

Chapter 475B

2015 EDITION

Cannabis Regulation

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RECREATIONAL USE OF CANNABIS (Generally)

475B.005 Purposes of ORS 475B.010 to 475B.395. (1) The People of the State of Oregon declare that the purposes of ORS 475B.010 to 475B.395 are:

(a) To eliminate the problems caused by the prohibition and uncontrolled manufacture, delivery and possession of marijuana within this state;

(b) To protect the safety, welfare, health and peace of the people of this state by prioritizing this state's limited law enforcement resources in the most effective, consistent and rational way;

(c) To permit persons licensed, controlled and regulated by this state to legally manufacture and sell marijuana to persons 21 years of age and older, subject to the provisions of ORS 475B.010 to 475B.395;

(d) To ensure that the State Department of Agriculture issues industrial hemp licenses and agricultural hemp seed production permits in accordance with state law; and

(e) To establish a comprehensive regulatory framework concerning marijuana under existing state law.

(2) The People of the State of Oregon intend that the provisions of ORS 475B.010 to 475B.395, together with other provisions of state law, will:

(a) Prevent the distribution of marijuana to persons under 21 years of age;

(b) Prevent revenue from the sale of marijuana from going to criminal enterprises, gangs and cartels;

(c) Prevent the diversion of marijuana from this state to other states;

(d) Prevent marijuana activity that is legal under state law from being used as a cover or pretext for the trafficking of other illegal drugs or other illegal activity;

(e) Prevent violence and the use of firearms in association with the cultivation and distribution of marijuana;

(f) Prevent drugged driving and the exacerbation of other adverse public health consequences associated with the use of marijuana;

(g) Prevent the growing of marijuana on public lands and the attendant public safety and environmental dangers posed by marijuana production on public lands; and

(h) Prevent the possession and use of marijuana on federal property. [2015 c.1 §1; 2015 c.614 §35]

475B.010 Short title. ORS 475B.010 to 475B.395 shall be known and may be cited as the Control and Regulation of Marijuana Act. [2015 c.1 §3; 2015 c.614 §37]

475B.015 Definitions for ORS 475B.010 to 475B.395. As used in ORS 475B.010 to 475B.395:

(1) "Consumer" means a person who purchases, acquires, owns, holds or uses marijuana items other than for the purpose of resale.

(2) "Cannabinoid" means any of the chemical compounds that are the active constituents of marijuana.

(3) "Cannabinoid concentrate" means a substance obtained by separating cannabinoids from marijuana by:

(a) A mechanical extraction process;

(b) A chemical extraction process using a nonhydrocarbon-based or other solvent, such as water, 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

(d) Any other process identified by the Oregon Liquor Control Commission, in consultation with the Oregon Health Authority, by rule.

(4) "Cannabinoid edible" means food or potable liquid into which a cannabinoid concentrate, cannabinoid extract or dried marijuana leaves or flowers have been incorporated.

(5) "Cannabinoid extract" means a substance obtained by separating cannabinoids from marijuana by:

(a) A chemical extraction process using a hydrocarbon-based solvent, such as butane, hexane or propane;

(b) A chemical extraction process using the hydrocarbon-based solvent carbon dioxide, if the process uses high heat or pressure; or

(c) Any other process identified by the commission, in consultation with the authority, by rule.

(6)(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:

(A) Usable marijuana by itself;

(B) A cannabinoid concentrate by itself;

(C) A cannabinoid extract by itself; or

(D) Industrial hemp, as defined in ORS 571.300.

(7)(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:

(A) Homegrown marijuana that is given or received when nothing is given or received in return; or

(B) Homemade cannabinoid products or cannabinoid concentrates that are given or received when nothing is given or received in return.

(8) "Homegrown" or "homemade" means grown or made by a person 21 years of age or older for noncommercial purposes.

(9) "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, or storing homegrown marijuana or homemade cannabinoid products or cannabinoid concentrates.

(10) "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.

(11) "Immature marijuana plant" means a marijuana plant that is not flowering.

(12) "Licensee" means a person who holds a license issued under ORS 475B.070, 475B.090, 475B.100 or 475B.110.

(13) "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.

(14)(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 industrial hemp, as defined in ORS 571.300.

(15) "Marijuana flowers" means the flowers of the plant genus Cannabis within the plant family Cannabaceae.

(16) "Marijuana items" means marijuana, cannabinoid products, cannabinoid concentrates and cannabinoid extracts.

(17) "Marijuana leaves" means the leaves of the plant genus Cannabis within the plant family Cannabaceae.

(18) "Marijuana processor" means a person who processes marijuana items in this state.

(19) "Marijuana producer" means a person who produces marijuana in this state.

(20) "Marijuana retailer" means a person who sells marijuana items to a consumer in this state.

(21) "Marijuana wholesaler" means a person who purchases marijuana items in this state for resale to a person other than a consumer.

(22) "Mature marijuana plant" means a marijuana plant that is not an immature marijuana plant.

(23) "Noncommercial" means not dependent or conditioned upon the provision or receipt of financial consideration.

(24)(a) "Premises" or "licensed premises" includes the following areas of a location licensed under ORS 475B.070, 475B.090, 475B.100 or 475B.110:

(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 production, processing, wholesale sale or retail sale of marijuana items; and

(C) For a location that the commission has specifically licensed for the production of marijuana outside a building, the entire lot or parcel, as defined in ORS 92.010, that the licensee owns, leases or has a right to occupy.

(b) "Premises" or "licensed premises" does not include a primary residence.

(25)(a) "Processes" means the processing, compounding or conversion of marijuana into cannabinoid products, cannabinoid concentrates or cannabinoid extracts.

(b) "Processes" does not include packaging or labeling.

(26)(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.

(27) “Propagate” means to grow immature marijuana plants or to breed or produce the seeds of the plant Cannabis family Cannabaceae.

(28) “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.

(29)(a) “Usable marijuana” means the dried leaves and flowers of marijuana.

(b) “Usable marijuana” does not include:

(A) The seeds, stalks and roots of marijuana; or

(B) Waste material that is a by-product of producing or processing marijuana. [2015 c.1 §5; 2015 c.614 §1]

475B.020 Construction of ORS 475B.010 to 475B.395. ORS 475B.010 to 475B.395 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 Act. [2015 c.1 §4; 2015 c.614 §38]

(Powers and Duties of Oregon Liquor Control Commission)

475B.025 General powers and duties; rules. (1) The Oregon Liquor Control Commission has the powers and duties specified

in ORS 475B.010 to 475B.395 and the powers necessary or proper to enable the commission to carry out the commission’s duties, functions and powers under ORS 475B.010 to 475B.395. The jurisdiction, supervision, duties, functions and powers of the commission extend to any person who buys, sells, produces, processes, transports or delivers any marijuana items within this state. The commission may sue and be sued.

(2) The duties, functions and powers of the commission in ORS 475B.010 to 475B.395 include the following:

(a) To regulate the purchase, sale, production, processing, transportation and delivery of marijuana items in accordance with the provisions of ORS 475B.010 to 475B.395.

(b) To grant, refuse, suspend or cancel licenses for the sale, processing or production of marijuana items, or other licenses in regard to marijuana items, and to permit, in the commission’s discretion, the transfer of a license between persons.

(c) To investigate and aid in the prosecution of every violation of the statutory laws of this state relating to marijuana items and to cooperate in the prosecution of offenders before any state court of competent jurisdiction.

(d) To adopt, amend or repeal rules as necessary to carry out the intent and provisions of ORS 475B.010 to 475B.395, including rules that the commission considers necessary to protect the public health and safety.

(e) To exercise all powers incidental, convenient or necessary to enable the commission to administer or carry out the provisions of ORS 475B.010 to 475B.395 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:

(A) Issuing subpoenas;

(B) Compelling the attendance of witnesses;

(C) Administering oaths;

(D) Certifying official acts;

(E) Taking depositions as provided by law;

(F) Compelling the production of books, payrolls, accounts, papers, records, documents and testimony; and

(G) Establishing fees in addition to the application, licensing and renewal fees described in ORS 475B.070, 475B.090, 475B.100 and 475B.110, 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.

(f) To adopt rules regulating and prohibiting marijuana producers, marijuana processors, marijuana wholesalers and marijuana retailers from advertising marijuana items in a manner:

(A) That is appealing to minors;

(B) That promotes excessive use;

(C) That promotes illegal activity; or

(D) That otherwise presents a significant risk to public health and safety.

(g) To regulate the use of marijuana items for scientific, pharmaceutical, manufacturing, mechanical, industrial and other purposes.

(3) Fees collected pursuant to subsection (2)(e)(G) of this section shall be deposited in the Marijuana Control and Regulation Fund established under ORS 475B.240. [2015 c.1 §7; 2015 c.614 §2]

475B.030 Authority to purchase, possess, seize or dispose of marijuana items. The Oregon Liquor Control Commission may purchase, possess, seize or dispose of marijuana items as is necessary for the commission to ensure compliance with and enforce the provisions of ORS 475B.010 to 475B.395 and any rule adopted under ORS 475B.010 to 475B.395. [2015 c.614 §3]

475B.033 Powers related to decedents and insolvent or bankrupt persons. The Oregon Liquor Control Commission may, by order, provide for the manner and conditions under which:

(1) Marijuana items left by a deceased, insolvent or bankrupt person or licensee, or subject to a security interest, may be foreclosed, sold under execution or otherwise disposed.

(2) The business of a deceased, insolvent or bankrupt licensee may be operated for a reasonable period following the death, insolvency or bankruptcy.

(3) A secured party, as defined in ORS 79.0102, may continue to operate a business for which a license has been issued under ORS 475B.070, 475B.090, 475B.100 or 475B.110 for a reasonable period after default on the indebtedness by the debtor. [2015 c.1 §25(2); 2015 c.614 §5(2)]

475B.035 Authority to limit quantity of marijuana items purchased by consumer. The Oregon Liquor Control Commission may limit the quantity of marijuana items purchased at any one time by a consumer so as effectually to prevent the resale of marijuana items. [2015 c.1 §15]

(Application Process and Licenses)

475B.040 Application process for all licensees; rules. (1) An applicant for a license or renewal of a license under ORS 475B.010 to 475B.395 shall apply to the Oregon Liquor Control Commission in the form required by the commission, showing the name and address of the applicant, location of the place of business that is to be operated under the license and other pertinent information required by the commission. The commission may not grant or renew a license until the applicant has complied with the provisions of ORS 475B.010 to 475B.395 and the rules of the commission.

(2) The commission may reject any application that is not submitted in the form required by rule. The commission shall give applicants an opportunity to be heard if an application is rejected. A hearing under this subsection is not subject to the requirements for contested case proceedings under ORS chapter 183.

(3) Except as provided in subsection (2) of this section, a revocation of, or a refusal to issue or renew, a license under ORS 475B.010 to 475B.395 is subject to the requirements for contested case proceedings under ORS chapter 183. [2015 c.1 §28; 2015 c.614 §7]

475B.045 Grounds for refusing to issue license. (1) The Oregon Liquor Control Commission may not license an applicant under the provisions of ORS 475B.010 to 475B.395 if the applicant is under 21 years of age.

(2) The commission may refuse to license an applicant under the provisions of ORS 475B.010 to 475B.395 if the commission has reasonable ground to believe 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 general or local law of this state or another state, or of violating a federal law, 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.

(f) Does not have a good record of compliance with ORS 475B.010 to 475B.395 or any rule of the commission adopted under ORS 475B.010 to 475B.395.

(g) Is not the legitimate owner of the business proposed to be licensed, or other persons have ownership interests in the business that have not been disclosed.

(h) Is not possessed of or has not demonstrated financial responsibility sufficient to adequately meet the requirements of the business proposed to be licensed.

(i) Is unable to understand the laws of this state relating to marijuana or the rules of the commission relating to marijuana.

(3) Notwithstanding subsection (2)(d) of this section, in determining whether the commission may refuse to license 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

(B) The person has not been convicted more than once for the manufacture or delivery of marijuana; or

(c) The possession of marijuana. [2015 c.1 §29; 2015 c.614 §8]

475B.050 Authority to require fingerprints of applicants and other individuals.

For the purpose of requesting a state or nationwide criminal records check under ORS 181A.195, the Oregon Liquor Control Commission may require the fingerprints of any individual listed on an application submitted under ORS 475B.040. [2015 c.614 §10]

475B.055 Properties of license. A license granted under ORS 475B.010 to 475B.395:

(1) Is a purely personal privilege.

(2) Is valid for the period stated in the license.

(3) Is renewable in the manner provided in ORS 475B.040, except for a cause that would be grounds for refusal to issue the license under ORS 475B.045.

(4) Is revocable or suspendible as provided in ORS 475B.210.

(5) Is transferable from the premises for which the license was originally issued to another premises subject to the provisions of

ORS 475B.010 to 475B.395, applicable rules of the Oregon Liquor Control Commission and applicable local ordinances.

(6) Expires upon the death of the licensee, except as provided in ORS 475B.033.

(7) Does not constitute property.

(8) Is not alienable.

(9) Is not subject to attachment or execution.

(10) Does not descend by the laws of testate or intestate devolution. [2015 c.1 §25(1); 2015 c.614 §5(1)]

475B.060 Duties of Oregon Liquor Control Commission with respect to issuing licenses.

(1) The Oregon Liquor Control Commission shall approve or deny an application to produce, process and sell marijuana under ORS 475B.070, 475B.090, 475B.100 and 475B.110. Upon receiving an application, the commission may not unreasonably delay processing, approving or denying the application or, if the application is approved, issuing the license.

(2) The licenses described in ORS 475B.070, 475B.090, 475B.100 and 475B.110 must be issued by the commission, subject to the provisions of ORS 475B.010 to 475B.395 and the rules adopted under ORS 475B.010 to 475B.395.

(3) The commission may not license a premises that does not have defined boundaries. A licensed premises does not need to be enclosed by a wall, fence or other structure, but the commission may require that a licensed premises be enclosed as a condition of issuing or renewing a license. The commission may not license mobile premises. [2015 c.1 §18; 2015 c.614 §11]

475B.063 Duty to request land use compatibility statement.

(1) Prior to the issuance of a license under ORS 475B.070, 475B.090, 475B.100 or 475B.110, the Oregon Liquor Control Commission shall request a land use compatibility statement from the city or county that authorizes the land use. The land use compatibility statement must demonstrate that the requested license is for a land use that is allowable as a permitted or conditional use within the given zoning designation where the land is located. The commission may not issue a license if the land use compatibility statement shows that the proposed land use is prohibited in the applicable zone.

(2) A city or county that receives a request for a land use compatibility statement under this section must act on that request within 21 days of:

(a) Receipt of the request, if the land use is allowable as an outright permitted use; or

(b) Final local permit approval, if the land use is allowable as a conditional use.

(3) A city or county action concerning a land use compatibility statement under this section is not a land use decision for purposes of ORS chapter 195, 196, 197 or 215. [2015 c.614 §34(4)]

(Licensees in General)

475B.065 Lawful production, delivery and possession of marijuana items. Licensees and licensee representatives may produce, deliver and possess marijuana items subject to the provisions of ORS 475B.010 to 475B.395. The production, delivery and possession of marijuana items by a licensee or a licensee representative in compliance with ORS 475B.010 to 475B.395 does not constitute a criminal or civil offense under the laws of this state. [2015 c.1 §13; 2015 c.614 §43]

475B.068 Authority to hold more than one license. The same person may hold one or more production licenses, one or more processor licenses, one or more wholesale licenses and one or more retail licenses. [2015 c.1 §24; 2015 c.614 §47]

(License to Produce Marijuana)

475B.070 Production license; fees; rules. (1) The production of marijuana is subject to regulation by the Oregon Liquor Control Commission.

(2) A marijuana producer must have a production license issued by the commission for the premises at which the marijuana is produced. To hold a production license under this section, a marijuana producer:

(a) Must apply for a license in the manner described in ORS 475B.040;

(b) Must, until January 1, 2020, provide proof that an applicant listed on an application submitted under ORS 475B.040 has been a resident of this state for two or more years, and 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 subsection (3) of this section.

(3) The commission shall adopt rules that:

(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;

(c) Require marijuana produced by marijuana producers to be tested in accordance with ORS 475B.555;

(d) Require marijuana producers to submit, at the time of applying for or renewing a license under ORS 475B.040, a report describing the applicant's or licensee's electrical or water usage; and

(e)(A) Require a marijuana producer to meet any public health and safety standards and industry best practices established by the commission by rule related to:

(i) The production of marijuana; or

(ii) The propagation of immature marijuana plants and the seeds of the plant Cannabis family Cannabaceae.

(B) For purposes of establishing rules under subparagraph (A)(ii) of this paragraph, the commission may not limit:

(i) The number of immature marijuana plants that may be possessed by a marijuana producer licensed under this section;

(ii) The size of the grow canopy a marijuana producer licensed under this section uses to grow immature marijuana plants; or

(iii) The weight or size of shipments of immature marijuana plants made by a marijuana producer licensed under this section.

(4) Fees adopted under subsection (3)(b) of this section:

(a) May not exceed the cost of administering ORS 475B.010 to 475B.395 with respect to marijuana producers;

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

(c) Shall be deposited in the Marijuana Control and Regulation Fund established under ORS 475B.240. [2015 c.1 §19; 2015 c.614 §12]

475B.075 Mature marijuana plant grow canopies; rules. (1) Subject to subsection (2) of this section, the Oregon Liquor Control Commission shall adopt rules restricting the size of mature marijuana plant grow canopies at premises for which a license has been issued under ORS 475B.070. In adopting rules under this subsection, the commission shall:

(a) Limit the size of mature marijuana plant grow canopies, for premises where marijuana is grown outdoors and for premises where marijuana is grown indoors, in a manner calculated to result in premises that produce the same amount of harvested marijuana leaves and harvested marijuana flowers regardless of whether the marijuana is grown outdoors or indoors.

(b) Adopt a tiered system under which the permitted size of a marijuana producer's mature marijuana plant grow canopy in-

creases at the time of licensure renewal under ORS 475B.070, except that the permitted size of a marijuana producer's mature marijuana plant grow canopy may not increase following any year during which the commission disciplined the marijuana producer for violating a provision of ORS 475B.010 to 475B.395 or a rule adopted under a provision of ORS 475B.010 to 475B.395.

(c) Take into consideration the market demand for marijuana items in this state, the number of persons applying for a license under ORS 475B.070 and to whom a license has been issued under ORS 475B.070, and whether the availability of marijuana items in this state is commensurate with the market demand.

(2) This section does not apply to a premises for which a license has been issued under ORS 475B.070 if the premises is used only to propagate immature marijuana plants. [2015 c.614 §13]

475B.080 Issuing marijuana production licenses to marijuana grow sites registered under Oregon Medical Marijuana Act; rules. (1) A person responsible for a marijuana grow site under ORS 475B.420 may apply for a license under ORS 475B.070 to produce marijuana at the address of the marijuana grow site, provided that all individuals registered with the Oregon Health Authority to produce marijuana at the address are listed on the application submitted to the Oregon Liquor Control Commission under ORS 475B.040.

(2) Notwithstanding any other provision of ORS 475B.010 to 475B.395, the commission may issue a license under ORS 475B.070 to a person responsible for a marijuana grow site under ORS 475B.420 if the person responsible for the marijuana grow site:

(a) Meets any criminal background check requirements established by the commission by rule;

(b) Agrees to be subject to the provisions of ORS 475B.010 to 475B.395, including ORS 475B.063, 475B.340 and 475B.370, and rules adopted under ORS 475B.010 to 475B.395, that apply to marijuana producers; and

(c) Submits proof, in a form and manner prescribed by the commission, of having obtained the permission to apply for licensure under ORS 475B.070 of each individual who holds a registry identification card issued under ORS 475B.415 for whom the person produces marijuana at the address of the marijuana grow site.

