

HB 4139 A STAFF MEASURE SUMMARY

House Committee On Economic Development, Small Business, and Trade

Action Date: 02/11/26

Action: Do pass with amendments and rescind subsequent referral to Revenue, and be referred to Ways and Means by prior reference. (Printed A-Eng.)

Vote: 11-1-0-0

Yeas: 11 - Bunch, Diehl, Dobson, Lively, Nguyen D, Osborne, Rieke Smith, Skarlatos, Sosa, Watanabe, Yunker

Nays: 1 - Isadore

Fiscal: Fiscal impact issued

Revenue: Has minimal revenue impact

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Meeting Dates: 2/4, 2/11

WHAT THE MEASURE DOES:

The measure increases retail tax funding to the Illegal Marijuana Market Enforcement Grant Program (IMMEGP) from \$6 million to \$24 million per biennium. The measure grants additional professional discretion to medical providers in prescribing medical marijuana and conforms associated statutes. The measure takes effect on the 91st day following adjournment sine die.

ISSUES DISCUSSED:

- History and intent of the IMMEGP
- Upcoming interim workgroup
- Intoxicating hemp
- Medical marijuana

EFFECT OF AMENDMENT:

The amendment significantly limits the scope of the measure, eliminating provisions concerning intoxicating hemp, the Oregon Liquor and Cannabis Commission's (OLCC) inspection of licensees without advance notice, and changes to the OLCC's authority to suspend and revoke producer (grower) licenses. The amendment also conforms medical marijuana statutory references by repealing Oregon Revised Statute 475C.913.

BACKGROUND:

The Oregon Medical Marijuana Program, established under Ballot Measure 67 (1998), is managed by the Oregon Health Authority and allows patients to use medical marijuana legally. Ballot Measure 91 (2014) legalized recreational marijuana production, sale, and possession in Oregon and established an associated retail tax. Sales generated approximately \$134 million in [tax revenue](#) in 2025.

Unlawful (unlicensed) marijuana production continues to pose public safety, human rights, water, and environmental issues. Various measures have targeted unlawful operations, including House Bill 3000 (2021), House Bill 4074 (2022), Senate Bill 1564 (2022), Senate Bill 326 (2023), and House Bill 4121 (2024). Unlicensed producers compete with lawful, licensed producers in a market that is oversupplied relative to demand, [per biennial OLCC reports on its website](#).

In 2018, the legislature created the IMMEGP to assist law enforcement with addressing the illegal marijuana market. The legislature has since expanded the program to fund disruption of cannabis-related labor trafficking and worker abuse, along with victim support services. While the IMMEGP receives \$6 million per biennium from retail tax revenues, this amount has been repeatedly supplemented by General Fund appropriations.