d) Must meet the requirements of any rule adopted by the commission under subsection (3) of 13 this section; and (e) Must, with the application submitted to the commission, provide the information de-14 15 scribed under and meet the requirements of section 6 of this 2025 Act. 16 (3) The commission shall adopt rules that: (a) Require a marijuana processor to annually renew a license issued under this section and, 17 18 if the applicant or licensee is not the owner of the premises for which the license is being renewed, submit with the application the owner's written signature, witnessed by a notary 19 20public, confirming ownership of the premises and consenting to the applicant's or licensee's use of the premises for the purpose of processing marijuana, if the owner's consent to the 2122use of the premises is expired; 23(b) Establish application, licensure and renewal of licensure fees for marijuana processors; (c) Require marijuana processed by a marijuana processor to be tested in accordance with ORS 24 25475C.544; (d) Require industrial hemp commodities and products processed by a marijuana processor to 2627meet any requirements for industrial hemp commodities or products established under ORS 571.260 to 571.348 or rules adopted under ORS 571.260 to 571.348; 28(e) Allow a marijuana processor registered under ORS 475C.141 to process marijuana and usable 2930 marijuana into medical grade cannabinoid products, cannabinoid concentrates and cannabinoid ex-31 tracts in the same manner that rules adopted under ORS 475C.005 to 475C.525 allow a marijuana 32processor to process marijuana and usable marijuana into general use cannabinoid products, cannabinoid concentrates and cannabinoid extracts, excepting those circumstances where differen-33 34 tiating between the processing of medical grade cannabinoid products, cannabinoid concentrates and cannabinoid extracts and the processing of general use cannabinoid products, cannabinoid concen-35 trates and cannabinoid extracts is necessary to protect the public health and safety; and 36 37 (f) Require a marijuana processor to meet any public health and safety standards and industry 38 best practices established by the commission by rule related to: (A) Cannabinoid edibles; 39 (B) Cannabinoid concentrates; 40 (C) Cannabinoid extracts; and 41 (D) Any other type of cannabinoid product or industrial hemp commodity or product identified 42 by the commission by rule. 43 (4) Fees adopted under subsection (3)(b) of this section: 44 (a) May not exceed, together with other fees collected under ORS 475C.005 to 475C.525, the cost 45

of administering ORS 475C.005 to 475C.525; and 1 2 (b) Shall be deposited in the Marijuana Control and Regulation Fund established under ORS 475C.297. 3 SECTION 10. Section 11 of this 2025 Act is added to and made a part of ORS 475C.770 to 4 475C.919. 5 SECTION 11. (1) The Oregon Health Authority may not issue a marijuana grow site reg-6 istration under ORS 475C.792 or a marijuana processing site registration under ORS 475C.815 7 unless the applicant submits with the application a statement accurately identifying the legal 8 9 address and owner of the premises to be registered and the requirements of subsections (2) and (3) of this section are met. 10 (2) The authority shall independently verify the information provided under subsection 11 12 (1) of this section regarding the ownership of the premises with the county in which the premises to be registered under ORS 475C.792 or 475C.815 is located. 13 (3) If the applicant described in subsection (1) of this section is not the owner of the 14 15 premises to be registered under ORS 475C.792 or 475C.815, the applicant shall: 16(a) Inform the owner in writing that the premises is intended to be registered under ORS 475C.792 or 475C.815; 17 18 (b) If the owner wishes to consent to the use of the premises for the purpose of a marijuana grow site or marijuana processing site, obtain from the owner the owner's written 19 signature, witnessed by a notary public, confirming ownership of the premises and consent-20ing to the applicant's use of the premises for the purpose of a marijuana grow site or 2122marijuana processing site; and 23(c) Provide the owner's witnessed signature as described in paragraph (b) of this sub-24section to the authority. (4) An owner who consents as described in subsection (3) of this section to the use of the 25owner's premises for the purpose of a marijuana grow site or marijuana processing site may 2627specify in the document that contains the owner's witnessed signature the number of annual licensure terms for which the owner's consent to the use of the premises is valid. 28(5) The authority shall cancel an application for a registration under ORS 475C.792 or 2930 475C.815 if the authority: 31 (a) Is not able to verify ownership of the premises described in subsection (1) of this section; or 32(b) Does not receive, if the application is from an applicant described in subsection (3) 33 34 of this section, the witnessed signature described in subsection (3) of this section. 35 (6) The authority may adopt rules to carry out this section. Rules adopted under this section may include rules to establish a form for the purposes of this section. 36 37 SECTION 12. ORS 475C.792 is amended to read: 38 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 39 cardholder or a person designated by the registry identification cardholder to produce marijuana for 40 the registry identification cardholder. 41 (b) Except as provided in paragraph (c) of this subsection, a person may not produce marijuana 42 unless the person is registered under this section. 43 (c) Paragraph (b) of this subsection does not apply to the production of marijuana as provided 44