(3) The commission by rule or order may waive the application of any rule adopted under ORS 475B.010 to 475B.395 to a person responsible for a marijuana grow site that holds a license under ORS 475B.070.

(4) A person responsible for a marijuana grow site that holds a license under ORS 475B.070:

(a) May not possess more than the amount or number of marijuana plants permitted pursuant to ORS 475B.400 to 475B.525;

(b) Must allow each marijuana plant to be tracked using the system developed and maintained under ORS 475B.150;

(c) May sell immature marijuana plants and usable marijuana in excess of amounts produced for individuals who hold a registry identification card issued under ORS 475B.415 to a person who holds a license under ORS 475B.090, 475B.100 or 475B.110, in accordance with rules adopted by the commission; and

(d) May transfer marijuana and usable marijuana to other registrants under ORS 475B.400 to 475B.525 in accordance with rules adopted by the authority.

(5) In a form and manner prescribed by the commission, a person responsible for a marijuana grow site that holds a license under ORS 475B.070 may surrender the person's license. If the person surrenders the person's license, the person is no longer subject to the provisions of this section.

(6) Notwithstanding ORS 475B.460, the authority may provide information to the commission as is necessary for the commission to determine whether a person responsible for a marijuana grow site that holds a license under ORS 475B.070 is in compliance with this section.

(7) This section does not prohibit or otherwise restrict the duties, functions and powers of a person responsible for a marijuana grow site as set forth in ORS 475B.400 to 475B.525, except that the person is not subject to any requirement related to the reporting or tracking of mature marijuana plants and usable marijuana. [2015 c.614 §116]

(License to Process Marijuana Items)

475B.090 Processor license; fees; rules.

(1) The processing of marijuana items is subject to regulation by the Oregon Liquor Control Commission.

(2) A marijuana processor must have a processor license issued by the commission for the premises at which marijuana items are processed. To hold a processor license under this section, a marijuana processor:

(a) Must apply for a license in the manner described in ORS 475B.040;

(b) Must, until January 1, 2020, provide proof that an applicant listed on an application submitted under ORS 475B.040 has been

a resident of this state for two or more years, and must provide proof that the applicant is 21 years of age or older;

(c) If the marijuana processor processes marijuana extracts, may not be located in an area zoned exclusively for residential use; and

(d) Must meet the requirements of any rule adopted by the commission under subsection (3) of this section.

(3) The commission shall adopt rules that:

(a) Require a marijuana processor to annually renew a license issued under this section;

(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 475B.555; and

(d) Require a marijuana processor to meet any public health and safety standards and industry best practices established by the commission by rule related to:

(A) Cannabinoid edibles;

(B) Cannabinoid concentrates;

(C) Cannabinoid extracts; and

(D) Any other type of cannabinoid product identified by the commission by rule.

(4) Fees adopted under subsection (3)(b) of this section:

(a) May not exceed the cost of administering ORS 475B.010 to 475B.395 with respect to marijuana processors; and

(b) Shall be deposited in the Marijuana Control and Regulation Fund established under ORS 475B.240. [2015 c.1 §20; 2015 c.614 §14]

(License to Sell Marijuana Items at Wholesale)

475B.100 Wholesale license; fees; rules.

(1) The wholesale sale of marijuana items is subject to regulation by the Oregon Liquor Control Commission.

(2) A marijuana wholesaler must have a wholesale license issued by the commission for the premises at which marijuana items are received, stored or delivered. To hold a wholesale license under this section, a marijuana wholesaler:

(a) Must apply for a license in the manner described in ORS 475B.040;

(b) Must, until January 1, 2020, provide proof that an applicant listed on an application submitted under ORS 475B.040 has been a resident of this state for two or more years, and must provide proof that the applicant is 21 years of age or older;

(c) May not be located in an area that is zoned exclusively for residential use; and

(d) Must meet the requirements of any rule adopted by the commission under subsection (3) of this section.

(3) The commission shall adopt rules that:

(a) Require a marijuana wholesaler to annually renew a license issued under this section;

(b) Establish application, licensure and renewal of licensure fees for marijuana wholesalers;

(c) Require marijuana items received, stored or delivered by a marijuana wholesaler to be tested in accordance with ORS 475B.555; and

(d) Require a marijuana wholesaler to meet any public health and safety standards and industry best practices established by the commission by rule.

(4) Fees adopted under subsection (3)(b) of this section:

(a) May not exceed the cost of administering ORS 475B.010 to 475B.395 with respect to marijuana wholesalers; and

(b) Shall be deposited in the Marijuana Control and Regulation Fund established under ORS 475B.240. [2015 c.1 §21; 2015 c.614 §15]

(License to Sell Marijuana Items at Retail)

475B.110 Retail license; fees; rules. (1)

The retail sale of marijuana items is subject to regulation by the Oregon Liquor Control 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 475B.040;

(b) Must, until January 1, 2020, provide proof that an applicant listed on an application submitted under ORS 475B.040 has been a resident of this state for two or more years, and must provide proof that the applicant is 21 years of age or older;

(c) May not be located in an area that is zoned exclusively for residential use;

(d) May not be located within 1,000 feet of:

(A) A public elementary or secondary school for which attendance is compulsory under ORS 339.020; or

(B) A private or parochial elementary or secondary school, teaching children as described in ORS 339.030 (1)(a); and

(e) Must meet the requirements of any rule adopted by the commission under subsection (3) of this section.

(3) The commission shall adopt rules that:

(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 475B.555; and

(d) Require a marijuana retailer to meet any public health and safety standards and industry best practices established by the commission by rule.

(4) Fees adopted under subsection (3)(b) of this section:

(a) May not exceed the cost of administering ORS 475B.010 to 475B.395 with respect to marijuana retailers; and

(b) Shall be deposited in the Marijuana Control and Regulation Fund established under ORS 475B.240. [2015 c.1 §22; 2015 c.614 §16]

475B.115 Establishment of school after issuance of license. If a school described in ORS 475B.110 (2)(d) that has not previously been attended by children is established within 1,000 feet of a premises for which a license has been issued under ORS 475B.110, the marijuana retailer located at that premises may remain at that location unless the Oregon Liquor Control Commission revokes the license of the marijuana retailer under ORS 475B.210. [2015 c.614 §17]

475B.120 Requirement to maintain bond; bond payable upon failure to pay tax. (1) Except as provided in subsection (2) of this section, the Oregon Liquor Control Commission may require a person that holds a license under ORS 475B.110 to maintain on file with the commission a bond with a corporate surety authorized to transact business in this state. The bond shall be in a form acceptable to the commission and shall be in an amount that the commission determines is reasonably affordable and available. The bond is payable to the commission if the licensee fails to pay any tax imposed on the sale of marijuana items as required by state law.

(2) In lieu of maintaining the bond required by subsection (1) of this section, a person that holds a license under ORS 475B.110 may deposit in a bank or trust company for the benefit of the commission an equivalent amount in cash, letters of credit recognized by the State Treasurer or

negotiable securities of a character approved by the State Treasurer. Interest earned on deposited funds or securities shall accrue to the person that made the deposit. [2015 c.614 §21; 2015 c.736 §119]

475B.125 Requirement to verify person's age; rules. The Oregon Liquor Control Commission may adopt rules establishing the circumstances under which the commission may require a marijuana retailer that holds a license issued under ORS 475B.110 to use an age verification scanner or any other equipment used to verify a person's age for the purpose of ensuring that the marijuana retailer does not sell marijuana items to a person under 21 years of age. The marijuana retailer may not retain any information obtained under this section after verifying a person's age. The marijuana retailer may not use any information obtained under this section for any purpose other than verifying a person's age. [2015 c.614 §26]

(Powers and Duties of Oregon Liquor Control Commission With Respect to Licensees)

475B.130 Authority to inspect books and premises; notice. (1) The Oregon Liquor Control Commission has the right after 72 hours' notice to the owner or the agent of the owner to make an examination of the books and may at any time make an examination of the premises of any person licensed under ORS 475B.010 to 475B.395 for the purpose of determining compliance with ORS 475B.010 to 475B.395 and the rules of the commission.

(2) The commission may not require the books of a licensee to be maintained on the premises of the licensee.

(3) This section does not authorize the commission to make an examination of the premises of a person registered under ORS 475B.400 to 475B.525. [2015 c.1 §23; 2015 c.614 §46]

475B.135 Authority to require segregation of premises. As is necessary to protect the public health and safety, the Oregon Liquor Control Commission may require a premises licensed under ORS 475B.070, 475B.090, 475B.100 or 475B.110 to be segregated into separate areas:

(1) For conducting the activities permitted under each license if the licensee holds more than one license issued under ORS 475B.070, 475B.090, 475B.100 or 475B.110; or

(2) For conducting activities related to processing marijuana into different types of cannabinoid products, cannabinoid concentrates or cannabinoid extracts, if the licensee is a marijuana processor that processes marijuana into any combination of different

types of products, concentrates and extracts. [2015 c.614 §18]

475B.140 Authority to require general liability insurance. As is necessary to protect the public health and safety, the Oregon Liquor Control Commission may require a person that holds a license under ORS 475B.070, 475B.090, 475B.100 or 475B.110 to maintain general liability insurance in an amount that the commission determines is reasonably affordable and available for the purpose of protecting the person against damages resulting from a cause of action related to activities undertaken pursuant to the license. [2015 c.614 §22]

475B.145 Authority to establish merit-based criteria for licensure or renewal of licensure. In adopting rules related to industry best practices under ORS 475B.070, 475B.090, 475B.100 and 475B.110, the Oregon Liquor Control Commission may establish merit-based criteria for licensure or renewal of licensure, including, but not limited to, possession of a developed business plan, access to sufficient capital, offering living wages and benefits to employees, provision of training and apprenticeship, provision of community benefits, implementation of best environmental practices and implementation of consumer safety practices. [2015 c.614 §20c]

475B.150 Duty to develop and maintain system for tracking transfer of marijuana items. (1) The Oregon Liquor Control Commission shall develop and maintain a system for tracking the transfer of marijuana items between licensed premises.

(2) The purposes of the system developed and maintained under this section include, but are not limited to:

(a) Preventing the diversion of marijuana items to criminal enterprises, gangs, cartels and other states;

(b) Preventing persons from substituting or tampering with marijuana items;

(c) Ensuring an accurate accounting of the production, processing and sale of marijuana items;

(d) Ensuring that taxes are collected for the purpose of being distributed as described in section 44, chapter 1, Oregon Laws 2015;

(e) Ensuring that laboratory testing results are accurately reported; and

(f) Ensuring compliance with the provisions of ORS 475B.010 to 475B.395, rules adopted under the provisions of ORS 475B.010 to 475B.395 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;

(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;

(e) The purchase and sale of marijuana items between licensees, as permitted by ORS 475B.010 to 475B.395;

(f) The transfer of marijuana items between licensed premises; and

(g) Any other information that the commission determines is reasonably necessary to accomplish the duties, functions and powers of the commission under ORS 475B.010 to 475B.395. [2015 c.614 §23; 2015 c.736 §120]

(Conduct of Licensees)

475B.160 Restrictions on deliveries. (1) A marijuana producer, marijuana processor or marijuana wholesaler may deliver marijuana items only to or on a licensed premises.

(2) A licensed premises may receive marijuana items only from a marijuana producer, marijuana processor or marijuana wholesaler for whom a premises has been licensed by the Oregon Liquor Control Commission.

(3) The sale of marijuana items by a marijuana retailer that holds a license issued under ORS 475B.110 must be restricted to the premises described in the license, but deliveries may be made by the marijuana retailer to consumers pursuant to a bona fide order received at the licensed premises prior to delivery. [2015 c.1 §27; 2015 c.614 §6]

475B.165 Prohibition against selling or delivering marijuana items to persons under 21 years of age. A licensee or licensee representative may not sell or deliver a marijuana item to a person under 21 years of age. [2015 c.1 §14; 2015 c.614 §44]

475B.170 Identification requirement; rules. (1) Subject to subsection (2) of this section, a licensee or licensee representative, before selling or providing a marijuana item to another person, must require the person to produce one of the following pieces of identification:

(a) The person's passport.

(b) The person's driver license, whether issued in this state or by any other state, as

long as the license has a picture of the person.

(c) An identification card issued under ORS 807.400.

(d) A United States military identification card.

(e) Any other identification card issued by a state that bears a picture of the person, the name of the person, the person's date of birth and a physical description of the person.

(2) The Oregon Liquor Control Commission may adopt rules exempting a licensee or licensee representative from this section. [2015 c.1 §16; 2015 c.614 §24]

475B.180 Prohibition against employing persons under 21 years of age. (1) A licensee may not employ any person under 21 years of age in any part of any licensed premises.

(2) During any inspection of a licensed premises, the Oregon Liquor Control Commission may require proof that a person performing work at the premises is 21 years of age or older. If the person does not provide the commission with acceptable proof of age upon request, the commission may require the person to immediately cease any activity and leave the premises until the commission receives acceptable proof of age. This subsection does not apply to a person temporarily at the premises to make a service, maintenance or repair call or for other purposes independent of the premises operations.

(3) If a person performing work has not provided proof of age requested by the commission under subsection (2) of this section, the commission may request that the licensee provide proof that the person is 21 years of age or older. Failure of the licensee to respond to a request made under this subsection by providing acceptable proof of age for a person is prima facie evidence that the licensee has allowed the person to perform work at the licensed premises in violation of the minimum age requirement. [2015 c.1 §52]

475B.185 Prohibition against importing or exporting marijuana items. (1) A licensee or licensee representative may not import marijuana items into this state or export marijuana items from this state.

(2) A violation of subsection (1) of this section is a:

(a) Class C felony, if the importation or exportation is for consideration; or

(b) Class A misdemeanor, if the importation or exportation is not for consideration. [2015 c.1 §45; 2015 c.614 §48]

475B.190 Prohibition against obfuscating mark or label or using mark or label to deceive. (1) A licensee may not use or allow the use of a mark or label on the container of a marijuana item that is kept for sale if the container does not precisely and clearly indicate the nature of the container's contents or in any way might deceive a customer as to the nature, composition, quantity, age or quality of the marijuana item.

(2) The Oregon Liquor Control Commission may prohibit a licensee from selling any brand of marijuana item that in the commission's judgment is deceptively labeled or branded as to content or contains injurious or adulterated ingredients. [2015 c.1 §51; 2015 c.614 §53]

475B.195 Requirement that marijuana items comply with minimum standards.

(1) A marijuana item may not be sold or offered for sale within this state unless the marijuana item complies with the minimum standards prescribed by the statutory laws of this state.

(2) The Oregon Liquor Control Commission may prohibit the sale of a marijuana item by a marijuana retailer for a reasonable period of time for the purpose of determining whether the marijuana item complies with the minimum standards prescribed by the statutory laws of this state. [2015 c.1 §50; 2015 c.614 §52]

475B.200 Prohibition against holders of certain licenses possessing mature marijuana plants.

(1) Except for a licensed marijuana producer and the producer's licensee representative, a licensee may not possess a mature marijuana plant.

(2) A licensee may not sell a mature marijuana plant. [2015 c.1 §53; 2015 c.614 §54]

475B.205 Other prohibitions. (1) A person may not make false representations or statements to the Oregon Liquor Control Commission in order to induce or prevent action by the commission.

(2) A licensee of the commission may not maintain a noisy, lewd, disorderly or insanitary establishment or supply impure or otherwise deleterious marijuana items.

(3) A licensee of the commission may not misrepresent to a customer or to the public any marijuana items. [2015 c.1 §48; 2015 c.614 §51]

(Disciplining Licensees)

475B.210 Grounds for revoking or suspending license. The Oregon Liquor Control Commission may revoke or suspend a license issued under ORS 475B.010 to 475B.395 if the commission finds or has rea-

sonable ground to believe any of the following to be true:

(1) That the licensee:

(a) Has violated a provision of ORS 475B.010 to 475B.395 or a rule of the commission adopted under ORS 475B.010 to 475B.395.

(b) Has made any false representation or statement to the commission in order to induce or prevent action by the commission.

(c) Is insolvent or incompetent or physically unable to carry on the management of the establishment of the licensee.

(d) Is in the habit of using alcoholic liquor, habit-forming drugs, marijuana or controlled substances to excess.

(e) Has misrepresented to a customer or the public any marijuana items sold by the licensee.

(f) Since the granting of the license, has been convicted of a felony, of violating any of the marijuana laws of this state, general or local, or of any misdemeanor or violation of any municipal ordinance committed on the licensed premises.

(2) That there is any other reason that, in the opinion of the commission, based on public convenience or necessity, warrants canceling or suspending the license. [2015 c.1 §30; 2015 c.614 §9]

(Employees and Other Workers)

475B.215 Permit required to perform work for or on behalf of marijuana retailer. (1) An individual who performs work for or on behalf of a person who holds a license under ORS 475B.110 must have a valid permit issued by the Oregon Liquor Control Commission under ORS 475B.218 if the individual participates in:

(a) The possession, securing or selling of marijuana items at the premises for which the license has been issued;

(b) The recording of the possession, securing or selling of marijuana items at the premises for which the license has been issued; or

(c) The verification of any document described in ORS 475B.170.

(2) A person who holds a license under ORS 475B.110 must verify that an individual has a valid permit issued under ORS 475B.218 before allowing the individual to perform any work described in subsection (1) of this section at the premises for which the license has been issued. [2015 c.614 §19]

475B.218 Issuing and renewing permits; fees; rules. (1) The Oregon Liquor Control Commission shall issue permits to qualified applicants to perform work de-

scribed in ORS 475B.215. The commission shall adopt rules establishing:

(a) The qualifications for performing work described in ORS 475B.215;

(b) The term of a permit issued under this section;

(c) Procedures for applying for and renewing a permit issued under this section; and

(d) Reasonable application, issuance and renewal fees for a permit issued under this section.

(2)(a) The commission may 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:

(A) Checking identification;

(B) Detecting intoxication;

(C) Handling marijuana items;

(D) The content of ORS 475B.010 to 475B.395 and rules adopted under ORS 475B.010 to 475B.395; and

(E) Any matter deemed necessary by the commission to protect the public health and safety.

(b) The commission or other provider of the course may charge a reasonable fee for the course.

(c) The commission may not require an individual to successfully complete the course more than once, except that:

(A) As part of a final order suspending a permit issued under this section, the commission may require a permit holder to successfully complete the course as a condition of lifting the suspension; 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.

(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 if the individual who is applying for or who holds the permit:

(a) Is convicted of a felony, except that the commission may not consider a conviction for the manufacture or delivery of marijuana 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 475B.010 to 475B.395 or any rule adopted under ORS 475B.010 to 475B.395; 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 475B.215 only for the individual who holds the permit. [2015 c.614 §20]

475B.230 Right of employees to organize. (1) An employee of a person licensed under ORS 475B.070, 475B.090, 475B.100 or 475B.110 has the right to form, join and participate in the activities of a labor organization of the employee's own choosing for the purpose of securing representation and collective bargaining for matters concerning employment relations with the person licensed under ORS 475B.070, 475B.090, 475B.100 or 475B.110.

(2) For purposes of this section, the provisions of ORS chapters 661 to 663 apply to relations between employees of persons licensed under ORS 475B.070, 475B.090, 475B.100 and 475B.110 and employers that are licensed under ORS 475B.070, 475B.090, 475B.100 or 475B.110 in the same manner that those provisions apply to other employment relations. [2015 c.614 §20a]

475B.233 Whistleblower protection for employees. (1) It is an unlawful employment practice for a person that holds a license under ORS 475B.070, 475B.090, 475B.100 or 475B.110 to discharge, demote, suspend or in any manner discriminate or retaliate against an employee of the person with regard to promotion, compensation or other terms, conditions or privileges of employment on the basis that the employee has in good faith reported information to the Oregon Liquor Control Commission that the employee believes is evidence of a violation of a provision of ORS 475B.010 to 475B.395 or a rule adopted under a provision of ORS 475B.010 to 475B.395.

