

**Joint Committee on Implementing Measure 91
Tentative Bill Package – June 26, 2015**

*From Amy Margolis
August 19, 2015*

Adult-use Marijuana (HB 3400 modified by -9, -30 amendments)

Regulation and Enforcement

- Oregon Liquor Control Commission (OLCC) will be primary administrative agency.
- Local governments may impose reasonable time, place, and manner restrictions and may use nuisance law to ensure marijuana businesses are good neighbors.
- OLCC marijuana enforcement inspectors will be able to conduct investigations, issue citations, and seize product.

Licensing and Certification

- Producers, processors, wholesalers, testing labs, and retailers will need a license.
- Primary applicant must be 21 years old and have lived in Oregon for two years.
- No residency required for out-of-state investors, but background checks are required.
- Certification available for propagation of seeds and immature plants.
- Certification available for private research.

Seed to Sale Tracking

- All marijuana items offered for sale will be tracked and reported through a seed-to-sale system. The goal of this system is to prevent diversion of product to the illegal market.
- OLCC-licensed retailers may only receive and sell marijuana items from OLCC-licensed producers, processors or wholesalers.

Grow Limits

- OLCC will establish maximum grow sizes during the rulemaking process.

Lab Standards and Testing

- Oregon Health Authority (OHA) establishes rigorous lab certification and testing standards to provide consumers with accurate information about potency to prevent sale of contaminated product.
- OLCC will issue licenses to labs that meet these standards.

Labeling and Packaging

- OHA will establish labeling requirements and potency labeling standards.
- OLCC will establish standards for child-resistant packaging, clear information about ingredients.
- No marketing to youth.

Edibles

- Edible products will be subject to Oregon Dept. of Agriculture food processing requirements

Local Government

- Opt-out requirements will be tailored based on Measure 91 vote outcomes. Communities where more than 55% of the voters opposed Measure 91 may opt out through actions of local elected officials. In communities where Measure 91 received at least 45% of the vote, local officials will refer opt-out decisions to public vote.
- Local governments that allow all categories of legal marijuana within their jurisdiction are eligible to impose a local tax of up to 3% of the value of adult-use marijuana, subject to a community vote allowing such a tax.
- Communities that disallow marijuana sales will not receive revenue from state and local marijuana taxes.
- Grandfather clause protects existing legal marijuana businesses if a local government opts out of allowing new marijuana businesses.

Marijuana Grow Site Opting In

- Medical marijuana growers may choose to participate in the M91 system. If they participate in the M91 systems, they'll be subject to OLCC rules.

Marijuana Use Prevention Education for Youth

- OLCC and OHA shall develop and implement an educational program to prevent youth from using marijuana.

Land Use

- Marijuana businesses must comply with applicable land use laws and provide a Land Use Compatibility Statement with an application for an OLCC license.

Energy and Water Usage

- A task force will track energy and water usage and recommend strategies to incentivize efficient use of energy and water.

Protection for Workers

- Workers have whistle-blower protections if they report unlawful conduct and have the right to organize.

Criminal Justice Issues

- Marijuana crimes are reclassified to reduce severity and to create opportunities for expungement.

Medical Marijuana (HB 3400 modified by -10, -31 amendments)

Regulation and Enforcement

- OHA will be the primary administrative agency.
- OHA will establish tracking and reporting system to prevent diversion to the illegal market.
- Local jurisdictions may impose reasonable time, place, and manner restrictions and use nuisance law.
- Local jurisdictions and law enforcement may access info about registered processing and dispensary sites to aid enforcement.

Grow Limits and Lawful Possession

- Medical marijuana grows may not exceed prescribed sizes (96/48/24/12), with phase-in of limits.
- Producers may lawfully possess what they grow.

Lab Standards and Testing

- Establishes consistent standards to provide consumers with accurate information about potency and protect them from harmful contaminants.

Labeling and Packaging

- Requires child-resistant packaging, clear information about potency, ingredients. No marketing to youth.

Local Government

- Existing law controls. Dispensaries are legal, moratoriums ended in May 2015.
- Opt-out requirements will be tailored based on Measure 91 outcomes, as described above.
- Local governments may not prohibit medical marijuana grows or caregiver processing or delivery to patients.
- Grandfather clause protects existing legal marijuana businesses if a local government opts out of allowing new businesses.

Tax Levied at Point of Sale (HB 2041 modified by -2 amendment)

Taxation of adult-use marijuana

- Tax will be levied at point of sale rather than point of harvest based on broad community input indicating that would be preferable.
- Statewide single rate flat tax of 17%.
- Department of Revenue will collect tax and be responsible for enforcement.

Early Start (SB 460 modified by -9 amendment)

- Adult rec sales from Medical Marijuana dispensaries will begin Oct 1, 2015 and sunset Dec 31, 2016
- Local jurisdictions may choose to not allow these sales.
- Allows medical dispensaries to sell no more than one-quarter of an ounce of marijuana to recreational buyers.
- The Department of Revenue will tax these sales after a start-up phase in which it develops capacity to impose these taxes.

Technical Fixes (SB 844 modified by -36, -43, -46 amendments)

Patient's bill of rights

- Hospice personnel can be designated as an additional caregiver for medical marijuana patients.
- A patient may not be denied inclusion on an organ transplant list exclusively on the basis of marijuana use.

Expungement

- Minors eligible to expunge record of unlawful possession, delivery, or manufacture convictions one year after completing sentence.

Medical research task force

- Establishes task force to study and report on development of the medical cannabis industry.

Banking (SJM 12)

- Urges Congress to support development of a solution to financial issues arising from marijuana industry and to declassify marijuana as a Schedule I drug under the federal Controlled Substances Act.