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, 1 2 or a registry identification cardholder who produces marijuana or who designates another person 3 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 4 under ORS 475C.783 (6)(b), or notifying the authority of a change under ORS 475C.783 (6)(a): 5

(a) The name of the person responsible for the marijuana grow site: 6

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(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 8 9 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] The information required under 10 section 11 of this 2025 Act;

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12(d) The address of the marijuana grow site; and

13 (e) Any other information that the authority considers necessary to track the production of marijuana under ORS 475C.770 to 475C.919. 14

15 (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. 16

(b) A person convicted of a Class A or Class B felony under ORS 475.752 to 475.920 for the 17 18 manufacture or delivery of a controlled substance in Schedule I or Schedule II may not act as or 19 be designated a person responsible for a marijuana grow site for two years from the date of con-20viction.

(c) A person convicted more than once of a Class A or Class B felony under ORS 475.752 to 2122475.920 for the manufacture or delivery of a controlled substance in Schedule I or Schedule II may 23not 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 24registration card if the requirements of subsections (2) and (3) of this section and section 11 of this 252025 Act are met. 26

(5) A person who holds a marijuana grow site registration card under this section must display 27the card at the marijuana grow site at all times. 28

(6) A marijuana grow site registration card must be obtained and posted for each registry 2930 identification cardholder for whom marijuana is being produced at a marijuana grow site.

31 (7)(a) All seeds, immature marijuana plants, mature marijuana plants and usable marijuana as-32sociated 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. 33

34 (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 re-35 sponsible for a marijuana grow site must be transferred to the registry identification cardholder 36 37 upon the request of the registry identification cardholder.

38 (c) All usable marijuana associated with the production of marijuana for a registry identification 39 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 par-40 agraph, a request to transfer usable marijuana constitutes an assignment of the right to possess the 41 42usable marijuana.

(d) All seeds, immature marijuana plants and usable marijuana associated with the production 43 of marijuana for a registry identification cardholder by a person responsible for a marijuana grow 44 site must be transferred to a medical marijuana dispensary upon request of the registry identifica-45

1 tion cardholder. For purposes of this paragraph, a request to transfer seeds, immature marijuana

2 plants or usable marijuana constitutes an assignment of the right to possess the seeds, immature

3 marijuana plants or usable marijuana.

4 (e) Information related to transfers made under this subsection must be submitted to the au-5 thority in the manner required by ORS 475C.795.

6 (8) A registry identification cardholder, or the designated caregiver of a registry identification 7 cardholder, may reimburse a person responsible for a marijuana grow site for all costs associated 8 with the production of marijuana for the registry identification cardholder.

9 (9) The authority may inspect:

(a) The marijuana grow site of a person designated to produce marijuana by a registry identifi cation 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.