(2) This section is subject to enforcement under ORS chapter 659A. [2015 c.614 §20b]

(Cannabis Research)

475B.235 Certifying public and private researchers of cannabis; rules. (1) The Oregon Liquor Control Commission, in consultation with the Oregon Health Authority and the State Department of Agriculture, shall establish a program for the purpose of identifying and certifying private and public researchers of cannabis.

(2)(a) The authority shall assist the commission in identifying candidates for certification under this section with respect to potential medical research.

(b) The department shall assist the commission in identifying candidates for certification under this section with respect to potential agricultural research.

(3) Subject to subsection (4) of this section, the commission shall adopt by rule or order:

(a) Qualifications for certification under this section;

(b) The term of a certificate issued under this section;

(c) Processes for applying for, receiving and renewing a certificate under this section;

(d) Procedures for tracking marijuana, usable marijuana, cannabinoid products, cannabinoid concentrates and cannabinoid extracts received by and disposed or otherwise made use of by a person certified under this section; and

(e) Procedures for disposing or otherwise making use of marijuana, usable marijuana, cannabinoid products, cannabinoid concentrates and cannabinoid extracts.

(4) In establishing qualifications under subsection (3) of this section, the commission shall consider the following:

(a) A research applicant's access to funding and the overall cost of the proposed research;

(b) The overall benefit of an applicant's proposed research to this state's cannabis industry or to public health and safety; and

(c) Legal barriers to conducting the proposed research or legal risks associated with conducting the proposed research.

(5) A person certified under this section:

(a) May receive marijuana, usable marijuana, cannabinoid products, cannabinoid concentrates and cannabinoid extracts from a licensee or a registrant under ORS 475B.400 to 475B.525; and

(b) May not sell or otherwise transfer marijuana, usable marijuana, cannabinoid products, cannabinoid concentrates or cannabinoid extracts to any other person, except as provided in rules adopted by the commission under subsection (3)(e) of this section.

(6) Except as otherwise provided by the commission by rule, rules adopted by the commission for the purpose of administering and enforcing ORS 475B.010 to 475B.395 with respect to licensees and licensee representatives apply to persons certified under this section and persons employed by or who otherwise perform work for persons certified under this section.

(7) A person who is certified under this section, and an employee of or other person who performs work for a person certified

under this section, is exempt from the criminal laws of this state for possession, delivery or manufacture of marijuana, aiding and abetting another in the possession, delivery and manufacture of marijuana, or any other criminal offense in which possession, delivery or manufacture of marijuana is an element, while performing activities related to conducting research as described in this section. [2015 c.614 §113]

(Marijuana Control and Regulation Fund)

475B.240 Marijuana Control and Regulation Fund. The Marijuana Control and Regulation Fund is established in the State Treasury, separate and distinct from the General Fund. Interest earned by the Marijuana Control and Regulation Fund shall be credited to the fund. Moneys in the fund are continuously appropriated to the Oregon Liquor Control Commission to administer and enforce ORS 475B.010 to 475B.395. [2015 c.614 §32]

(Homegrown Marijuana and Homemade Cannabinoid Products and Concentrates)

475B.245 Applicability of licensing provisions to homegrown marijuana and homemade cannabinoid products and concentrates. ORS 475B.025, 475B.033, 475B.035, 475B.040, 475B.045, 475B.055, 475B.060, 475B.065, 475B.068, 475B.070, 475B.090, 475B.100, 475B.110, 475B.130, 475B.160, 475B.165, 475B.170, 475B.210, 475B.265, 475B.325, 475B.330, 475B.335, 475B.350, 475B.353, 475B.355, 475B.358 and 475B.380 do not apply:

(1) To the production, processing or storage of homegrown marijuana at a household by one or more persons 21 years of age and older, if the total amount of homegrown marijuana at the household does not exceed four marijuana plants and eight ounces of usable marijuana at any time.

(2) To the making, processing or storage of homemade cannabinoid products at a household by one or more persons 21 years of age and older, if the total amount of homemade cannabinoid products at the household does not exceed 16 ounces in solid form at any time.

(3) To the making, processing or storage of homemade cannabinoid products at a household by one or more persons 21 years of age and older, if the total amount of homemade cannabinoid products at the household does not exceed 72 ounces in liquid form at any time.

(4) To the making, processing or storage of homemade cannabinoid concentrates at a household by one or more persons 21 years of age or older, if the total amount of home-

made cannabinoid concentrates at the household does not exceed 16 ounces at any time.

(5) To the delivery of not more than one ounce of homegrown marijuana at a time by a person 21 years of age or older to another person 21 years of age or older for noncommercial purposes.

(6) To the delivery of not more than 16 ounces of homemade cannabinoid products in solid form at a time by a person 21 years of age or older to another person 21 years of age or older for noncommercial purposes.

(7) To the delivery of not more than 72 ounces of homemade cannabinoid products in liquid form at a time by a person 21 years of age or older to another person 21 years of age or older for noncommercial purposes.

(8) To the delivery of not more than 16 ounces of cannabinoid concentrates at a time by a person 21 years of age or older to another person 21 years of age or older for noncommercial purposes. [2015 c.1 §6(1); 2015 c.614 §39(1)]

475B.250 Prohibition against producing, processing or storing homegrown marijuana or homemade cannabinoid products or concentrates in public view.

(1) A person may not produce, process or store homegrown marijuana or homemade cannabinoid products or cannabinoid concentrates if the homegrown marijuana or homemade cannabinoid products or cannabinoid concentrates can be readily seen by normal unaided vision from a public place.

(2) A violation of subsection (1) of this section is a Class B violation. [2015 c.1 §56; 2015 c.614 §55]

475B.255 Prohibition against producing, processing or storing homemade cannabinoid extracts. A person may not produce, process or store homemade cannabinoid extracts. [2015 c.1 §57; 2015 c.614 §56]

(Prohibited Conduct)

475B.260 Prohibition against person under 21 years of age attempting to purchase, purchasing or acquiring marijuana item; penalty. (1)(a) A person under 21 years of age may not attempt to purchase, purchase or acquire a marijuana item.

(b) For purposes of this subsection, purchasing a marijuana item includes accepting a marijuana item, and acquiring a marijuana item includes consuming a marijuana item, provided that the consumption of the marijuana item occurred no more than 24 hours before the determination that the person consumed the marijuana item.

(2) Except as authorized by the Oregon Liquor Control Commission by rule, or as necessary in an emergency, a person under

21 years of age may not enter or attempt to enter any portion of a licensed premises that is posted or otherwise identified as being prohibited to the use of persons under 21 years of age.

(3) A person who violates subsection (1) or (2) of this section commits a Class B violation.

(4) In addition to and not in lieu of any other penalty established by law, a court may require a person under 21 years of age who violates subsection (1) of this section through misrepresentation of age to perform community service, and the court may order that the person's driving privileges and right to apply for driving privileges be suspended for a period not to exceed one year. If a court has issued an order suspending driving privileges under this section, the court, upon petition of the person, may withdraw the order at any time the court deems appropriate. The court notification to the Department of Transportation under this subsection may include a recommendation that the person be granted a hardship permit under ORS 807.240 if the person is otherwise eligible for the permit.

(5) If a person cited under this section is at least 13 years of age but less than 21 years of age at the time the person is found in default under ORS 153.102 or 419C.472 for failure to appear, in addition to and not in lieu of any other penalty, the court shall issue notice under ORS 809.220 to the department for the department to suspend the person's driving privileges under ORS 809.280 (4).

(6) In addition to and not in lieu of any penalty established by law, the court may order a person to undergo assessment and treatment if the person has previously been found to have violated this section.

(7) The prohibitions of this section do not apply to a person under 21 years of age who is acting under the direction of the commission or under the direction of state or local law enforcement agencies for the purpose of investigating possible violations of laws prohibiting sales of marijuana items to persons who are under 21 years of age.

(8) The prohibitions of this section do not apply to a person under 21 years of age who is acting under the direction of a licensee for the purpose of investigating possible violations by employees of the licensee of laws prohibiting sales of marijuana items to persons who are under 21 years of age.

(9)(a) A person under 21 years of age is not in violation of, and is immune from prosecution under, this section if:

(A) The person contacted emergency medical services or a law enforcement

agency in order to obtain medical assistance for another person who was in need of medical assistance because that person consumed a marijuana item and the evidence of the violation of this section was obtained as a result of the person's having contacted emergency medical services or a law enforcement agency; or

(B) The person was in need of medical assistance because the person consumed a marijuana item and the evidence of the violation of this section was obtained as a result of the person's having sought or obtained the medical assistance.

(b) Paragraph (a) of this subsection does not exclude the use of evidence obtained as a result of a person's having sought medical assistance in proceedings for crimes or offenses other than a violation of this section. [2015 c.1 §49; 2015 c.614 §25]

475B.265 Prohibition against producing identification that falsely indicates age; protections for licensees and licensee representatives that rely on identification that falsely indicates age. (1) A person may not produce any piece of identification that would falsely indicate the person's age.

(2) If a piece of identification is offered as evidence in any administrative or criminal prosecution of a licensee or licensee representative for sale or service of a marijuana item to a person under 21 years of age, the licensee or licensee representative is not guilty of any offense prohibiting a person from selling or serving a marijuana item to a person under 21 years of age unless it is demonstrated that a reasonable person would have determined that the identification exhibited by the person under 21 years of age was altered or did not accurately describe the person under 21 years of age to whom the marijuana item was sold or served. [2015 c.1 §17; 2015 c.614 §45]

475B.270 Prohibition against selling, giving or making available marijuana item to person who is visibly intoxicated; prohibition against providing marijuana item to person under 21 years of age on private real property. (1) A person may not sell, give or otherwise make available any marijuana item to a person who is visibly intoxicated.

(2)(a) A person who exercises control over private real property may not knowingly allow a person under the age of 21 years to consume marijuana items on the property, or allow any other person under the age of 21 years to remain on the property if the person under the age of 21 years consumes marijuana items on the property.

(b) This subsection:

(A) Applies only to a person who is present and in control of the location at the time the consumption occurs; and

(B) Does not apply to the owner of rental property, or the agent of an owner of rental property, unless the consumption occurs in the individual housing unit in which the owner or agent resides. [2015 c.1 §47; 2015 c.614 §50]

475B.275 Prohibition against giving marijuana item as prize. A marijuana item may not be given as a prize, premium or consideration for a lottery, contest, game of chance, game of skill or competition of any kind. [2015 c.1 §46; 2015 c.614 §49]

475B.280 Prohibition against using marijuana item in public place. (1) It is unlawful for any person to engage in the use of marijuana items in a public place.

(2) A violation of subsection (1) of this section is a Class B violation. [2015 c.1 §54]

**(Civil Enforcement of
ORS 475B.010 to 475B.395)**

475B.285 Powers of regulatory specialists. (1) An Oregon Liquor Control Commission regulatory specialist has the authority as provided in ORS 133.005 to 133.400, 133.450, 133.525 to 133.703, 133.721 to 133.739, 161.235, 161.245 and 475B.010 to 475B.395, ORS chapter 153 and chapter 743, Oregon Laws 1971, to conduct inspections and investigations, make seizures, aid in prosecutions for offenses, issue citations for violations and otherwise enforce the provisions of ORS 475B.010 to 475B.395, any rule adopted under ORS 475B.010 to 475B.395 and any other law of this state that charges the commission with a duty, function or power related to marijuana, including enforcing any provision of a law or rule related to individuals who use false identification for purposes of purchasing or possessing a marijuana item or who engage in illegal activity on or near a licensed premises.

(2) A commission regulatory specialist may not:

(a) Be sworn in as a federal law enforcement official and act in that capacity while performing duties under this section.

(b) Carry a firearm.

(c) Conduct inspections and investigations of a primary residence or for purposes of ensuring compliance with ORS 475B.245 and 475B.375.

(d) Except as provided in ORS 475B.080, conduct inspections and investigations for purposes of ensuring compliance with ORS 475B.400 to 475B.525. [2015 c.614 §30]

475B.290 Authority to issue subpoenas. For purposes of ORS 475B.010 to 475B.395, the provisions of ORS 183.440 apply to subpoenas issued by the Oregon Liquor Control Commission and any authorized agent of the commission. [2015 c.614 §31]

475B.295 Civil penalty for violating ORS 475B.010 to 475B.395. In addition to any other liability or penalty provided by law, the Oregon Liquor Control Commission may impose for each violation of a provision of ORS 475B.010 to 475B.395 or a rule adopted under a provision of ORS 475B.010 to 475B.395 a civil penalty that does not exceed \$5,000 for each violation. The commission shall impose civil penalties under this section in the manner provided by ORS 183.745. Moneys collected under this section shall be deposited in the Marijuana Control and Regulation Fund established under ORS 475B.240. [2015 c.614 §29]

475B.298 Forfeiture of building or premises for violating ORS 475B.010 to 475B.395. If it is proved that the owner of a building or premises knowingly has used the building or premises or allowed the building or premises to be occupied for the manufacture, sale or possession of marijuana items contrary to the provisions of ORS 475B.010 to 475B.395, the building or premises are subject to a lien for, and may be sold to pay all fines and costs assessed against their occupants for, any violation of ORS 475B.010 to 475B.395. The lien must be enforced immediately by civil action in any court that has jurisdiction, by the district attorney of the county in which the building or premises are located. [2015 c.1 §67; 2015 c.614 §64]

**(Criminal Enforcement of
ORS 475B.010 to 475B.395)**

475B.300 Authority of law enforcement personnel to enforce provisions of ORS 475B.010 to 475B.395. The state police, sheriffs and police officers of this state may enforce ORS 475B.010 to 475B.395 and assist the Oregon Liquor Control Commission in detecting violations of ORS 475B.010 to 475B.395 and apprehending offenders. An enforcing officer who has notice, knowledge or reasonable ground of suspicion of a violation of ORS 475B.010 to 475B.395 shall immediately notify the district attorney and furnish the district attorney with names and addresses of any witnesses, or other information within the officer's knowledge, of the violation. [2015 c.1 §63; 2015 c.614 §60]

475B.305 Seizure of marijuana items by law enforcement personnel. (1) When an officer arrests a person for violation of ORS 475B.010 to 475B.395, the officer may take into possession all marijuana items and other property that the person so arrested

has in possession, or that is on the premises, that is apparently being used in violation of ORS 475B.010 to 475B.395.

(2) If a person arrested as described in this section is convicted, and the court finds that the marijuana items and other property have been used in violation of the laws of this state:

(a) The marijuana items must be forfeited to an appropriate state or local law enforcement agency and must be delivered by the court or officer, at the direction of the court, to the law enforcement agency; and

(b) Subject to other applicable law, the other property must be forfeited to the Oregon Liquor Control Commission, and must be delivered by the court or officer to the commission.

(3) The commission is authorized to destroy or make such other disposition of any property it receives under subsection (2)(b) of this section as it considers to be in the public interest. In any such case, all such property, including furniture, furnishings, equipment and facilities for the storing, serving or using of marijuana items must be confiscated and forfeited to the state, and the clear proceeds must be deposited with the State Treasury in the Common School Fund. [2015 c.1 §64; 2015 c.614 §61]

475B.310 Duty to notify Oregon Liquor Control Commission of conviction of licensee. The county courts, district attorneys and municipal authorities, immediately upon the conviction of any licensee of the Oregon Liquor Control Commission of a violation of any provision of ORS 475B.010 to 475B.395 or the violation of any other law of this state or ordinance of any municipality in this state, in which violation marijuana had any part, shall notify the commission of the conviction. The county courts, district attorneys and municipal authorities shall notify the commission of any acts, practices or other conduct of a licensee convicted as described in this section that may be subversive of the general welfare or contrary to the spirit of ORS 475B.010 to 475B.395 and shall recommend such action on the part of the commission as will remove the evil. [2015 c.1 §65; 2015 c.614 §62]

475B.315 Criminal penalty for violating ORS 475B.010 to 475B.395. (1) Except where other punishment is specifically provided for in ORS 475B.010 to 475B.395, violation of any provision of ORS 475B.010 to 475B.395 is a Class A misdemeanor.

(2) Subject to ORS 153.022, violation of a rule adopted under ORS 475B.025 (2)(d) is a Class C violation. [2015 c.1 §69; 2015 c.614 §66; 2015 c.699 §25]

(Regulation of Cannabis for Recreational Use by Cities and Counties)

475B.320 Preemption of municipal charter amendments and local ordinances. The provisions of ORS 475B.010 to 475B.395 are designed to operate uniformly throughout the state and are paramount and superior to and fully replace and supersede any municipal charter amendment or local ordinance inconsistent with the provisions of ORS 475B.010 to 475B.395. Amendments and ordinances that are inconsistent with the provisions of ORS 475B.010 to 475B.395 are repealed. [2015 c.1 §58; 2015 c.614 §57]

475B.325 Prohibition against operation of licensed premises; petition; election. (1) The governing body of a city or a county, when a petition is filed as provided in this section, shall order an election on the question whether the operation of licensed premises should be prohibited in the city or county.

(2) Except as otherwise provided in this section, the requirements for preparing, circulating and filing a petition under this section:

(a) In the case of a city, must be as provided for an initiative petition under ORS 250.265 to 250.346.

(b) In the case of a county, must be as provided for an initiative petition under ORS 250.165 to 250.235.

(3) A petition under this section:

(a) Must be filed not less than 60 days before the day of the election; and

(b) Must be signed by not less than 10 percent of the electors registered in the city or county.

(4) If ORS 250.155 makes ORS 250.165 to 250.235 inapplicable to a county or if ORS 250.255 makes ORS 250.265 to 250.346 inapplicable to a city, the requirements for preparing, circulating and filing a petition under this section must be as provided for an initiative petition under the county or city charter or an ordinance adopted under the county or city charter.

(5) A signature is not valid unless signed within 180 days before the petition is filed.

(6) An election under this section must be held at the time of the next statewide general election.

(7) An election under this section must be conducted under ORS chapters 246 to 260. [2015 c.1 §60; 2015 c.614 §58]

475B.330 Effective date of prohibition against operation of licensed premises. In each county or city that returns a majority vote for or against prohibition, the law shall

take effect on January 1 following the day of election. [2015 c.1 §62]

475B.335 Right to possess marijuana items for personal use. ORS 475B.325 does not prevent any person residing in the county or city from having, for personal use, a marijuana item purchased from a marijuana retailer licensed under ORS 475B.110. [2015 c.1 §61; 2015 c.614 §59]

475B.340 Local time, place and manner regulations. (1) For purposes of this section, “reasonable regulations” includes:

(a) Reasonable conditions on the manner in which a marijuana producer licensed under ORS 475B.070 may produce marijuana;

(b) Reasonable conditions on the manner in which a marijuana processor licensed under ORS 475B.090 may process marijuana;

(c) Reasonable conditions on the manner in which a marijuana wholesaler licensed under ORS 475B.100 may sell marijuana at wholesale;

(d) Reasonable limitations on the hours during which a marijuana retailer licensed under ORS 475B.110 may operate;

(e) Reasonable conditions on the manner in which a marijuana retailer licensed under ORS 475B.110 may sell marijuana items;

(f) Reasonable requirements related to the public’s access to a premises for which a license has been issued under ORS 475B.070, 475B.090, 475B.100 or 475B.110; and

(g) Reasonable limitations on where a premises for which a license may be issued under ORS 475B.070, 475B.090, 475B.100 or 475B.110 may be located.

(2) Notwithstanding ORS 633.738, the governing body of a city or county may adopt ordinances that impose reasonable regulations on the operation of businesses located at premises for which a license has been issued under ORS 475B.070, 475B.090, 475B.100 or 475B.110 if the premises are located in the area subject to the jurisdiction of the city or county, except that the governing body of a city or county may not adopt an ordinance that prohibits a premises for which a license has been issued under ORS 475B.110 from being located within a distance that is greater than 1,000 feet of another premises for which a license has been issued under ORS 475B.110.

