

# **SB 176**

Streamlining the Oregon Medical Marijuana Program

## The Oregon Medical Marijuana Program

- Permits and protects the use of cannabis by Oregonians in mitigating a debilitating condition or the symptoms thereof and protects their identities and debilitating conditions through a confidential patient registry.
- Protects doctors, and other healthcare providers in making recommendations, for cannabis and administering cannabis to patients in residential care facilities.
- Determines application fees not set by statute including reduced fees for those receiving state or federal assistance, including SNAP, and the Oregon Health Plan
- Registers and oversees ‘medical only’ retailers and processors, and nonprofit medical only dispensaries

The program serves two groups

- The Patients and Caregivers
  - Issues cards, registers medical grow sites, permits the designation a caregiver to facilitate the use of cannabis by Oregon’s medical cannabis patients
  - Oversees the designation of an “organizational caregiver” for a patient within a residential care facility
- The Designated Growers and Grow site Administrators
  - Permits those registrants unable to produce cannabis themselves, to designate someone to do this for them at grow sites with 12 or less mature marijuana plants and at grow sites where cannabis is produced for 3 or more patients, up to 8 patients, and up to 48 mature marijuana plants

## **Benefits of the Oregon Medical Marijuana Program**

1. Protection from federal interference through a federal prohibition on DOJ dollars to interfere with the implementation of state medical cannabis laws. (the Rohrabacher–Blumenauer amendment)
2. Protected conversations between provider and patients. (Conant v Walters, 9<sup>th</sup> Circuit 2002)
3. Tax exempt purchases at all OLCC retail outlets
4. Higher possession limits for patients for plants, usable marijuana, and packaging limits for THC at retail outlets.
5. Ability to designate a caregiver, organizational caregiver, and grower

# OMMP Budget Report for October 2023 - Oregon Cannabis Commission Quarterly Meeting

## 2023-25 Biennium

Biennium State Fiscal Year Calendar	2019-2021 Biennium		2021-2023 Biennium		2023-2025 Biennium	
	2020	2021	2022	2023	2024**	2025**
	Jul19-Jun20	Jul20-Jun21	Jul21-Jun22	Jul22-Jun23	Jul23-Jun24	Jul24-Jun25
<b>Beginning Cash Balance</b>	4,790,446	4,211,025	4,360,410	3,594,713	1,919,935	622,603
<b>Revenues</b>	3,648,573	3,600,006	2,929,627	2,101,457	2,316,389	2,280,384
<b>Expenditures</b>	4,227,994	3,450,621	3,695,324	3,776,235	3,613,722	3,613,890
<b>Net Operations*</b>	(579,421)	149,385	(765,697)	(1,674,778)	(1,297,332)	(1,333,506)
<b>Ending Cash Balance</b>	4,211,025	4,360,410	3,594,713	1,919,935	622,603	(710,903)

**\*Net Operations is difference b/t Rev & Exp**

\*Revenue and Expenditures updated as of FY24 FY03 in R\*Stars

\*\*Revenues and Expenditures past current month are projections and subject to change

### Forecast Assumptions

**OMMP forecast is based on year-to-date actuals in addition to projecting spending and revenue patterns from previous biennium.**

\*Beginning Cash balance (savings account) continues to decrease

**\*If spending and revenue patterns continue, OMMP will be negative at close of FY25**

\*Regular OMMP Card (new and renewed) has dropped (47%) from calendar year 2019 to 2023

\*Per SB 307 (2021) Veterans with a 50% or greater disability rating will have their fee waived.

The Oregon Medical Marijuana Program is projected to have a deficit of \$2,011,248.00 by the end of this current biennium (June 2025).

Ongoing, the program would need \$2.3 million per year (or \$4.6 per biennium) to adequately cover the deficit.

This does not include any reduction of card costs.

Last year the OMMP brought in just over \$1.1 million in fees from those who pay the full application fee of \$200, and the OMMP is on track to match that again this year. If the \$200 application fee were reduced to \$100, we would need an additional \$550,000 annually to cover this reduction of revenue.

“Report by staff at OCC October 2024, quarterly meeting”

## OMMP Application Count

### Calendar Year

	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
No Reduced Fee	10,959	9,507	8,937	6,518	5,848
SNAP	2,074	1,991	1,063	814	673
OHP	6,512	6,520	7,568	6,032	5,940
SSI	1,509	1,355	1,180	1,094	974
VET	3,501	3,006	2,788	1,453	1,274
VET WAIVED	-	-	-	942	1,018
Total	24,555	22,379	21,536	16,853	15,727

## Patients, Caregivers, Growers and Grow Site

“OMMP statistical snapshot” - January 2025

Patients  
13,314

Caregivers  
5,210

Growers  
3,122

Grow Sites  
2,820

### Reduced Card Application Fee Eligibility by Year

Year	Full Fee	SNAP	OHP	SSI	VET	VET Fee Waived
2020	42.5%	8.9%	29.1%	6.1%	13.4%	N/A
2021	41.5%	4.9%	35.1%	5.5%	12.9%	N/A
2022	38.7%	4.8%	35.8%	6.5%	8.6%	5.6%
2023	37.6%	4.3%	37.0%	6.4%	8.1%	6.6%
2024	38.2%	4.6%	36.1%	6.3%	7.5%	7.3%

OMMP Statistical Snapshot – January 2025

### OMMP Annual Card Application Fees, Projected Revenue

Category	Fee	# of applicants	Total Revenue
No Reduced Fee	\$200	5125	1,025,000
SNAP	\$60	612	36,720
OHP	\$50	4806	240,300
SSI	\$20	838	16,760
Veteran	\$20	998	19,960
Veteran Fee Waived	\$0	972	0
Total revenue, card fees			1,338,740

## **Senate Bill 176 will:**

- Repeal all Oregon Health Authority (OHA) oversight of cannabis cultivation including registering grow sites and inspections as well as reporting and enforcement.
- Repeal requirement that Oregonians growing six medical plants, register their grow site.
- Integrate grow sites with 3 or more patients fully into the OLCC as an exclusively medical producer designation under ORS 475C.121.
- Create a centralized data base for all cannabis information gathered by the OLCC, OHA, Dept. of Agriculture and the state reference lab for cannabis testing oversight.
- Require public access to test results and Certificates of Analysis upon request
- Create digital/electronic cards
- Address processing for patients by OLCC processors
- Add protection in employment and healthcare for cardholders
- For those registrants with a permanent condition such as MS or Parkinson's an attending provider form will no longer be required when renewing their cards. (we offer this for veterans with service-related disabilities)
- Create new definitions, general housekeeping for OHA and OLCC to ensure a smooth transition for OMMP growers transitioning into the OLCC.



The Amendments to SB 176 will:

- Add new definitions
- Sets new THC potency standards
- Implements more stringent educational training requirements for retail workers
- Allow attending providers to make recommendations for cannabis within scope of practice
- Clean up processing for patients by OLCC processors
- Maintain plant limits for growers
- Sever patient ownership of plants and what plants produce
- Increase the amount of usable marijuana that may be available to the OLCC market
- Address enforcement and compliance issues under the marijuana sanctions matrix
- Reallocate portions of moneys designated under ORS 475C.871
- Retain mature plant limits for grow sites within city limits and at all grow sites transitioned to OLCC
- Maintain grow site requirements to provide proof of legal water source and testing of product destined for the OLCC retail market.
- General housekeeping for OHA and OLCC