(12) When submitting an application for renewal of registration under this section, the applicant or person responsible for the marijuana grow site shall, if the applicant or person is not the owner of the premises for which the registration is being renewed, submit with the application the owner's written signature, witnessed by a notary public, confirming ownership of the premises and consenting to the applicant's or person's use of the premises for the purpose of a marijuana grow site, if the owner's consent to the use of the premises is expired.

31 **SECTION 13.** 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 ap plicant 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; 1 2 (d) Proof that each individual responsible for the marijuana processing site is 21 years of age or older; 3 (e) Documentation, as required by the authority by rule, that demonstrates the marijuana pro-4 cessing site meets the requirements of subsection (3) of this section; [and] 5 (f) The information required under section 11 of this 2025 Act; and 6 [(f)] (g) Any other information that the authority considers necessary. 7 (3) To qualify for registration under this section, a marijuana processing site: 8 9 (a) May not be located in an area that is zoned for residential use if the marijuana processing 10 site processes cannabinoid extracts; (b) Must be registered as a business, or have filed an application to register as a business, with 11 12 the office of the Secretary of State; and 13 (c) Must meet the requirements of any rule adopted by the authority under subsection (10) of this section. 14 15 (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. 16 17 (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 18 from the date the individual is convicted. 19 (c) An individual convicted more than once for the manufacture or delivery of a controlled 20substance in Schedule I or Schedule II may not own or be responsible for a marijuana processing 2122site. 23(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 24section 11 of this 2025 Act and any rules adopted under this section and section 11 of this 2025 25Act and if each individual named in the application passes the criminal records check required un-2627der subsection (4) of this section, the authority shall register the marijuana processing site and issue proof of registration. Proof of registration must be displayed on the premises of the marijuana pro-2829cessing site at all times.

(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 doc umentation of each transfer of usable marijuana, medical cannabinoid products, cannabinoid con centrates and cannabinoid extracts.

35 (8) The authority may inspect:

(a) The premises of a proposed marijuana processing site or a registered marijuana processing
 site to ensure compliance with this section and ORS 475C.821 and 475C.824 and any rules adopted
 under this section and ORS 475C.821 and 475C.824; and

(b) The records of a registered marijuana processing site to ensure compliance with subsection(7) of this section.

(9) Subject to the provisions of ORS chapter 183, the authority may refuse to register an applicant under this section or may suspend or revoke the registration of a marijuana processing site if the authority determines that the applicant, the owner of the marijuana processing site, a person responsible for the marijuana processing site, or an employee of the marijuana processing site, violated a provision of ORS 475C.770 to 475C.919, a rule adopted under ORS 475C.770 to 475C.919 or

an ordinance adopted pursuant to ORS 475C.897. 1 2 (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 3 site and, if the applicant or individual responsible for a marijuana processing site is not the 4 owner of the premises for which the registration is being renewed, submit with the applica-5 tion for renewal the owner's written signature, witnessed by a notary public, confirming 6 ownership of the premises and consenting to the applicant's or individual's use of the prem-7 ises for the purpose of a marijuana processing site, if the owner's consent to the use of the 8 9 premises is expired; 10 (b) Establish fees for registering, and renewing the registration of, a marijuana processing site; (c) Require that medical cannabinoid products, cannabinoid concentrates and cannabinoid ex-11 12 tracts transferred by a marijuana processing site be tested to ensure the public health and safety; 13 and (d) Impose any other standard on the operation of a marijuana processing site to ensure the 14 15 public health and safety. 16SECTION 14. ORS 475C.859 is amended to read: 475C.859. (1)(a) The Oregon Health Authority shall establish and maintain a list of: 17 18 (A) The names of persons to whom a registry identification card has been issued under ORS 475C.783; 19 (B) The names of persons designated as primary caregivers under ORS 475C.789; and 20(C) The addresses of marijuana grow sites registered under ORS 475C.792. 21 22(b) Except as provided in subsection (2) of this section, the list is confidential and not subject to public disclosure under ORS 192.311 to 192.478. 23(c) The authority shall develop a system by which authorized employees of state and local law 24 enforcement agencies may verify that: 25(A) A person lawfully possesses a registry identification card; 2627(B) A person is the designated primary caregiver of a lawful possessor of a registry identification card; or 28(C) A location is a registered marijuana grow site. 2930 (2) Names, addresses and other identifying information from the list established and maintained 31 pursuant to subsection (1) of this section may be released to: 32(a) Authorized employees of the authority as necessary to perform official duties of the authority. 33 34 (b) Authorized employees of state or local law enforcement agencies who provide to the au-35 thority adequate identification, but only as necessary to verify that: 36 (A) A person lawfully possesses a registry identification card; 37 (B) A person is the designated primary caregiver of a lawful possessor of a registry identification card; or 38 (C) A location is a registered marijuana grow site. 39 (c) A county, for the purposes of verifying the information described in section 11 of this 40 2025 Act. 41 (3) Authorized employees of state or local law enforcement agencies who obtain identifying in-42 formation as authorized by this section may not release or use the information for any purpose other 43 than to verify that: 44 (a) A person lawfully possesses a registry identification card; 45