(3) Regulations adopted under this section must be consistent with city and county comprehensive plans and zoning ordinances and applicable provisions of public health and safety laws. [2015 c.1 §59; 2015 c.614 §33]

475B.345 Local tax or fee; referral to electors for approval. (1)(a) Except as expressly authorized by this section, the authority to impose a tax or fee on the production, processing or sale of marijuana items in this state is vested solely in the Legislative Assembly.

(b) Except as expressly authorized by this section, a county, city or other municipal corporation or district may not adopt or enact ordinances imposing a tax or fee on the production, processing or sale of marijuana items in this state.

(2) Subject to subsection (4) of this section, the governing body of a city or county may adopt an ordinance to be referred to the electors of the city or county as described in subsection (3) of this section that imposes a tax or a fee on the sale of marijuana items that are sold in the area subject to the jurisdiction of the city or the unincorporated area subject to the jurisdiction of a county by a person that holds a license under ORS 475B.110.

(3) If the governing body of a city or county adopts an ordinance under this section, the governing body shall refer the measure of the ordinance to the electors of the city or county for approval at the next statewide general election.

(4) An ordinance adopted under this section may not impose a tax or fee in excess of three percent. [2015 c.614 §34a]

(Powers and Duties of State Agencies and Officers and Governor)

475B.350 Duty of Oregon Health Authority to assist. The Oregon Health Authority shall assist and cooperate with the Oregon Liquor Control Commission and the State Department of Agriculture to the extent necessary for the commission and the department to carry out the duties of the commission and the department under ORS 475B.010 to 475B.395. [2015 c.1 §9]

475B.353 Duty of State Department of Agriculture to assist. The State Department of Agriculture shall assist and cooperate with the Oregon Liquor Control Commission and the Oregon Health Authority to the extent necessary for the commission and the authority to carry out the duties of the commission and the authority under ORS 475B.010 to 475B.395. [2015 c.1 §8]

475B.355 Prohibition against refusing to perform duties on basis that certain conduct is prohibited by federal law. (1) The Oregon Liquor Control Commission, the State Department of Agriculture and the Oregon Health Authority may not refuse to perform any duty under ORS 475B.010 to

475B.395 on the basis that manufacturing, distributing, dispensing, possessing or using marijuana is prohibited by federal law.

(2) The commission may not revoke or refuse to issue or renew a license under ORS 475B.010 to 475B.395 on the basis that manufacturing, distributing, dispensing, possessing or using marijuana is prohibited by federal law. [2015 c.1 §11; 2015 c.614 §41]

475B.358 Immunity for state agencies, officers and employees in performance of duties. A person may not sue the Oregon Liquor Control Commission or a member of the commission, the State Department of Agriculture or the Oregon Health Authority, or any employee of the commission, department or authority, for performing or omitting to perform any duty, function or power of the commission, department or authority set forth in ORS 475B.010 to 475B.395 or in any other law of this state requiring the commission, department or authority to perform a duty, function or power related to marijuana. [2015 c.1 §10; 2015 c.614 §40]

475B.360 Authority to purchase, possess, seize or dispose of marijuana items. Any state officer, board, commission, corporation, institution, department or other state body, and any local officer, board, commission, institution, department or other local government body, that is authorized by the statutory laws of this state to perform a duty, function or power with respect to a marijuana item, may purchase, possess, seize or dispose of the marijuana item as the state officer, board, commission, corporation, institution, department or other state body, or the local officer, board, commission, institution, department or other local government body, considers necessary to ensure compliance with and enforce the applicable statutory law or any rule adopted under the applicable statutory law. [2015 c.614 §4]

475B.365 Authority of Governor to suspend licenses without notice. In case of invasion, disaster, insurrection or riot, or imminent danger of invasion, disaster, insurrection or riot, the Governor may, for the duration of the invasion, disaster, insurrection or riot, or imminent danger, immediately suspend without notice any license in the area involved granted under ORS 475B.010 to 475B.395. [2015 c.1 §68; 2015 c.614 §65]

(Other Provisions)

475B.370 Marijuana as crop; exceptions to permitted uses. (1) Notwithstanding any other provision of law, marijuana is:

(a) A crop for the purposes of “farm use” as defined in ORS 215.203;

(b) A crop for purposes of a “farm” and “farming practice,” both as defined in ORS 30.930;

(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 and 215, 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 475B.063. [2015 c.614 §34(1) to (3)]

475B.373 Regulation of marijuana items as food or other commodity subject to regulation by State Department of Agriculture. (1) Notwithstanding the authority granted to the State Department of Agriculture under ORS chapters 571, 618 and 633 and ORS 632.206 to 632.260, 632.275 to 632.290, 632.450 to 632.490, 632.516 to 632.625, 632.705 to 632.815, 632.835 to 632.850 and 632.900 to 632.985, the department may not exercise authority over marijuana items or a licensee, except that ORS 618.121 to 618.161, 618.991, 618.995, 633.311 to 633.479, 633.992 and 633.994 apply to marijuana items or to a licensee.

(2) In exercising its authority under ORS chapter 616, the department may not:

(a) Establish standards for marijuana as a food additive, as defined in ORS 616.205;

(b) Consider marijuana to be an adulterant, unless the concentration of a cannabinoid in a cannabinoid product, cannabinoid concentrate or cannabinoid extract exceeds acceptable levels established by the Oregon Health Authority by rule; or

(c) Apply ORS 616.256, 616.265, 616.270 or 616.275 to cannabinoid edibles or enforce ORS 616.256, 616.265, 616.270 or 616.275 with respect to cannabinoid edibles. [2015 c.614 §114]

475B.375 Applicability of ORS 475B.010 to 475B.395 to Oregon Medical Marijuana Act. ORS 475B.025, 475B.033, 475B.035, 475B.040, 475B.045, 475B.055, 475B.060, 475B.065, 475B.068, 475B.070, 475B.090,

475B.100, 475B.110, 475B.130, 475B.160,
 475B.165, 475B.170, 475B.180, 475B.185,
 475B.190, 475B.195, 475B.200, 475B.205,
 475B.210, 475B.250, 475B.255, 475B.260,
 475B.265, 475B.270, 475B.275, 475B.280,
 475B.298, 475B.300, 475B.305, 475B.310,
 475B.315, 475B.320, 475B.325, 475B.330,
 475B.335, 475B.340, 475B.350, 475B.353,
 475B.355, 475B.358, 475B.365, 475B.378,
 475B.380 and 475B.395:

(1) Do not apply to the extent a person acts within the scope of and in compliance with the Oregon Medical Marijuana Act; and

(2) Do not amend or affect duties, functions and powers of the Oregon Health Authority under the Oregon Medical Marijuana Act. [2015 c.1 §6(2); 2015 c.614 §39(2)]

475B.378 Violation of laws of this state as nuisance. Any room, house, building, boat, structure or place of any kind where marijuana items are sold, manufactured, bartered or given away in violation of the laws of this state, or where persons are permitted to resort for the purpose of using marijuana items in violation of the laws of this state, or any place where marijuana items are kept for sale, barter or gift in violation of the laws of this state, and all marijuana items or property subject to confiscation under ORS 475B.305 kept and used in such a place, are a common nuisance. A person who maintains or assists in maintaining the common nuisance or knowingly suffers or permits the nuisance to exist in any place of which the person is the owner, manager or lessor, is guilty of a violation of ORS 475B.010 to 475B.395. [2015 c.1 §66; 2015 c.614 §63]

475B.380 Enforceability of contracts. A contract is not unenforceable on the basis that manufacturing, distributing, dispensing, possessing or using marijuana is prohibited by federal law. [2015 c.1 §12; 2015 c.614 §42]

(Severability)

475B.395 Severability of ORS 475B.010 to 475B.395. If any section, subsection, paragraph, phrase or word of ORS 475B.010 to 475B.395 is held to be unconstitutional, void or illegal, either on its face or as applied, that holding does not affect the applicability, constitutionality or legality of any other section, subsection, paragraph, phrase or word of ORS 475B.010 to 475B.395. To that end, the sections, subsections, paragraphs, phrases and words of ORS 475B.010 to 475B.395 are intended to be severable. It is hereby declared to be the intent of the people of this state in adopting ORS 475B.010 to 475B.395 that ORS 475B.010 to 475B.395 would have been adopted had such unconstitutional, void or illegal sections, subsections,

paragraphs, phrases or words, if any, not been included in ORS 475B.010 to 475B.395. [2015 c.1 §70; 2015 c.614 §67]

(Biennial Report on Supply and Demand)

475B.399 Duty to report to Legislative Assembly. (1) As used in this section, “marijuana” and “marijuana item” have the meanings given those terms in ORS 475B.015.

(2) On or before February 1 of each odd-numbered year, the Oregon Liquor Control Commission shall report to the Legislative Assembly in the manner required by ORS 192.245, the approximate amount of marijuana produced by persons who hold a license under ORS 475B.070 and the approximate amount of marijuana items sold by persons who hold a license under ORS 475B.110, and whether the supply of marijuana in this state is commensurate with the demand for marijuana items in this state. [2015 c.614 §170]

Note: Section 172, chapter 614, Oregon Laws 2015, provides:

Sec. 172. On or before January 1, 2017, the Oregon Liquor Control Commission:

(1) Shall examine available research, and may conduct or commission new research, to investigate the influence of marijuana on the ability of a person to drive a vehicle and on the concentration of delta-9-tetrahydrocannabinol in a person's blood, in each case taking into account all relevant factors; and

(2) In the manner provided by ORS 192.245, shall present the results of the research, including any recommendations for legislation, to the interim committees of the Legislative Assembly related to judiciary. [2015 c.614 §172]

(Use of Moneys in Oregon Liquor Control Commission Account)

Note: Section 3, chapter 20, Oregon Laws 2015, provides:

Sec. 3. Use of moneys in Oregon Liquor Control Commission Account. (1) Notwithstanding ORS 221.770, 471.805 and 471.810, for the biennium beginning July 1, 2013, and the biennium beginning July 1, 2015, the Oregon Liquor Control Commission may expend moneys in the Oregon Liquor Control Commission Account to pay any expenses incurred by the commission in implementing and carrying out sections 3 to 70, chapter 1, Oregon Laws 2015 [475B.010 to 475B.395]. Any expenditure made under this subsection is considered a loan and must be repaid from the Oregon Marijuana Account established by section 44, chapter 1, Oregon Laws 2015. Expenditures made under this subsection shall be made from moneys in the Oregon Liquor Control Commission Account before the distributions required by ORS 471.810 are made.

(2) Notwithstanding section 44, chapter 1, Oregon Laws 2015, not later than June 30, 2017, the Department of Revenue shall transfer from the Oregon Marijuana Account to the commission for deposit in the Oregon Liquor Control Commission Account an amount equal to the total amount expended by the commission under subsection (1) of this section plus two percent of the total amount expended. The department shall make the transfer required by this subsection before making any other withholding, distribution or expenditure from the Oregon Marijuana Account for purposes described in section 44, chapter 1, Oregon Laws 2015. [2015 c.20 §3; 2015 c.840 §10]

MEDICAL USE OF CANNABIS

Note: Amendments and additions to 475.300 to 475.346 (renumbered 475B.400 to 475B.525) become operative March 1, 2016. See sections 177 (2) and 179, chapter 614, Oregon Laws 2015. Refer to the 2013 Edition of Oregon Revised Statutes for the text of 475.300 to 475.346 that is operative until March 1, 2016.

Note: For the text of 475.309 (renumbered 475B.415) that is operative until March 1, 2016, see section 103, chapter 736, Oregon Laws 2015.

Note: For the text of 475.314 (renumbered 475B.450) that is operative until March 1, 2016, see section 5, chapter 79, Oregon Laws 2014.

(Generally)

475B.400 Findings. The people of the State of Oregon find that:

(1) Patients and doctors have found marijuana to be an effective treatment for suffering caused by debilitating medical conditions and, therefore, marijuana must be treated like other medicines;

(2) Oregonians suffering from debilitating medical conditions should be allowed to use marijuana without fear of civil or criminal penalties when a doctor advises that using marijuana may provide a medical benefit and when other reasonable restrictions are met regarding that use;

(3) ORS 475B.400 to 475B.525 are intended to allow Oregonians with debilitating medical conditions who may benefit from the medical use of marijuana to be able to freely discuss with doctors the possible risks and benefits associated with the medical use of marijuana and to have the benefit of professional medical advice; and

(4) ORS 475B.400 to 475B.525 are intended to protect patients and doctors from criminal and civil penalties and are not intended to change current civil and criminal laws governing the use of marijuana for nonmedical purposes. [Formerly 475.300]

475B.405 Short title. ORS 475B.400 to 475B.525 shall be known as the Oregon Medical Marijuana Act. [Formerly 475.346]

475B.410 Definitions for ORS 475B.400 to 475B.525. As used in ORS 475B.400 to 475B.525:

(1) “Attending physician” means a physician licensed under ORS chapter 677 who has primary responsibility for the care and treatment of a person diagnosed with a debilitating medical condition.

(2) “Cannabinoid” means any of the chemical compounds that are the active constituents of marijuana.

(3) “Cannabinoid concentrate” means a substance obtained by separating cannabinoids from marijuana by:

(a) A mechanical extraction process;

(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

(d) Any other process identified by the Oregon Health Authority, in consultation with the Oregon Liquor Control 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.

(5) “Cannabinoid extract” means a substance obtained by separating cannabinoids from marijuana by:

(a) A chemical extraction process using a hydrocarbon-based solvent, such as butane, hexane or propane;

(b) A chemical extraction process using the hydrocarbon-based solvent carbon dioxide, if the process uses high heat or pressure; or

(c) Any other process identified by the Oregon Health Authority, in consultation with the Oregon Liquor Control 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:

(A) Cachexia;

(B) Severe pain;

(C) Severe nausea;

(D) Seizures, including seizures caused by epilepsy; or

(E) Persistent muscle spasms, including spasms caused by multiple sclerosis;

(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 475B.517.

(7)(a) “Delivery” has the meaning given that term in ORS 475.005.

(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)(a) “Designated primary caregiver” means an individual:

(A) Who is 18 years of age or older;

(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 physician.

(9) “High heat” means a temperature exceeding 180 degrees.

(10) “Immature marijuana plant” means a marijuana plant that is not flowering.

(11)(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 industrial hemp, as defined in ORS 571.300.

(12) “Marijuana grow site” means a location registered under ORS 475B.420 where marijuana is produced for use by a registry identification cardholder.

(13) “Marijuana processing site” means a marijuana processing site registered under ORS 475B.435 or a site for which an applicant has submitted an application for registration under ORS 475B.435.

(14) “Mature marijuana plant” means a marijuana plant that is not an immature marijuana plant.

(15)(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;

(C) A cannabinoid extract by itself; or

(D) Industrial hemp, as defined in ORS 571.300.

(16) “Medical marijuana dispensary” means a medical marijuana dispensary registered under ORS 475B.450 or a site for which an applicant has submitted an application for registration under ORS 475B.450.

(17) “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 475B.420 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) “Process” means the compounding or conversion of marijuana into medical cannabinoid products, cannabinoid concentrates or cannabinoid extracts.

(20) “Production” means:

(a) Planting, cultivating, growing, trimming or harvesting marijuana; or

(b) Drying marijuana leaves or flowers.

(21) “Registry identification card” means a document issued by the Oregon Health Authority under ORS 475B.415 that identifies a person authorized to engage in the medical use of marijuana and, if the person has a designated primary caregiver under ORS 475B.418, the person’s designated primary caregiver.

(22) “Registry identification cardholder” means a person to whom a registry identification card has been issued under ORS 475B.415.

(23)(a) “Usable marijuana” means the dried leaves and flowers of marijuana.

(b) “Usable marijuana” does not include:

(A) The seeds, stalks and roots of marijuana; or

(B) Waste material that is a by-product of producing marijuana.

(24) “Written documentation” means a statement signed by the attending physician of a person diagnosed with a debilitating medical condition or copies of the person’s relevant medical records. [Formerly 475.302]

475B.413 Construction of ORS 475B.400 to 475B.525. Nothing in ORS 475B.400 to 475B.525 requires:

(1) A government medical assistance program or private health insurer to reimburse

a person for costs associated with the medical use of marijuana; or

(2) An employer to accommodate the medical use of marijuana in the workplace. [Formerly 475.340]

(Registry Identification Cardholders and Designated Primary Caregivers)

475B.415 Registry identification cardholders; eligibility; fees; rules. (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 physician stating that the attending physician 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 physician;

(d) Proof of residency, as 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 475B.418; and

(f) The information described in ORS 475B.420 (2), if the applicant is applying to produce marijuana or designate another person under ORS 475B.420 to produce marijuana.

(3)(a) 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:

(i) The applicant's attending physician 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) The custodial parent or legal guardian consents to the medical use of marijuana by the applicant;

(iii) The custodial parent or legal guardian agrees to serve as the applicant's designated primary caregiver; and

(iv) 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 approve or deny an application 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;

(C) If the registry identification cardholder designated a primary caregiver under ORS 475B.418, the name and address of the registry identification cardholder's designated primary caregiver; and

(D) Any other information required by the authority by rule.

(b) If the registry identification cardholder designated a primary caregiver under ORS 475B.418, 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 physician;

(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 made at a time other than at the time of applying for or renewing a registry identification card.

(b) 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 physician 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)(a) If the registry identification cardholder's attending physician 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.

(8)(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 475B.400 to 475B.525 or a rule adopted under ORS 475B.400 to 475B.525.

(b) If a registry identification card is revoked, any associated identification card issued under subsection (5)(b) of this section, or marijuana grow site registration card issued under ORS 475B.420 (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.

(9)(a) The authority may deny a designation of a primary caregiver made under ORS 475B.418, 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 475B.400 to 475B.525 or a rule adopted under ORS 475B.400 to 475B.525.

(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 475B.418 for six months from the date of the denial or revocation unless otherwise authorized by the authority.

(10) 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 and of having been diagnosed with post-traumatic stress disorder, the authority may not impose a fee that is greater than \$20 for the issuance or renewal of the registry identification card. [Formerly 475.309]

475B.418 Designated primary caregivers. (1) If a person who is applying for a registry identification card under ORS 475B.415, or who is a registry identification cardholder, chooses to designate, or to change the designation of, a primary caregiver, the person must include the primary caregiver's name and address:

(a) On the person's application for a registry identification card;

(b) On the person's application to renew a registry identification card; or

(c) In a form and manner prescribed by the authority, in a signed statement notifying the Oregon Health Authority of the designation.

(2) A registry identification cardholder may have only one designated primary caregiver at any given time.

(3) If a registry identification cardholder who previously designated a primary caregiver chooses to designate a different primary caregiver, the authority shall notify the previous designee of the new designation and issue an identification card to the newly designated primary caregiver. [Formerly 475.312]

475B.419 Authority to designate certain organizations as primary caregivers.

(1) Notwithstanding ORS 475B.418, an organization that provides hospice, palliative or home health care services, or a residential facility as defined in ORS 443.400, that has significant responsibility for managing the well-being of a person who has been diagnosed with a debilitating medical condition may be designated, in addition to an individual designated pursuant to ORS 475B.418, as an additional caregiver for a registry identification cardholder in the same manner that an individual is designated as the primary caregiver for a registry identification cardholder under ORS 475B.418.

(2) An organization or residential facility that is designated under this section has all the duties, functions and powers of a designated primary caregiver as prescribed by ORS 475B.400 to 475B.525 or a rule adopted under ORS 475B.400 to 475B.525. [2015 c.844 §6]

(Marijuana Grow Sites)

475B.420 Marijuana grow site registration system; fees; rules. (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 475B.010 to 475B.395 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 475B.415 (2), renewing a registry identification card under ORS 475B.415 (6)(b),

or notifying the authority of a change under ORS 475B.415 (6)(a):

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

(b) Proof, until January 1, 2020, that the person responsible for the marijuana grow site has been a resident of this state for two or more years, and proof that the person is 21 years of age or older;

(c) The address of the marijuana grow site; and

(d) Any other information that the authority considers necessary to track the production of marijuana under ORS 475B.400 to 475B.525.

(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 475B.423.

(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 475B.423 and 475B.428 and any rule adopted under this section and ORS 475B.423 and 475B.428; 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 475B.423 and any rule adopted under this section and ORS 475B.423.

(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 475B.400 to 475B.525, a rule adopted under ORS 475B.400 to 475B.525 or an ordinance adopted pursuant to ORS 475B.500.

(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 475B.423 and 475B.458. [Formerly 475.304]

Note: Sections 173 and 175b, chapter 614, Oregon Laws 2015, provide:

Sec. 173. (1) The Oregon Health Authority, in addition to the information required under ORS 475.304 [renumbered 475B.420] for registering as a marijuana grow site or renewing a marijuana grow site registration, and in addition to information required under ORS 475.314 [renumbered 475B.450] for registering as a medical marijuana dispensary or renewing a medical marijuana dispensary registration, shall require all applications for registering or renewing registration under ORS 475.304 and 475.314 to contain proof that any person whose name is included in the application has been a resident of this state for:

(a) Except as provided in paragraph (b) of this subsection, two or more years; or

(b) Subject to subsection (2) of this section, and notwithstanding any residency requirements under ORS 475.304 or 475.314, if the person first registered with the authority on or before January 1, 2015, one year.

(2) For purposes of subsection (1)(b) of this section, the authority may not require proof of residency for any person whose name is included in the application for renewing a marijuana grow site registration or renewing a medical marijuana dispensary registration until January 1, 2016. [2015 c.614 §173]

Sec. 175b. Section 173 of this 2015 Act is repealed on January 1, 2019. [2015 c.614 §175b]

475B.423 Duty to submit production data to Oregon Health Authority. (1) A person designated to produce marijuana by a registry identification cardholder must submit to the Oregon Health Authority, in a form and manner established by the authority by rule, the following information related to the production of marijuana:

(a) The number of mature marijuana plants and immature marijuana plants, the amount of marijuana leaves and flowers being dried, and the amount of usable marijuana, in the person's possession;

(b) The number of mature marijuana plants and immature marijuana plants, and the amount of usable marijuana, that the person transfers to each registry identification cardholder for whom the person produces marijuana;

(c) The amount of usable marijuana that the person transfers to each marijuana processing site; and

(d) The number of immature marijuana plants, and the amount of usable marijuana, that the person transfers to each medical marijuana dispensary.

(2) The authority shall by rule require a person designated to produce marijuana by a registry identification cardholder to submit the information described in subsection (1) of this section once each month. The au-

thority may not employ any method other than that described in this section to obtain information related to the production of marijuana from a person designated to produce marijuana by a registry identification cardholder.

(3) In addition to submitting the information as required by subsection (1) of this section, a person designated to produce marijuana by a registry identification cardholder must keep a record of the information described in subsection (1) of this section for two years after the date on which the person submits the information to the authority. [2015 c.614 §81a]

475B.425 Personal agreements. Notwithstanding ORS 475B.420 (7), a person responsible for a marijuana grow site may enter into an agreement with a registry identification cardholder under which the registry identification cardholder assigns, to the person responsible for the marijuana grow site, a portion of the right to possess the seeds, immature marijuana plants and usable marijuana that are the property of the registry identification cardholder. [2015 c.614 §83]

**(Possession Limits for
Registry Identification Cardholders,
Designated Primary Caregivers
and Marijuana Grow Sites)**

475B.428 Possession limits for mature marijuana plants. (1) Subject to subsection (2) of this section, a registry identification cardholder and the designated primary caregiver of the registry identification cardholder may jointly possess six or fewer mature marijuana plants.

(2)(a) A person may be designated to produce marijuana under ORS 475B.420 by no more than four registry identification cardholders.

(b) A person who is designated to produce marijuana by a registry identification cardholder may produce no more than six mature marijuana plants per registry identification cardholder.

(3) If the address of a person responsible for a marijuana grow site under ORS 475B.420 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 12 mature marijuana plants may be produced at the address; 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 Oregon Health Authority under ORS 475B.420 before January 1, 2015, no more than 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, may be produced at the address.

(4) If the address of a person responsible for a marijuana grow site under ORS 475B.420 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 48 mature marijuana plants may be produced at the address; 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 475B.420 before January 1, 2015, no more than 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, may be produced at the address.

(5) 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) or (4)(b) of this section:

(a) No more than 12 mature marijuana plants may be subsequently produced at any address described in subsection (3) of this section at which the person responsible for that marijuana grow site produces marijuana.

(b) No more than 48 mature marijuana plants may be subsequently produced at any address described in subsection (4) of this section at which the person responsible for that marijuana grow site produces marijuana.

(6) If a registry identification cardholder who designated a person to produce marijuana for the registry identification cardholder pursuant to ORS 475B.420 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 are produced at the address for the marijuana grow site at which the person produces marijuana.

(7) If a law enforcement officer determines that a registry identification cardholder, the designated primary caregiver of a registry identification cardholder, or a person responsible for a marijuana grow site under ORS 475B.420 who grows marijuana

for a registry identification cardholder, possesses a number of mature marijuana plants in excess of the quantities specified in this section, the law enforcement officer may confiscate only the excess number of mature marijuana plants. [Formerly 475.320]

475B.430 Possession limits for usable marijuana. (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 475B.423.

(3) A person designated to produce marijuana by a registry identification cardholder may not possess usable marijuana in excess of:

(a) For a marijuana growsite located outdoors, 12 pounds of usable marijuana per mature marijuana plant; or

(b) For a marijuana growsite located indoors, six pounds of usable marijuana per mature marijuana plant. [2015 c.614 §82a]

475B.433 Duty to carry card when at location other than address on file with Oregon Health Authority. A person to whom a registry identification card has been issued under ORS 475B.415 (5)(a), an identification card has been issued under ORS 475B.415 (5)(b), or a marijuana grow site registration card has been issued under ORS 475B.420, 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 the card. [Formerly 475.306]

(Marijuana Processing Sites)

475B.435 Marijuana processing site registration system; fees; rules. (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 475B.010 to 475B.395 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, until January 1, 2020, that each individual responsible for the marijuana processing site has been a resident of this state for two or more years, and 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 proof of registration. Proof of registration must be displayed on the premises of the marijuana processing 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 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 475B.438 and 475B.440 and any rules adopted under this section and ORS 475B.438 and 475B.440; 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 475B.400 to 475B.525, a rule adopted under ORS 475B.400 to 475B.525 or an ordinance adopted pursuant to ORS 475B.500.

(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. [2015 c.614 §85]

475B.438 Duty to submit processing data to Oregon Health Authority; rules.

(1) The Oregon Health Authority shall require by rule a marijuana processing site to submit to the authority for inclusion in the database developed and maintained pursuant to ORS 475B.458 the following information:

(a) The amount of usable marijuana transferred to the marijuana processing site;

(b) The amount and type of medical cannabinoid products transferred by the marijuana processing site;

(c) The amount and type of cannabinoid concentrates transferred by the marijuana processing site; and

(d) The amount and type of cannabinoid extracts transferred by the marijuana processing site.

(2) The authority by rule may require a marijuana processing site to submit to the authority for inclusion in the database developed and maintained pursuant to ORS 475B.458 information that is in addition to the information described in subsection (1) of this section as the authority considers necessary to fulfill the authority's duties under ORS 475B.435 (1). The authority may not employ any method other than that described in this section to obtain information from a marijuana processing site. [2015 c.614 §85b]

475B.440 Public health and safety standards for medical cannabinoid products, concentrates and extracts; rules.

(1) A marijuana processing site must meet any public health and safety standards established by the Oregon Health Authority by rule related to:

(a) Cannabinoid edibles, if the marijuana processing site processes marijuana into cannabinoid edibles;

(b) Cannabinoid concentrates, if the marijuana processing site processes marijuana into cannabinoid concentrates;

(c) Cannabinoid extracts, if the marijuana processing site processes marijuana into cannabinoid extracts; or

(d) Any other type of medical cannabinoid product identified by the authority by rule, if the marijuana processing site processes marijuana into that type of medical cannabinoid product.

(2) The authority shall adopt rules to implement this section. [2015 c.614 §85a]

475B.443 Prohibition against transferring medical cannabinoid products, concentrates and extracts to certain persons. (1) A marijuana processing site may not transfer medical cannabinoid products, cannabinoid concentrates or cannabinoid extracts to a person other than a registry identification cardholder, a designated primary caregiver or a medical marijuana dispensary.

(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. [2015 c.614 §85c]

475B.445 Exception to registration requirement. ORS 475B.435 does not apply to a registry identification cardholder or a person who has been designated as a primary caregiver under ORS 475B.418 who processes a medical cannabinoid product or a cannabinoid concentrate for a registry identification cardholder. [2015 c.614 §85d]

(Medical Marijuana Dispensaries)

475B.450 Medical marijuana dispensary registration system; fees; rules. (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 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, until January 1, 2020, that each individual responsible for the medical marijuana dispensary has been a resident of this state for two or more years, and 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:

(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) May not be located within 1,000 feet of:

(A) A public elementary or secondary school for which attendance is compulsory under ORS 339.020; or

(B) 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 proof of registration. Proof of registration must be displayed on the premises of the medical marijuana dispensary at all times.

(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 475B.453 and any rules adopted under this section or ORS 475B.453; 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 475B.400 to 475B.525, a rule adopted under ORS 475B.400 to 475B.525 or an ordinance adopted pursuant to ORS 475B.500.

(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. [Formerly 475.314]

Note: Sections 2 and 3, chapter 784, Oregon Laws 2015, provide:

Sec. 2. (1) As used in this section:

(a) "Limited marijuana retail product" means:

(A) The seeds of marijuana;

(B) The dried leaves and flowers of marijuana; and

(C) A marijuana plant that is not flowering.

(b) "Marijuana" means the plant *Cannabis* family Cannabaceae, any part of the plant *Cannabis* family Cannabaceae and the seeds of the plant *Cannabis* family Cannabaceae.

(c) "Medical marijuana dispensary" means an entity registered with the Oregon Health Authority under ORS 475.314 [renumbered 475B.450].

(2) Notwithstanding any other provision of law, on and after October 1, 2015, a medical marijuana dispensary may sell limited marijuana retail product to a person who is 21 years of age or older if:

(a) The person presents proof of age to the medical marijuana dispensary before entering into the medical marijuana dispensary;

(b) The medical marijuana dispensary verifies that the person is 21 years of age or older at the time of the sale;

(c) The medical marijuana dispensary sells no more than one-quarter ounce of limited marijuana retail product to the person per day if the person is purchasing the dried leaves and flowers of marijuana; and

(d) The medical marijuana dispensary sells no more than four units of limited marijuana retail product to the person if the person is purchasing a marijuana plant that is not flowering.

(3) A city or county may adopt ordinances prohibiting the sale of limited marijuana retail product as described in this section in the area subject to the jurisdiction of the city or the unincorporated area subject to the jurisdiction of the county.

(4) The authority shall adopt rules to implement this section, including rules that:

(a) Are necessary to ensure the public health and safety; and

(b) Ensure that a medical marijuana dispensary complies with this section.

(5) The authority may prohibit a medical marijuana dispensary from selling limited marijuana retail product as described in this section if the medical marijuana dispensary violates this section. [2015 c.784 §2]

Sec. 3. Section 2 of this 2015 Act is repealed on December 31, 2016. [2015 c.784 §3]

Note: Sections 21a and 24 (2), chapter 699, Oregon Laws 2015, provide:

Sec. 21a. (1) For purposes of this section:

(a) "Limited marijuana retail product" has the meaning given that term in section 2, chapter 784, Oregon Laws 2015.

(b) "Medical marijuana dispensary" means an entity registered with the Oregon Health Authority under ORS 475.314 [renumbered 475B.450].

(2) On and after January 4, 2016, if a medical marijuana dispensary elects to make sales as described in section 2, chapter 784, Oregon Laws 2015, the medical marijuana dispensary must collect the tax imposed under section 2 of this 2015 Act [475B.705] in the same manner that a marijuana retailer that holds a license under section 22, chapter 1, Oregon Laws 2015 [475B.110], collects the tax imposed under section 2 of this 2015 Act, except that the tax imposed under this section shall be imposed at the rate of 25 percent of the retail sales price of the limited marijuana retail product.

(3) A medical marijuana dispensary that collects taxes as required by this section is subject to the provisions of sections 1 to 13 of this 2015 Act [475B.700 to 475B.760], except that the tax imposed under this section shall be imposed at the rate described in subsection (2) of this section. [2015 c.699 §21a]

Sec. 24. (2) If Senate Bill 460 [chapter 784, Oregon Laws 2015] becomes law, section 21a of this 2015 Act is repealed on December 31, 2016. [2015 c.699 §24(2)]

Note: See note under 475B.420.

475B.453 Duty to submit dispensing data to Oregon Health Authority; rules.

(1) The Oregon Health Authority shall require by rule a medical marijuana dispensary to submit to the authority for inclusion in the database developed and maintained pursuant to ORS 475B.458 the following information:

(a) The amount of usable marijuana transferred to and by the medical marijuana dispensary;

(b) The amount and type of medical cannabinoid products transferred to and by the medical marijuana dispensary;

(c) The amount and type of cannabinoid concentrates transferred to and by the medical marijuana dispensary;

(d) The amount and type of cannabinoid extracts transferred to and by the medical marijuana dispensary; and

(e) The quantity of immature marijuana plants transferred to and by the medical marijuana dispensary.

(2) The authority by rule may require a medical marijuana dispensary to submit to the authority for inclusion in the database developed and maintained pursuant to ORS 475B.458 information that is in addition to the information described in subsection (1) of this section as the authority considers necessary to fulfill the authority's duties under ORS 475B.450 (1). The authority may not employ any method other than that described in this section to obtain information from a medical marijuana dispensary. [2015 c.614 §86b]

475B.455 Establishment of school after registration. If a school described in ORS 475B.450 (3)(d) that has not previously been attended by children is established within 1,000 feet of a medical marijuana dispensary, the medical marijuana dispensary may remain at its current location unless the Oregon Health Authority revokes the registration of the medical marijuana dispensary. [2015 c.614 §86a]

Note: Section 174, chapter 614, Oregon Laws 2015, provides:

Sec. 174. If the Oregon Health Authority refuses to reregister a medical marijuana dispensary before the effective date of this 2015 Act [June 30, 2015] on the basis that the medical marijuana dispensary is located within 1,000 feet of a school as described in ORS 475.314 (3)(d) [renumbered 475B.450 (3)(d)], the authority shall reregister the medical marijuana dispensary on or after the effective date of this 2015 Act upon receiving a request, in a form and manner prescribed by the authority, to reregister the medical marijuana dispensary from the person who was previously registered as the person responsible for the medical marijuana dispensary. [2015 c.614 §174]

(Databases and Confidentiality of Information)

475B.458 Database of information related to production, processing and dispensing.

(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 475B.435 and the transfer of usable marijuana, medical cannabinoid products, cannabinoid concentrates and cannabinoid extracts by medical marijuana dispensaries under ORS 475B.450. At a minimum, the database must include the information submitted to the authority under ORS 475B.423, 475B.438 and 475B.453.

(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 con-

centrates 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. [2015 c.614 §85e]

475B.460 Database of information related to cardholders. (1)(a) The Oregon Health Authority shall establish and maintain a list of:

(A) The names of persons to whom a registry identification card has been issued under ORS 475B.415;

(B) The names of persons designated as primary caregivers under ORS 475B.418; and

(C) The addresses of marijuana grow sites registered under ORS 475B.420.

(b) Except as provided in subsection (2) of this section, the list is confidential and not subject to public disclosure under ORS 192.410 to 192.505.

(c) The authority shall develop a system by which authorized employees of state and local law enforcement agencies may verify that:

(A) A person lawfully possesses a registry identification card;

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

(C) A location is a registered marijuana grow site.

(2) Names, addresses and other identifying information from the list established and maintained pursuant to subsection (1) of this section may be released to:

(a) Authorized employees of the authority as necessary to perform official duties of the authority.

(b) Authorized employees of state or local law enforcement agencies who provide to the authority adequate identification, but only as necessary to verify that:

(A) A person lawfully possesses a registry identification card;

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

(C) A location is a registered marijuana grow site.

(3) Authorized employees of state or local law enforcement agencies who obtain identifying information as authorized by this section may not release or use the information for any purpose other than to verify that:

(a) A person lawfully possesses a registry identification card;

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

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

(4) In addition to releasing information to authorized employees of state or local law enforcement agencies for purposes of verifying information under subsection (2)(b) of this section, the authority may release to authorized employees of state or local law enforcement agencies the minimum amount of information necessary to enable an employee to determine whether an individual or location is in compliance with a provision of ORS 475B.400 to 475B.525 or a rule adopted under ORS 475B.400 to 475B.525.

(5) If the authority determines, after conducting an investigation or receiving a complaint of an alleged violation of a provision of ORS 475B.400 to 475B.525 or a rule adopted under ORS 475B.400 to 475B.525, that a violation of a provision of ORS 475B.400 to 475B.525 or a rule adopted under ORS 475B.400 to 475B.525 has occurred, the authority may provide information obtained by the authority, except for information related to a registry identification cardholder's debilitating condition, to authorized employees of state or local law enforcement agencies, or to another state or local government agency with jurisdiction over the matter. [Formerly 475.331]

475B.462 Confidentiality of personally identifiable information. (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 475B.435 or 475B.450, that the Oregon Health Authority collects and maintains for purposes of registering a marijuana grow site under ORS 475B.420, a marijuana processing site under ORS 475B.435, or a medical marijuana dispensary under ORS 475B.450, is confidential and not subject to public disclosure under ORS 192.410 to 192.505, except that the authority may provide personally identifiable information to a person registered under ORS 475B.400 to 475B.525 if the registrant requests the information and the information is related to a designation made under ORS 475B.400 to 475B.525.

(2) Any personally identifiable information, as defined in ORS 432.005, submitted to the authority under ORS 475B.423, 475B.438 or 475B.453 or pursuant to ORS 475B.458 is confidential and not subject to public disclosure under ORS 192.410 to 192.505.

(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 475B.450 (10) is confidential and not subject to public disclosure under ORS 192.410 to 192.505. [2015 c.614 §88d]

475B.464 Disclosure of personally identifiable information upon revocation or suspension of registration. Notwithstanding ORS 475B.462, 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. [2015 c.614 §88e]

(Designation, Assignment, Foreclosure)

475B.468 Authority to designate responsibility for site or dispensary to another person. (1) A person responsible for a marijuana processing site, or a person responsible for a medical marijuana dispensary, may designate that responsibility to another person.

(2) If a designation is made under this section, the designee must submit to the Oregon Health Authority proof that the designee meets the requirements and restrictions set forth in:

(a) For marijuana processing sites, ORS 475B.435 (2)(d) and (4); or

(b) For medical marijuana dispensaries, ORS 475B.450 (2)(d) and (4).

(3) The authority may prescribe the form and manner of submitting proof under subsection (2) of this section. [2015 c.614 §86c]

475B.469 Authority to assign responsibility for site or dispensary to another person. (1) A person responsible for a marijuana processing site, or a person responsible for a medical marijuana dispensary, may assign that responsibility to another person.

(2) If an assignment is made under this section, the assignee must submit to the Oregon Health Authority proof that the assignee meets the requirements and restrictions set forth in:

(a) For marijuana processing sites, ORS 475B.435 (2)(d) and (4); or

(b) For medical marijuana dispensaries, ORS 475B.450 (2)(d) and (4).