1 (b) A person is the designated primary caregiver of a lawful possessor of a registry identification 2 card; or

3 (c) A location is a registered marijuana grow site.

4 (4) In addition to releasing information to authorized employees of state or local law enforce-5 ment agencies for purposes of verifying information under subsection (2)(b) of this section, the au-6 thority may release to authorized employees of state or local law enforcement agencies the minimum 7 amount of information necessary to enable an employee to determine whether an individual or lo-8 cation is in compliance with a provision of ORS 475C.770 to 475C.919 or a rule adopted under ORS 9 475C.770 to 475C.919.

(5) If the authority determines, after conducting an investigation or receiving a complaint of an alleged violation of a provision of ORS 475C.770 to 475C.919 or a rule adopted under ORS 475C.770 to 475C.919, that a violation of a provision of ORS 475C.770 to 475C.919 or a rule adopted under ORS 475C.770 to 475C.919 has occurred, the authority may provide information obtained by the authority, except for information related to a registry identification cardholder's debilitating **medical** condition, to authorized employees of state or local law enforcement agencies, or to another state or local government agency with jurisdiction over the matter.

17 <u>SECTION 15.</u> Sections 2, 6 and 11 of this 2025 Act and the amendments to ORS 475A.250, 18 475A.290, 475C.037, 475C.065, 475C.085, 475C.792, 475C.815 and 475C.859 by sections 3, 4, 7, 8, 19 9, 12, 13 and 14 of this 2025 Act apply to licenses or registrations issued or renewed on or 20 after the operative date specified in section 16 of this 2025 Act.

 SECTION 16.
 (1) Sections 2, 6 and 11 of this 2025 Act and the amendments to ORS

 475A.250, 475A.290, 475C.037, 475C.065, 475C.085, 475C.792, 475C.815 and 475C.859 by sections 3,

 4, 7, 8, 9, 12, 13 and 14 of this 2025 Act become operative on January 1, 2026.

(2) The Oregon Health Authority and the Oregon Liquor and Cannabis Commission may take any action before the operative date specified in subsection (1) of this section that is necessary to enable the authority and the commission to exercise, on and after the operative date specified in subsection (1) of this section, all of the duties, functions and powers conferred on the authority and the commission by sections 2, 6 and 11 of this 2025 Act and the amendments to ORS 475A.250, 475A.290, 475C.037, 475C.065, 475C.085, 475C.792, 475C.815 and 475C.859 by sections 3, 4, 7, 8, 9, 12, 13 and 14 of this 2025 Act.

31 <u>SECTION 17.</u> This 2025 Act takes effect on the 91st day after the date on which the 2025 32 regular session of the Eighty-third Legislative Assembly adjourns sine die.

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