(3) The authority may prescribe the form and manner of submitting proof under subsection (2) of this section. [2015 c.614 §86d]

475B.470 Rights of secured parties. (1) In the event that a marijuana processing site or a medical marijuana dispensary is foreclosed or otherwise ceases operations as described in ORS chapter 79, a secured party, as defined in ORS 79.0102, may continue operations at the marijuana processing site or medical marijuana dispensary upon submitting to the Oregon Health Authority proof that the secured party or, if the secured party is a business entity, any individual who has a financial interest in the secured party, meets the requirements and restrictions set forth in:

(a) For marijuana processing sites, ORS 475B.435 (2)(d) and (4); or

(b) For medical marijuana dispensaries, ORS 475B.450 (2)(d) and (4).

(2) The authority may prescribe the form and manner of submitting proof under subsection (1) of this section. [2015 c.614 §86e]

(Protections from Civil and Criminal Liability)

475B.475 Exemptions from criminal liability. Except as provided in ORS 475B.478, 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 475B.415 and the person has proof of written documentation described in ORS 475B.415 (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 475B.418.

(4) The person is responsible for or is employed by a marijuana grow site registered under ORS 475B.420.

(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. [2015 c.614 §87]

475B.478 Exceptions to exemption from criminal liability. A person is not 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, and the person may not assert the affirmative defense established in ORS 475B.480, if the person, in connection with conduct constituting an element of the offense:

(1) Drives under the influence of marijuana as provided in ORS 813.010;

(2) Engages in the medical use of marijuana in a public place, as defined in ORS 161.015, in public view or in a correctional facility, as defined in ORS 162.135 (2), or a youth correction facility, as defined in ORS 162.135 (6); or

(3) Delivers marijuana to any individual who the person knows is not in possession of a registry identification card or to any individual or entity that the person knows has not been designated to receive marijuana or assigned a possessory interest in marijuana by an individual in possession of a registry identification card. [Formerly 475.316]

475B.480 Affirmative defense. (1) Except as provided in ORS 475B.478, 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 physician 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

(c) Possesses, delivers or manufactures marijuana only in quantities permitted under ORS 475B.428.

(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 present-

ing 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 475B.428 (1); and

(b) The person has taken a substantial step toward complying with the provisions of ORS 475B.400 to 475B.525.

(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. [Formerly 475.319]

475B.483 Prohibition against taking disciplinary action against attending physician. The Oregon Medical Board may not impose a civil penalty or take other disciplinary action against an attending physician for:

(1) Advising a person diagnosed as having a debilitating medical condition by the attending physician or another physician licensed under ORS chapter 677 about the risks and benefits associated with the medical use of marijuana or that the medical use of marijuana may mitigate the symptoms or effects of the person's debilitating medical condition, provided that the advice is based on the attending physician's personal assessment of the person's medical history and current medical condition; or

(2) Providing the written documentation necessary for issuance or renewal of a registry identification card under ORS 475B.415, provided that the written documentation is based on the attending physician's personal assessment of the person's medical history and current medical condition and the attending physician has discussed with the person the potential risks and benefits associated with the medical use of marijuana. [Formerly 475.326]

475B.485 Prohibition against taking disciplinary action against professional licensee; right to administer marijuana for medical purposes. (1) A professional licensing board may not impose a civil penalty or take other disciplinary action against a licensee based on the licensee's medical use

of marijuana under the provisions of ORS 475B.400 to 475B.525 or actions taken by the licensee pursuant to the licensee's designation as a primary caregiver under ORS 475B.418.

(2)(a) A licensed health care professional may administer medical marijuana to a person who possesses a registry identification card and resides in a licensed health care facility if the administration of pharmaceuticals is within the scope of practice of the licensed health care professional. Administration of medical marijuana under this subsection may not take place in a public place as defined in ORS 161.015 or in the presence of a person under 18 years of age. If the medical marijuana administered under this subsection is smoked, adequate ventilation must be provided.

(b) Nothing in this subsection requires:

(A) A licensed health care professional to administer medical marijuana; or

(B) A licensed health care facility to make accommodations for the administration of medical marijuana. [Formerly 475.328]

**(Civil Enforcement of
ORS 475B.400 to 475B.525)**

475B.490 Authority to investigate; rights related to seized property. (1) Registration under ORS 475B.400 to 475B.525 or possession of proof of registration under ORS 475B.400 to 475B.525 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 a marijuana grow site registered under ORS 475B.420, a marijuana processing site registered under ORS 475B.435, or a medical marijuana dispensary registered under ORS 475B.450, at any reasonable time to determine whether the person responsible for the marijuana grow site, the person responsible for the marijuana processing site, or the person responsible for the medical marijuana dispensary, is in compliance with ORS 475B.400 to 475B.525 and rules adopted under ORS 475B.400 to 475B.525.

(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 provid-

ing 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 475B.400 to 475B.525. The determination may be evidenced by a decision not to prosecute, the dismissal of charges or acquittal. [Formerly 475.323]

475B.495 Civil penalty for violating ORS 475B.400 to 475B.525. (1) In addition to any other liability or penalty provided by law, the Oregon Health Authority may impose for each violation of a provision of ORS 475B.400 to 475B.525, or for each violation of a rule adopted under a provision of ORS 475B.400 to 475B.525, a civil penalty that does not exceed \$500 for each day that the violation occurs.

(2) The authority shall impose civil penalties under this section in the manner provided by ORS 183.745.

(3) All moneys collected pursuant to this section shall be deposited in the Oregon Health Authority Fund established under ORS 413.101 and are continuously appropriated to the authority for the purpose of carrying out the duties, functions and powers of the authority under ORS 475B.400 to 475B.525. [2015 c.614 §88]

**(Regulation of Cannabis for Medical Use
by Cities and Counties)**

475B.500 Local time, place and manner regulations. (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 a marijuana processing site or 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 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. [2014 c.79 §2; 2015 c.614 §89]

Note: The amendments to 475B.500 by section 89, chapter 614, Oregon Laws 2015, become operative March 1, 2016. See section 179, chapter 614, Oregon Laws 2015. The text that is operative until March 1, 2016, is set forth for the user's convenience.

475B.500. Notwithstanding ORS 633.738, the governing body of a city or county may adopt ordinances that impose reasonable regulations on the operation of medical marijuana facilities registered, or applying for registration, under ORS 475.314 that are located in the area subject to the jurisdiction of the city or county. For purposes of this section, "reasonable regulations" includes reasonable limitations on the hours during which a medical marijuana facility may be operated, reasonable limitations on where a medical marijuana facility may be located within a zone described in ORS 475.314 (3)(a) and reasonable conditions on the manner in which a medical marijuana facility may dispense medical marijuana.

Note: Refer to section 5, chapter 79, Oregon Laws 2014, for the text of 475.314 that is referenced in 475B.500 as operative until March 1, 2016.

(Other Provisions)

475B.505 Duty of State Department of Agriculture and Oregon Liquor Control Commission to assist. Upon request the State Department of Agriculture and the Oregon Liquor Control Commission, pursuant to an agreement or otherwise, shall assist the Oregon Health Authority in implementing and enforcing the provisions of ORS 475B.400 to 475B.525 and rules adopted under the provisions of ORS 475B.400 to 475B.525. [2015 c.614 §88a]

475B.507 Immunity for state agencies, officers, employees and agents in performance of duties. The Oregon Health Authority, the State Department of Agriculture and the Oregon Liquor Control Commission, and the officers, employees and agents of the authority, department and commission, are immune from any cause of action for the performance of, or the failure to perform, duties required by ORS 475B.400 to 475B.525. [2015 c.614 §88c]

475B.510 Authority to possess, seize or dispose of marijuana and marijuana-derived products. The Oregon Health Authority, the State Department of Agriculture

and the Oregon Liquor Control Commission may possess, seize or dispose of marijuana, usable marijuana, medical cannabinoid products, cannabinoid concentrates and cannabinoid extracts as is necessary for the authority to ensure compliance with and enforce the provisions of ORS 475B.400 to 475B.525 and any rule adopted under ORS 475B.400 to 475B.525. [2015 c.614 §88b]

475B.513 Cannabis seeds as propagant of nursery stock. (1) For purposes of ORS 475B.400 to 475B.525, seeds of the plant Cannabis family Cannabaceae are a propagant of nursery stock as defined in ORS 571.005.

(2) Notwithstanding subsection (1) of this section, the production and processing of seeds under ORS 475B.400 to 475B.525 is not subject to the labeling or other requirements of ORS 576.715 to 576.744 or 633.511 to 633.750. [2015 c.614 §88f]

475B.515 Applicability of ORS 475B.400 to 475B.525 to criminal causes of action. The provisions of ORS 475B.400 to 475B.525 do not protect a person from a criminal cause of action based on possession, delivery or manufacture of marijuana that is not described in ORS 475B.400 to 475B.525. [Formerly 475.342]

475B.517 Petitioning for disease or condition to be included as debilitating medical condition; rules. Any person may petition the Oregon Health Authority to request that a disease or condition be included among the diseases and conditions that qualify as debilitating medical conditions under ORS 475B.400 to 475B.525. The authority shall adopt rules establishing the procedure for filing a petition under this section and the manner by which the authority evaluates a request made under this section. Rules adopted under this section must require the authority to approve or deny a petition within 180 days of receiving the petition. Denial of a petition is a final agency action subject to judicial review. [Formerly 475.334]

475B.520 Advisory Committee on Medical Marijuana. (1) There is established within the Oregon Health Authority the Advisory Committee on Medical Marijuana, consisting of 11 members appointed by the Director of the Oregon Health Authority.

(2) The director shall appoint members of the committee from persons who are knowledgeable about marijuana or who are registered with the authority under ORS 475B.400 to 475B.525 and who are advocates for the medical use of marijuana, provided that a majority of the members of the committee are registered with the authority under ORS 475B.400 to 475B.525 and are advocates for the medical use of marijuana.

(3) The committee shall advise the director on the administrative aspects of ORS 475B.400 to 475B.525, including rules and fees adopted, and proposed for adoption, under ORS 475B.400 to 475B.525.

(4) The committee shall meet at least four times per year, at times and places specified by the director.

(5) The authority shall provide staff support to the committee.

(6) All agencies of state government, as defined in ORS 174.111, are directed to assist the committee in the performance of its duties and, to the extent permitted by laws relating to confidentiality, to furnish information and advice that the members of the committee consider necessary to perform their duties. [Formerly 475.303]

(Rulemaking)

475B.525 Authority to adopt rules for ORS 475B.400 to 475B.525. (1) The Oregon Health Authority shall adopt rules necessary for the implementation, administration and enforcement of ORS 475B.400 to 475B.525.

(2) The authority may adopt rules as the authority considers necessary to protect the public health and safety. [Formerly 475.338]

TESTING OF CANNABIS AND CANNABIS PRODUCTS

475B.550 Definitions for ORS 475B.550 to 475B.590. As used in ORS 475B.550 to 475B.590:

(1) “Cannabinoid” means any of the chemical compounds that are the active constituents of marijuana.

(2) “Cannabinoid concentrate or extract” means a substance obtained by separating cannabinoids from marijuana by a mechanical, chemical or other process.

(3) “Cannabinoid edible” means food or potable liquid into which a cannabinoid concentrate or extract or the dried leaves or flowers of marijuana have been incorporated.

(4)(a) “Cannabinoid product” means a cannabinoid edible or 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 the dried leaves or flowers of marijuana.

(b) “Cannabinoid product” does not include:

(A) Usable marijuana by itself;

(B) A cannabinoid concentrate or extract by itself; or

(C) Industrial hemp, as defined in ORS 571.300.

(5)(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 industrial hemp, as defined in ORS 571.300.

(6) “Marijuana item” means marijuana, usable marijuana, a cannabinoid product or a cannabinoid concentrate or extract.

(7) “Processing” means the compounding or conversion of marijuana into cannabinoid products or cannabinoid concentrates or extracts.

(8) “Producing” means:

(a) Planting, cultivating, growing, trimming or harvesting marijuana; or

(b) Drying marijuana leaves and flowers.

(9)(a) “Usable marijuana” means the dried leaves and flowers of marijuana.

(b) “Usable marijuana” does not include:

(A) The seeds, stalks and roots of marijuana; or

(B) Waste material that is a by-product of producing or processing marijuana. [2015 c.614 §91]

475B.555 Testing standards and processes; rules. (1) As is necessary to protect the public health and safety, and in consultation with the Oregon Liquor Control Commission and the State Department of Agriculture, the Oregon Health Authority shall adopt rules:

(a) Establishing standards for testing marijuana items.

(b) Identifying appropriate tests for marijuana items, depending on the type of marijuana item and the manner in which the marijuana 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) Tetrahydrocannabinol and cannabidiol concentration.

(c) Establishing procedures for determining batch sizes and for sampling usable marijuana, cannabinoid products and cannabinoid concentrates or extracts.

(d) Establishing different minimum standards for different varieties of usable marijuana and different types of cannabinoid products and cannabinoid concentrates and extracts.

(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 475B.400 to 475B.525, the authority may require:

(a) A person responsible for a marijuana grow site under ORS 475B.420 to test usable marijuana before transferring the usable marijuana to a registrant other than an individual who holds a registry identification card under ORS 475B.415; 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 475B.415.

(4) In adopting rules under ORS 475B.010 to 475B.395, the commission may require:

(a) A marijuana producer that holds a license under ORS 475B.070 or a marijuana wholesaler that holds a license under ORS 475B.100 to test usable marijuana before selling or transferring the usable marijuana; and

(b) A marijuana processor that holds a license under ORS 475B.090 or a marijuana wholesaler that holds a license under ORS 475B.100 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 random testing of marijuana 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 to undergo the same test more than once unless the marijuana item is processed into a different type of marijuana item or the condition of the marijuana item has fundamentally changed.

(7) The testing of marijuana items as required by this section must be conducted by a laboratory licensed by the commission under ORS 475B.560 and accredited by the authority under ORS 475B.565.

(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; and

(b) May not adopt rules that are more restrictive than is reasonably necessary to protect the public health and safety. [2015 c.614 §92]

475B.560 Laboratory licensure; qualifications; fees; rules. (1) A laboratory that conducts testing of marijuana items as required by ORS 475B.555 must have a license to operate at the premises at which the marijuana items are tested.

(2) For purposes of this section, the Oregon Liquor Control Commission shall adopt rules establishing:

(a) Qualifications to be licensed under this section, including that an applicant for licensure under this section must be accredited by the authority as described in ORS 475B.565;

(b) Processes for applying for and renewing a license under this section;

(c) Fees for applying for, receiving and renewing a license under this section; and

(d) Procedures for:

(A) Tracking usable marijuana, cannabinoid products and cannabinoid concentrates or extracts to be tested;

(B) Documenting and reporting test results; and

(C) Disposing of samples of usable marijuana, cannabinoid products and cannabinoid concentrates or extracts that have been tested.

(3) A license issued under this section must be renewed annually.

(4) The commission may inspect premises licensed under this section to ensure compliance with ORS 475B.550 to 475B.590 and rules adopted under ORS 475B.550 to 475B.590.

(5) Subject to the applicable provisions of ORS chapter 183, the commission may refuse to issue or renew, or may suspend or revoke, a license issued under this section for violation of:

(a) A provision of ORS 475B.550 to 475B.590 or a rule adopted under a provision of ORS 475B.550 to 475B.590; or

(b) A provision of ORS 475B.010 to 475B.395 or a rule adopted under a provision of ORS 475B.010 to 475B.395.

(6) Fees adopted under subsection (2)(c) of this section must be reasonably calculated

to pay the expenses incurred by the commission under ORS 475B.550 to 475B.590.

(7) Fee moneys collected under this section shall be deposited in the Marijuana Control and Regulation Fund established under ORS 475B.240 and are continuously appropriated to the commission for the purpose of carrying out the duties, functions and powers of the commission under ORS 475B.550 to 475B.590. [2015 c.614 §93]

475B.565 Laboratory accreditation; qualifications; fees; rules. (1) A laboratory that conducts testing of marijuana items as required by ORS 475B.555 must be accredited under ORS 438.605 to 438.620 and meet other qualifications as established by the Oregon Health Authority under this section.

(2) In addition to other qualifications required pursuant to ORS 438.605 to 438.620, the authority shall require an applicant for accreditation under ORS 438.605 to 438.620 for purposes related to the testing of marijuana items to:

(a) Complete an application;

(b) Undergo an onsite inspection; and

(c) Meet other applicable requirements, specifications and guidelines for testing marijuana items, as determined to be appropriate by the authority by rule.

(3) The authority may inspect premises licensed under ORS 475B.560 to ensure compliance with ORS 475B.550 to 475B.590 and rules adopted under ORS 475B.550 to 475B.590.

(4) Subject to the applicable provisions of ORS chapter 183, the authority may refuse to issue or renew, or may suspend or revoke, a laboratory's accreditation granted under this section and ORS 438.605 to 438.620 for violation of:

(a) A provision of ORS 475B.550 to 475B.590 or a rule adopted under a provision of ORS 475B.550 to 475B.590; or

(b) A provision of ORS 475B.010 to 475B.395 or a rule adopted under a provision of ORS 475B.010 to 475B.395.

(5) In establishing fees under ORS 438.620 for laboratories that test marijuana items, the authority shall establish fees that are reasonably calculated to pay the expenses incurred by the authority under this section and ORS 438.605 to 438.620 in accrediting laboratories that test marijuana items. [2015 c.614 §94]

475B.570 Applicability of ORS 475B.550 to 475B.590. ORS 475B.550 to 475B.590 do not apply to:

(1) A person responsible for a marijuana grow site under ORS 475B.420 if the person

is transferring usable marijuana or an immature marijuana plant, as defined in ORS 475B.015, to:

(a) A person who holds a registry identification card under ORS 475B.415 and who designated the person responsible for the marijuana grow site 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 475B.418 of a person who holds a registry identification card under ORS 475B.415 and who designated the person responsible for the marijuana grow site 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 475B.418 of a person who holds a registry identification card under ORS 475B.415 if the person is transferring a marijuana item to the person who holds a registry identification card. [2015 c.614 §95]

475B.575 Authority of Oregon Liquor Control Commission to discipline licensees of commission. Subject to the applicable provisions of ORS chapter 183, if an applicant or licensee violates a provision of ORS 475B.550 to 475B.590 or a rule adopted under a provision of ORS 475B.550 to 475B.590, the Oregon Liquor Control Commission may refuse to issue or renew, or may suspend or revoke, a license issued under ORS 475B.070, 475B.090, 475B.100 or 475B.110. [2015 c.614 §96]

475B.580 Authority of Oregon Health Authority to discipline registrants of authority. Subject to the applicable provisions of ORS chapter 183, if a person violates a provision of ORS 475B.550 to 475B.590 or a rule adopted under a provision of ORS 475B.550 to 475B.590, the Oregon Health Authority may:

(1) Refuse to register the person under ORS 475B.400 to 475B.525;

(2) Suspend activities conducted by a registrant pursuant to ORS 475B.400 to 475B.525; or

(3) Remove a registrant from a registry kept pursuant to ORS 475B.400 to 475B.525. [2015 c.614 §97]

475B.585 Civil penalty for violating ORS 475B.550 to 475B.590. (1) In addition to any other liability or penalty provided by law, the Oregon Health Authority may impose for each violation of a provision of ORS 475B.550 to 475B.590, or a rule adopted under a provision of ORS 475B.550 to 475B.590, a civil penalty that does not exceed \$500 for each day that the violation occurs.

(2) The authority shall impose civil penalties under this section in the manner provided by ORS 183.745.

(3) Moneys collected under this section shall be deposited in the Oregon Health Authority Fund established under ORS 413.101 and are continuously appropriated to the authority for the purpose of carrying out the duties, functions and powers of the authority under ORS 475B.550 to 475B.590. [2015 c.614 §98]

475B.590 Exemption from criminal liability. A person who holds a license under ORS 475B.560, and an employee of or other person who performs work for a person who holds a license under ORS 475B.560, are 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, while performing activities related to testing as described in ORS 475B.550 to 475B.590. [2015 c.614 §99]

PACKAGING, LABELING AND DOSAGE OF CANNABIS AND CANNABIS PRODUCTS

475B.600 Definitions for ORS 475B.600 to 475B.655. As used in ORS 475B.600 to 475B.655:

(1) “Cannabinoid” means any of the chemical compounds that are the active constituents of marijuana.

(2) “Cannabinoid concentrate or extract” means a substance obtained by separating cannabinoids from marijuana by a mechanical, chemical or other process.

(3) “Cannabinoid edible” means food or potable liquid into which a cannabinoid concentrate or extract or the dried leaves or flowers of marijuana have been incorporated.

(4)(a) “Cannabinoid product” means a cannabinoid edible or 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 the dried leaves or flowers of marijuana.

(b) “Cannabinoid product” does not include:

(A) Usable marijuana by itself;

(B) A cannabinoid concentrate or extract by itself; or

(C) Industrial hemp, as defined in ORS 571.300.

(5)(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 industrial hemp, as defined in ORS 571.300.

(6) “Marijuana item” means marijuana, usable marijuana, a cannabinoid product or a cannabinoid concentrate or extract.

(7) “Processing” means the compounding or conversion of marijuana into cannabinoid products or cannabinoid concentrates or extracts.

(8) “Producing” means:

(a) Planting, cultivating, growing, trimming or harvesting marijuana; or

(b) Drying marijuana leaves and flowers.

(9)(a) “Usable marijuana” means the dried leaves and flowers of marijuana.

(b) “Usable marijuana” does not include:

(A) The seeds, stalks and roots of marijuana; or

(B) Waste material that is a by-product of producing or processing marijuana. [2015 c.614 §100]

475B.605 Labeling requirements; rules.

(1) As is necessary to protect the public health and safety, and in consultation with the Oregon Liquor Control Commission and the State Department of Agriculture, the Oregon Health Authority shall adopt rules establishing standards for the labeling of marijuana items, including but not limited to:

(a) Ensuring that usable marijuana, cannabinoid concentrates and extracts, cannabinoid edibles and other cannabinoid products have labeling that communicates:

(A) Health and safety warnings;

(B) Activation time;

(C) Results of tests conducted pursuant to ORS 475B.550 to 475B.590;

(D) Potency;

(E) For cannabinoid products and cannabinoid concentrates and extracts, serving size and the number of servings included in a cannabinoid product or cannabinoid concentrate or extract package; and

(F) Content of the marijuana item; and

(b) Labeling that is in accordance with applicable state food labeling requirements for the same type of food product or potable liquid when the food product or potable liquid does not contain marijuana or cannabinoids.

(2) In adopting rules under ORS 475B.400 to 475B.525, the authority shall require all usable marijuana, cannabinoid products and cannabinoid concentrates and extracts transferred by a medical marijuana dispensary

registered under ORS 475B.450 to be labeled in accordance with subsection (1) of this section and rules adopted under subsection (1) of this section.

(3) In adopting rules under ORS 475B.010 to 475B.395, the commission shall require all usable marijuana, cannabinoid products and cannabinoid concentrates and extracts sold or transferred by a marijuana retailer that holds a license under ORS 475B.110 to be labeled in accordance with subsection (1) of this section and rules adopted under subsection (1) of this section.

(4) In adopting rules under subsection (1) of this section, the authority:

(a) May establish different labeling standards for different varieties of usable marijuana and for different types of cannabinoid products and cannabinoid concentrates and extracts;

(b) May establish different minimum labeling standards for persons registered under ORS 475B.400 to 475B.525 and persons licensed under ORS 475B.010 to 475B.395;

(c) Shall consider the cost of a potential requirement and how that cost will affect the cost to the ultimate consumer of the marijuana item; and

(d) May not adopt rules that are more restrictive than is reasonably necessary to protect the public health and safety. [2015 c.614 §101]

475B.610 Authority to require preapproval of labels. (1) As used in this section:

(a) "Licensee" has the meaning given that term in ORS 475B.015.

(b) "Registrant" means a person registered under ORS 475B.400 to 475B.525.

(2) The Oregon Liquor Control Commission may by rule require a licensee, and the Oregon Health Authority may by rule require a registrant, to submit a label intended for use on a marijuana item for preapproval by the commission before the licensee or registrant may sell or transfer a marijuana item bearing the label. The commission shall determine whether a label submitted under this section complies with ORS 475B.605 and any rule adopted under ORS 475B.605.

(3) The commission may impose a fee for submitting a label for preapproval under this section that is reasonably calculated to not exceed the cost of administering this section. [2015 c.614 §102]

475B.615 Packaging requirements; rules. (1) As is necessary to protect the public health and safety, and in consultation with the Oregon Health Authority and the State Department of Agriculture, the Oregon Liquor Control Commission shall adopt rules

establishing standards for the packaging of marijuana items, including but not limited to:

(a) Ensuring that usable marijuana, cannabinoid concentrates and extracts, cannabinoid edibles and other cannabinoid products are:

(A) Packaged in child-resistant safety packaging; and

(B) Not marketed in a manner that:

(i) Is untruthful or misleading;

(ii) Is attractive to minors; or

(iii) Otherwise creates a significant risk of harm to public health and safety; and

(b) Ensuring that cannabinoid edibles and other cannabinoid products are not packaged in a manner that is attractive to minors.

(2) In adopting rules under ORS 475B.400 to 475B.525, the authority shall require all usable marijuana, cannabinoid products and cannabinoid concentrates and extracts transferred by a medical marijuana dispensary registered under ORS 475B.450 to be packaged in accordance with subsection (1) of this section and rules adopted under subsection (1) of this section.

(3) In adopting rules under ORS 475B.010 to 475B.395, the commission shall require all usable marijuana, cannabinoid products and cannabinoid concentrates and extracts sold or transferred by a marijuana retailer that holds a license under ORS 475B.110 to be packaged in accordance with subsection (1) of this section and rules adopted under subsection (1) of this section.

(4) In adopting rules under subsection (1) of this section the commission:

(a) May establish different packaging standards for different varieties of usable marijuana and for different types of cannabinoid products and cannabinoid concentrates and extracts;

(b) May establish different minimum packaging standards for persons registered under ORS 475B.400 to 475B.525 and persons licensed under ORS 475B.010 to 475B.395;

(c) May consider the effect on the environment of requiring certain packaging;

(d) Shall consider the cost of a potential requirement and how that cost will affect the cost to the ultimate consumer of the marijuana item; and

(e) May not adopt rules that are more restrictive than is reasonably necessary to protect the public health and safety. [2015 c.614 §103]

475B.620 Authority to require preapproval of packaging. (1) As used in this section:

(a) “Licensee” has the meaning given that term in ORS 475B.015.

(b) “Registrant” means a person registered under ORS 475B.400 to 475B.525.

(2) The Oregon Liquor Control Commission may by rule require a licensee, and the Oregon Health Authority may by rule require a registrant, to submit packaging intended for a marijuana item for preapproval by the commission before the licensee or registrant may sell or transfer a marijuana item packaged in the packaging. The commission shall determine whether packaging submitted under this section complies with ORS 475B.615 and any rule adopted under ORS 475B.615.

(3) The commission may impose a fee for submitting packaging for preapproval under this section that is reasonably calculated to not exceed the cost of administering this section. [2015 c.614 §104]

475B.625 Dosage requirements; rules.

(1) The Oregon Health Authority shall adopt rules establishing:

(a) The maximum concentration of tetrahydrocannabinol that is permitted in a single serving of a cannabinoid product or cannabinoid concentrate or extract; and

(b) The number of servings that are permitted in a cannabinoid product or cannabinoid concentrate or extract package.

(2) In adopting rules under ORS 475B.400 to 475B.525, the authority shall require all usable marijuana, cannabinoid products and cannabinoid concentrates and extracts transferred by a medical marijuana dispensary registered under ORS 475B.450 to meet the concentration standards adopted by rule pursuant to subsection (1) of this section.

(3) In adopting rules under ORS 475B.010 to 475B.395, the Oregon Liquor Control Commission shall require all usable marijuana, cannabinoid products and cannabinoid concentrates and extracts sold or transferred by a marijuana retailer that holds a license under ORS 475B.110 to meet the concentration standards adopted by rule pursuant to subsection (1) of this section. [2015 c.614 §105]

475B.630 Applicability of ORS 475B.600 to 475B.655. ORS 475B.600 to 475B.655 do not apply to:

(1) A person responsible for a marijuana grow site under ORS 475B.420 if the person is transferring usable marijuana or an immature marijuana plant, as defined in ORS 475B.015, to:

(a) A person who holds a registry identification card under ORS 475B.415 and who designated the person responsible for the

marijuana grow site 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 475B.418 of a person who holds a registry identification card under ORS 475B.415, and who designated the person responsible for the marijuana grow site 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 475B.418 of a person who holds a registry identification card under ORS 475B.415 if the person is transferring a marijuana item to the person who holds a registry identification card. [2015 c.614 §106]

475B.635 Authority of Oregon Liquor Control Commission to inspect. To ensure compliance with ORS 475B.600 to 475B.655 and any rule adopted under ORS 475B.600 to 475B.655, the Oregon Liquor Control Commission may inspect the premises of a person that holds a license under ORS 475B.070, 475B.090, 475B.100 or 475B.110. [2015 c.614 §108]

475B.640 Authority of Oregon Health Authority to inspect. To ensure compliance with ORS 475B.600 to 475B.655 and any rule adopted under ORS 475B.600 to 475B.655, the Oregon Health Authority may inspect the premises of:

(1) A medical marijuana dispensary registered under ORS 475B.450; and

(2) A person that processes marijuana to test cannabinoid products or cannabinoid concentrates or extracts for the purpose of transferring the cannabinoid products or cannabinoid concentrates or extracts to a medical marijuana dispensary registered under ORS 475B.450. [2015 c.614 §107]

475B.645 Authority of Oregon Liquor Control Commission to discipline licensees of commission. Subject to the applicable provisions of ORS chapter 183, if the applicant or licensee violates a provision of ORS 475B.600 to 475B.655 or a rule adopted under a provision of ORS 475B.600 to 475B.655, the Oregon Liquor Control Commission may refuse to issue or renew, or may suspend or revoke, a license issued under ORS 475B.070, 475B.090, 475B.100 or 475B.110. [2015 c.614 §110]

475B.650 Authority of Oregon Health Authority to discipline registrants of authority. Subject to the applicable provisions of ORS chapter 183, if a person violates a provision of ORS 475B.600 to 475B.655 or a rule adopted under a provision of ORS 475B.600 to 475B.655, the Oregon Health Authority may:

(1) Refuse to register a person under ORS 475B.400 to 475B.525;

(2) Suspend activities conducted by a registrant pursuant to ORS 475B.400 to 475B.525; or

(3) Remove a registrant from a registry kept pursuant to ORS 475B.400 to 475B.525. [2015 c.614 §109]

475B.655 Civil penalty for violating ORS 475B.600 to 475B.655. (1) In addition to any other liability or penalty provided by law, the Oregon Health Authority may impose for each violation of a provision of ORS 475B.600 to 475B.655, or a rule adopted under a provision of ORS 475B.600 to 475B.655, a civil penalty that does not exceed \$500 for each day that the violation occurs.

(2) The authority shall impose civil penalties under this section in the manner provided by ORS 183.745.

(3) Moneys collected under this section shall be deposited in the Oregon Health Authority Fund established under ORS 413.101 and are continuously appropriated to the authority for the purpose of carrying out the duties, functions and powers of the authority under ORS 475B.600 to 475B.655. [2015 c.614 §111]

TAXATION OF CANNABIS AND CANNABIS PRODUCTS

475B.700 Definitions for ORS 475B.700 to 475B.760. As used in ORS 475B.700 to 475B.760:

(1) “Cannabinoid concentrate,” “cannabinoid edible,” “cannabinoid extract,” “cannabinoid product,” “consumer,” “immature marijuana plant,” “marijuana flowers,” “marijuana items,” “marijuana leaves” and “marijuana retailer” have the meanings given those terms in ORS 475B.015.

(2) “Retail sale” means any transfer, exchange, gift or barter of a marijuana item by any person to a consumer.

(3) “Retail sales price” means the price paid for a marijuana item, excluding tax, to a marijuana retailer by or on behalf of a consumer of the marijuana item. [2015 c.699 §1]

475B.705 Imposition of tax on retail sale of marijuana items. (1) A tax is hereby imposed upon the retail sale of marijuana items in this state. The tax imposed by this section is a direct tax on the consumer, for which payment upon retail sale is required to achieve convenience and facility in the collection and administration of the tax. The tax shall be collected at the point of sale of a marijuana item by a marijuana retailer at the time at which the retail sale occurs.

(2) The tax imposed under this section shall be imposed at the rate of:

(a) 17 percent of the retail sales price of marijuana leaves;

(b) 17 percent of the retail sales price of marijuana flowers;

(c) 17 percent of the retail sales price of immature marijuana plants;

(d) 17 percent of the retail sales price of a cannabinoid edible;

(e) 17 percent of the retail sales price of a cannabinoid concentrate;

(f) 17 percent of the retail sales price of a cannabinoid extract;

(g) 17 percent of the retail sales price of a cannabinoid product that is intended to be used by applying the cannabinoid product to the skin or hair; and

(h) 17 percent of the retail sales price of cannabinoid products other than those described in paragraph (g) of this subsection.

(3) If the tax imposed under this section does not equal an amount calculable to a whole cent, the tax shall be equal to the next higher whole cent.

(4) The amount of the tax shall be separately stated on an invoice, receipt or other similar document that the marijuana retailer provides to the consumer, or shall be otherwise disclosed to the consumer.

(5) A person may not knowingly sell, purchase, install, transfer or possess software programs or other electronic devices intended to hide or to remove records of retail sales of marijuana items or to falsify records of retail sales of marijuana items. [2015 c.699 §2]

475B.710 Collection of tax; refund; credit. (1) Except as otherwise provided in ORS 475B.700 to 475B.760, the tax imposed upon the consumer under ORS 475B.705 shall be collected at the point of sale and remitted by each marijuana retailer that engages in the retail sale of marijuana items. The tax is considered a tax upon the marijuana retailer that is required to collect the tax, and the marijuana retailer is considered a taxpayer.

(2) The marijuana retailer shall submit a return to the Department of Revenue on or before the last day of January, April, July and October of each year for the previous calendar quarter.

(3) The marijuana retailer shall pay the tax to the department in the form and manner prescribed by the department, but not later than with each quarterly return, without regard to extensions under subsection (5) of this section.

(4) Marijuana retailers shall file the returns required under this section regardless of whether any tax is owed.

(5) The department for good cause may extend the time for making any return under this section. The extension may be granted at any time if a written request is filed with the department during or prior to the period for which the extension may be granted. The department may not grant an extension of more than 30 days.

(6) Interest shall be added at the rate established under ORS 305.220 for each month, or fraction of a month, from the time the return was originally required to be filed to the time of payment.

(7) Except as provided in subsections (8) and (9) of this section, the period prescribed for the department to allow or make a refund of any overpayment of tax paid under ORS 475B.700 to 475B.760 shall be as provided in ORS 314.415.

(8)(a) The department shall first apply any overpayment of tax to any marijuana tax that is then owed.

(b) If after any offset against any delinquent amount the overpayment of tax remains greater than \$1,000, the entire refund shall be applied as a credit against the next subsequent calendar quarter as an estimated payment.

(9) The department may not make a refund of, or credit, any overpayment of tax under ORS 475B.700 to 475B.760 that was credited to the account of a marijuana retailer under subsection (8)(b) of this section if the return for that tax period is not filed within three years after the due date of that return. [2015 c.699 §3]

475B.715 Enforcement; liability; notice of liability; notices of determination and assessment. (1) Every person who collects any amount under ORS 475B.710 shall hold the same in trust for the State of Oregon and for the payment thereof to the Department of Revenue in the manner and at the time provided in ORS 475B.710.

(2) At any time a marijuana retailer fails to remit any amount collected, the department may enforce collection by the issuance of a distraint warrant for the collection of the delinquent amount and all penalties, interest and collection charges accrued thereon. The warrant shall be issued, recorded and proceeded upon in the same manner and shall have the same force and effect as is prescribed with respect to warrants for the collection of delinquent income taxes.

(3)(a) In the case of a marijuana retailer that is assessed pursuant to the provisions of ORS 305.265 (12) and 314.407 (1), the de-

partment may issue a notice of liability to any officer, employee or member of the marijuana retailer within three years from the time of assessment. Within 30 days from the date the notice of liability is mailed to the officer, employee or member, the officer, employee or member shall pay the assessment, plus penalties and interest, or advise the department in writing of objections to the liability and, if desired, request a conference. A conference shall be governed by the provisions of ORS 305.265 pertaining to a conference requested from a notice of deficiency.

(b) After a conference or, if no conference is requested, a determination of the issues considering the written objections, the department shall mail the officer, employee or member a conference letter affirming, canceling or adjusting the notice of liability. Within 90 days from the date the conference letter is mailed to the officer, employee or member, the officer, employee or member shall pay the assessment, plus penalties and interest, or appeal to the tax court in the manner provided for an appeal from a notice of assessment.

(c) If the department does not receive payment or written objection to the notice of liability within 30 days after the notice of liability was mailed, the notice of liability becomes final. In that event, the officer, employee or member may appeal the notice of liability to the tax court within 90 days after it became final in the manner provided for an appeal from a notice of assessment.

(4)(a) In the case of a failure to file a return on the due date, governed by the provisions of ORS 305.265 (10) and 314.400, the department, in addition to any action described in the provisions of ORS 305.265 (10) and 314.400, may send notices of determination and assessment to any officer, employee or member any time within three years after the assessment. The time of assessment against the officer, employee or member is 30 days after the date the notice of determination and assessment is mailed. Within 30 days from the date the notice of determination and assessment is mailed to the officer, employee or member, the officer, employee or member shall pay the assessment, plus penalties and interest, or advise the department in writing of objections to the assessment and, if desired, request a conference. A conference shall be governed by the provisions of ORS 305.265 pertaining to a conference requested from a notice of deficiency.

(b) After a conference or, if no conference is requested, a determination of the issues considering the written objections, the department shall mail the officer, employee

or member a conference letter affirming, canceling or adjusting the notice of determination and assessment. Within 90 days from the date the conference letter is mailed to the officer, employee or member, the officer, employee or member shall pay the assessment, plus penalties and interest, or appeal in the manner provided for an appeal from a notice of assessment.

(c) If the department does not receive payment or written objection to the notice of determination and assessment within 30 days after the notice of determination and assessment was mailed, the notice of determination and assessment becomes final. In that event, the officer, employee or member may appeal the notice of determination and assessment to the tax court within 90 days after it became final in the manner provided for an appeal from a notice of assessment.

(5)(a) More than one officer or employee of a corporation may be held jointly and severally liable for payment of taxes.

(b) Notwithstanding the confidentiality provisions of ORS 475B.755, if more than one officer or employee of a corporation may be held jointly and severally liable for payment of taxes, the department may require any or all of the officers, members or employees who may be held liable to appear before the department for a joint determination of liability. The department shall notify each officer, member or employee of the time and place set for the determination of liability.

(c) Each person notified of a joint determination under this subsection shall appear and present such information as is necessary to establish that person's liability or nonliability for payment of taxes to the department. If a person who was notified fails to appear, the department shall make its determination on the basis of all the information and evidence presented. The department's determination is binding on all persons notified and required to appear under this subsection.

(d)(A) If an appeal is taken to the Oregon Tax Court pursuant to ORS 475B.755 by any person determined to be liable for unpaid taxes under this subsection, each person required to appear before the department under this subsection shall be impleaded by the plaintiff. The department may implead any officer, employee or member who may be held jointly and severally liable for the payment of taxes. Each person impleaded under this paragraph shall be made a party to the action before the tax court and shall make available to the tax court the information that was presented before the department, as well as other information that may be presented to the court.

(B) The court may determine that one or more persons impleaded under this paragraph are liable for unpaid taxes without regard to any earlier determination by the department that an impleaded person was not liable for unpaid taxes.

(C) If a person required to appear before the court under this subsection fails or refuses to appear or bring such information in part or in whole, or is outside the jurisdiction of the tax court, the court shall make its determination on the basis of all the evidence introduced. Notwithstanding ORS 475B.755, the evidence constitutes a public record and shall be available to the parties and the court. The determination of the tax court is binding on all persons made parties to the action under this subsection.

(e) This section may not be construed to preclude a determination by the department or the Oregon Tax Court that more than one officer, employee or member are jointly and severally liable for unpaid taxes. [2015 c.699 §4]

475B.720 Duty to keep receipts, invoices and other records. (1) A marijuana retailer shall keep receipts, invoices and other pertinent records related to retail sales of marijuana items in the form required by the Department of Revenue. Each record shall be preserved for five years from the time to which the record relates, or for as long as the marijuana retailer retains the marijuana items to which the record relates, whichever is later. During the retention period and at any time prior to the destruction of records, the department may give written notice to the marijuana retailer not to destroy records described in the notice without written permission of the department. Notwithstanding any other provision of law, the department shall preserve reports and returns filed with the department for at least five years.

(2) The department or its authorized representative, upon oral or written demand, may make examinations of the books, papers, records and equipment of persons making retail sales of marijuana items and any other investigations as the department deems necessary to carry out the provisions of ORS 475B.700 to 475B.760. [2015 c.699 §5]

475B.725 Authority to require production of books, papers, accounts and other information. (1) The Department of Revenue has authority, by order or subpoena to be served with the same force and effect and in the same manner as a subpoena is served in a civil action in the circuit court, or the Oregon Tax Court, to require the production at any time and place the department designates of any books, papers, accounts or other information necessary to carry out ORS

475B.700 to 475B.760. The department may require the attendance of any person having knowledge in the premises, and may take testimony and require proof material for the information, with power to administer oaths to the person.

(2) If a person fails to comply with a subpoena or order of the department or to produce or permit the examination or inspection of any books, papers, records and equipment pertinent to an investigation or inquiry under ORS 475B.700 to 475B.760, or to testify to any matter regarding which the person is lawfully interrogated, the department may apply to the Oregon Tax Court or to the circuit court of the county in which the person resides or where the person is for an order to the person to attend and testify, or otherwise to comply with the demand or request of the department. The department shall apply to the court by ex parte motion, upon which the court shall make an order requiring the person against whom the motion is directed to comply with the request or demand of the department within 10 days after the service of the order, or within the additional time granted by the court, or to justify the failure within that time. The order shall be served upon the person to whom it is directed in the manner required by this state for service of process, which service is required to confer jurisdiction upon the court. Failure to obey any order issued by the court under this section is contempt of court. The remedy provided by this section is in addition to other remedies, civil or criminal, existing under the tax laws or other laws of this state. [2015 c.699 §6]

475B.730 Disclosure of information. (1) Notwithstanding the confidentiality provisions of ORS 475B.755, the Department of Revenue may disclose information received under ORS 317.363 and 475B.700 to 475B.760 to the Oregon Liquor Control Commission to carry out the provisions of ORS 475B.010 to 475B.395 and 475B.700 to 475B.760.

(2) The commission may disclose information obtained pursuant to ORS 475B.010 to 475B.395 and 475B.700 to 475B.760 to the department for the purpose of carrying out the provisions of ORS 475B.010 to 475B.395 and 475B.700 to 475B.760. [2015 c.699 §7(1),(2)]

475B.735 Right to appeal determination of tax liability. Except as otherwise provided in ORS 475B.010 to 475B.395 and 475B.700 to 475B.760, a person aggrieved by an act or determination of the Department of Revenue or its authorized agent under ORS 317.363 and 475B.700 to 475B.760 may appeal, within 90 days after the act or determination, to the Oregon Tax Court in the manner provided in ORS 305.404 to 305.560. These appeal rights are the exclusive remedy

available to determine the person's liability for the tax imposed under ORS 475B.700 to 475B.760. [2015 c.699 §7(3)]

475B.740 Duty to return excess tax collected. (1)(a) When an amount represented by a marijuana retailer at retail to a consumer as constituting the tax imposed under ORS 475B.700 to 475B.760 is computed upon an amount that is not taxable or is in excess of the taxable amount and is actually paid by the consumer to the marijuana retailer, the excess tax paid shall be returned by the marijuana retailer to the consumer upon written notification by the Department of Revenue or the consumer.

(b) The written notification must contain information necessary to determine the validity of the consumer's claim.

(2) If the marijuana retailer does not return the excess tax within 60 days after mailing of the written notification required under subsection (1) of this section, the consumer may appeal to the department for a refund of the amount of the excess tax, in the manner and within the time allowed under rules adopted by the department.

(3) If excess tax is returned to the consumer by the department, the department may issue a notice of deficiency for the excess tax to the marijuana retailer in the manner provided under ORS 305.265. [2015 c.699 §9]

475B.745 Authority to retain portion of tax to pay expenses incurred. For the purpose of compensating marijuana retailers for expenses incurred in collecting the tax imposed under ORS 475B.705, each marijuana retailer is permitted to deduct and retain two percent of the amount of taxes that are collected by the marijuana retailer from all retail sales of marijuana items conducted by the marijuana retailer. [2015 c.699 §13]

475B.750 Duties and powers of Department of Revenue; rules; interagency cooperation. (1) The Department of Revenue shall administer and enforce ORS 475B.700 to 475B.760. The department is authorized to establish rules and procedures for the implementation and enforcement of ORS 475B.700 to 475B.760 that are consistent with ORS 475B.700 to 475B.760 and that the department considers necessary and appropriate to administer and enforce ORS 475B.700 to 475B.760.

(2) The Oregon Liquor Control Commission shall enter into an agreement with the department for the purpose of administering and enforcing those provisions of ORS 475B.700 to 475B.760, and rules or procedures established for the purpose of implementing and enforcing ORS 475B.700 to 475B.760, that the commission and the department deter-

mine are necessary for the effective and efficient administration, implementation and enforcement of ORS 475B.700 to 475B.760. [2015 c.699 §8]

475B.755 Applicability of tax laws to ORS 475B.700 to 475B.760. Except as otherwise provided in ORS 475B.700 to 475B.760 or where the context requires otherwise, the provisions of ORS chapters 305 and 314 as to the audit and examination of returns, periods of limitation, determination of and notices of deficiencies, assessments, collections, liens, delinquencies, claims for refund and refunds, conferences, appeals to the Oregon Tax Court, stays of collection pending appeal, confidentiality of returns and the penalties relative thereto, and the procedures relating thereto, apply to the determinations of taxes, penalties and interest under ORS 475B.700 to 475B.760. [2015 c.699 §10]

475B.760 Suspense account; payment of expenses; crediting balance to Oregon Marijuana Account. (1) All moneys received by the Department of Revenue under ORS 475B.700 to 475B.760 and section 21a, chapter 699, Oregon Laws 2015, shall be deposited in the State Treasury and credited to a suspense account established under ORS 293.445. The department may pay expenses for the administration and enforcement of ORS 475B.700 to 475B.760 and section 21a, chapter 699, Oregon Laws 2015, out of moneys received from the tax imposed under ORS 475B.705. Amounts necessary to pay administrative and enforcement expenses are continuously appropriated to the department from the suspense account.

(2) After the payment of administrative and enforcement expenses and refunds or credits arising from erroneous overpayments, the department shall credit the balance of the moneys received by the department under this section to the Oregon Marijuana Account established under section 44, chapter 1, Oregon Laws 2015. [2015 c.699 §11]

Note: Section 44, chapter 1, Oregon Laws 2015, provides:

Sec. 44. (1) There is established the Oregon Marijuana Account, separate and distinct from the General Fund.

(2) The account shall consist of moneys transferred to the account under section 11 of this 2015 Act [475B.760].

(3) Subject to subsection (4) of this section, the Department of Revenue shall certify the amount of moneys available for distribution in the Oregon Marijuana Account and distribute the moneys as follows:

(a) Forty percent must be transferred to the Common School Fund;

(b) Twenty percent must be transferred to the Mental Health Alcoholism and Drug Services Account established under ORS 430.380;

(c) Fifteen percent must be transferred to the State Police Account established under ORS 181.175 [renumbered 181A.020];

(d) To assist local law enforcement in performing its duties under sections 3 to 70, chapter 1, Oregon Laws 2015 [475B.010 to 475B.395], 10 percent must be transferred to the cities of this state in the following shares:

(A) For all distributions made from the Oregon Marijuana Account before July 1, 2017, in such shares as the population of each city bears to the population of the cities of this state, as determined by Portland State University last preceding such apportionment, under ORS 190.510 to 190.610; and

(B) For all distributions made from the Oregon Marijuana Account on or after July 1, 2017:

(i) Fifty percent of the 10 percent must be transferred in such shares as the number of licenses issued by the commission under sections 19 to 21, chapter 1, Oregon Laws 2015 [475B.070, 475B.090 and 475B.100], during the calendar year preceding the date of the distribution for premises located in each city bears to the number of such licenses issued by the commission during such calendar year for all premises in this state; and

(ii) Fifty percent of the 10 percent must be transferred in such shares as the number of licenses issued by the commission under section 22, chapter 1, Oregon Laws 2015 [475B.110], during the calendar year preceding the date of the distribution for premises located in each city bears to the number of such licenses issued by the commission during such calendar year for all premises in this state;

(e) To assist local law enforcement in performing its duties under sections 3 to 70, chapter 1, Oregon Laws 2015, 10 percent must be transferred to counties in the following shares:

(A) For all distributions made from the Oregon Marijuana Account before July 1, 2017, in such shares as their respective populations bear to the total population of this state, as estimated from time to time by Portland State University; and

(B) For all distributions made from the Oregon Marijuana Account on or after July 1, 2017:

(i) Fifty percent of the 10 percent must be transferred in such shares as the number of licenses issued by the commission under sections 19 to 21, chapter 1, Oregon Laws 2015, during the calendar year preceding the date of the distribution for premises located in each county bears to the number of such licenses issued by the commission during such calendar year for all premises in this state; and

(ii) Fifty percent of the 10 percent must be transferred in such shares as the number of licenses issued by the commission under section 22, chapter 1, Oregon Laws 2015, during the calendar year preceding the date of the distribution for premises located in each county bears to the number of such licenses issued by the commission during such calendar year for all premises in this state; and

(f) Five percent must be transferred to the Oregon Health Authority to be used for the establishment, operation and maintenance of alcohol and drug abuse prevention, early intervention and treatment services.

(4) A city or county that adopts ordinances prohibiting the establishment of a premises for which a license is issued under section 19, 20, 21 or 22, chapter 1, Oregon Laws 2015, or prohibiting the establishment of an entity for which registration is required under ORS 475.300 to 475.346 [renumbered 475B.400 to 475B.525], is not eligible to receive distributions under this section.

(5) It is the intent of the Legislative Assembly that the moneys distributed from the Oregon Marijuana Account to the persons listed in subsection (3) of this sec-

tion are in addition to, and not in lieu of, any other moneys available to such persons. [2015 c.1 §44; 2015 c.699 §14; 2015 c.767 §219]

**AUTHORITY OF CITIES
AND COUNTIES TO
PROHIBIT ESTABLISHMENT OF
CANNABIS-RELATED BUSINESSES**

475B.800 Adoption of ordinances; referral to electors for approval. (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 the unincorporated area subject to the jurisdiction of the county:

(a) Marijuana processing sites registered under ORS 475B.435;

(b) Medical marijuana dispensaries registered under ORS 475B.450;

(c) Marijuana producers licensed under ORS 475B.070;

(d) Marijuana processors licensed under ORS 475B.090;

(e) Marijuana wholesalers licensed under ORS 475B.100;

(f) Marijuana retailers licensed under ORS 475B.110; or

(g) 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 475B.450 or a marijuana processing site registered under ORS 475B.435; or

(b) To the Oregon Liquor Control Commission, if the ordinance concerns a premises for which a license has been issued under ORS 475B.070, 475B.090, 475B.100 or 475B.110.

(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) 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.

(6) 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 475B.450 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.

(7) 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 475B.435 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. [2015 c.614 §134]

Note: Sections 133, 135 and 136, chapter 614, Oregon Laws 2015, provide:

Sec. 133. (1) As used in this section, “qualifying city or county” means a county, or a city located in a county, in which not less than 55 percent of votes cast in the county during the statewide general election held on November 4, 2014, on Ballot Measure 91 (chapter 1, Oregon Laws 2015) were in opposition to the ballot measure.

(2)(a) The governing body of a qualifying city or county may adopt ordinances that prohibit the establishment of any one or more of the following in the area subject to the jurisdiction of the city or the unincorporated area subject to the jurisdiction of the county:

(A) Marijuana processing sites registered under section 85 of this 2015 Act [475B.435];

(B) Medical marijuana dispensaries registered under ORS 475.314 [renumbered 475B.450];

(C) Marijuana producers licensed under section 19, chapter 1, Oregon Laws 2015 [475B.070];

(D) Marijuana processors licensed under section 20, chapter 1, Oregon Laws 2015 [475B.090];

(E) Marijuana wholesalers licensed under section 21, chapter 1, Oregon Laws 2015 [475B.100];

(F) Marijuana retailers licensed under section 22, chapter 1, Oregon Laws 2015 [475B.110]; or

(G) Any combination of the entities described in this subsection.

(b) The governing body of a qualifying city or county may not adopt an ordinance under this section

later than 180 days after the effective date of this 2015 Act [June 30, 2015].

(3) If the governing body of a qualifying 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 475.314 or a marijuana processing site registered under section 85 of this 2015 Act; or

(b) To the Oregon Liquor Control Commission, if the ordinance concerns a premises for which a license has been issued under section 19, 20, 21 or 22, chapter 1, Oregon Laws 2015.

(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.

(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.

(5) Notwithstanding any other provisions of law, a qualifying city or county that adopts an ordinance under 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.

(6) Notwithstanding subsection (2) 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 475.314 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.

(7) Notwithstanding subsection (2) 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 section 85 of this 2015 Act 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. [2015 c.614 §133]

Sec. 135. (1) Notwithstanding sections 133 and 134 [475B.800] of this 2015 Act, a medical marijuana dispensary is not subject to an ordinance adopted pursuant to section 133 or 134 of this 2015 Act if the medical marijuana dispensary:

(a) Was registered under ORS 475.314 [renumbered 475B.450], or has applied to be registered under ORS 475.314, on or before July 1, 2015; and

(b) Has successfully completed a city or county land use application process.

(2) This section does not apply to a medical marijuana dispensary if the Oregon Health Authority revokes the registration of the medical marijuana dispensary. [2015 c.614 §135]

Sec. 136. (1) Notwithstanding sections 133 and 134 [475B.800] of this 2015 Act, a marijuana processing site is not subject to an ordinance adopted pursuant to section 133 or 134 of this 2015 Act if the person responsible for the marijuana processing site or applying to be the person responsible for the marijuana processing site:

(a) Was registered under ORS 475.300 to 475.346 [renumbered 475B.400 to 475B.525] on or before July 1, 2015;

(b) Was processing usable marijuana as described in section 85 (1) of this 2015 Act [475B.435 (1)] on or before July 1, 2015; and

(c) Has successfully completed a city or county land use application process.

(2) This section does not apply to a marijuana processing site if the Oregon Health Authority revokes the registration of the marijuana processing site. [2015 c.614 §136]

TASK FORCES

Note: Sections 132 and 175 (2), chapter 614, Oregon Laws 2015, provide:

Sec. 132. (1)(a) The Task Force on Cannabis Environmental Best Practices is established, consisting of 13 members appointed as follows:

(A) The President of the Senate shall appoint one member from among members of the Senate;

(B) The Senate Minority Leader shall appoint one member from among members of the Senate;

(C) The Speaker of the House shall appoint one member from among members of the House of Representatives;

(D) The House Minority Leader shall appoint one member from among members of the House of Representatives; and

(E) The Governor shall appoint nine representatives from among the following:

(i) One individual who represents utilities;

(ii) One individual who represents electricians;

(iii) Two individuals who represent the cannabis industry;

(iv) One individual who represents the State Department of Agriculture;

(v) One individual who represents the Water Resources Department;

(vi) One individual who represents the Public Utility Commission;

(vii) One individual who represents the State Department of Energy; and

(viii) One individual who represents the Energy Trust of Oregon.

(b) In making appointments under paragraph (a) of this subsection, the President of the Senate, the Senate Minority Leader, the Speaker of the House and the House Minority Leader shall appoint, if available, members of the Senate and members of the House of Representatives who served on the Joint Committee on Implementing Measure 91 during the 2015 regular session of the Legislative Assembly.

(2) The task force shall study the use of electricity and water by, and the agricultural practices associated with, the growing of cannabis by persons who hold a license under section 19, chapter 1, Oregon Laws 2015 [475B.070], and by persons who are responsible for a marijuana grow site under ORS 475.304 [renumbered 475B.420]. As part of the report submitted under subsection (9) of this section, the task force shall include suggestions related to environmental best practices for the propagating, producing and harvesting of cannabis.

(3) A majority of the voting members of the task force constitutes a quorum for the transaction of business.

(4) Official action by the task force requires the approval of a majority of the voting members of the task force.

(5) The task force shall elect one of its members to serve as chairperson.

(6) If there is a vacancy for any cause, the appointing authority shall make an appointment to become immediately effective.

(7) The task force shall meet at times and places specified by the call of the chairperson or of a majority of the voting members of the task force.

(8) The task force may adopt rules necessary for the operation of the task force.

(9) The task force shall submit a report in the manner provided by ORS 192.245, and may include recommendations for legislation, to an interim committee of the Legislative Assembly related to the regulation of cannabis as appropriate no later than September 15, 2016.

(10) The Oregon Liquor Control Commission shall provide staff support to the task force.

(11) Members of the task force who are not members of the Legislative Assembly 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. Claims for expenses incurred in performing functions of the task force shall be paid out of funds appropriated to Oregon Liquor Control Commission for purposes of the task force.

(12) All agencies of state government, as defined in ORS 174.111, are directed to assist the task force in the performance of its duties and, to the extent permitted by laws relating to confidentiality, to furnish such information and advice as the members of the task force consider necessary to perform their duties. [2015 c.614 §132]

Sec. 175. (2) Section 132 of this 2015 Act is repealed on December 31, 2016. [2015 c.614 §175(2)]

Note: Sections 1 and 9, chapter 844, Oregon Laws 2015, provide:

Sec. 1. (1) The Task Force on Researching the Medical and Public Health Properties of Cannabis is established, consisting of 15 members appointed as follows:

(a) The President of the Senate shall appoint one member from among members of the Senate.

(b) The Speaker of the House of Representatives shall appoint one member from among members of the House of Representatives.

(c) The Governor shall appoint the following members:

(A) One member who represents the Oregon Liquor Control Commission and is knowledgeable about sections 3 to 70, chapter 1, Oregon Laws 2015 [475B.010 to 475B.395];

(B) One member who represents the Oregon Health Authority and is knowledgeable about ORS 475.300 to 475.346 [renumbered 475B.400 to 475B.525];

(C) One member who represents the Department of Justice;

(D) One member who represents Oregon Health and Science University and is knowledgeable about at least one debilitating medical condition, as defined in ORS 475.302 [renumbered 475B.410];

(E) One member who represents the Oregon University System and is knowledgeable about the availability of federal grants for researching cannabis;

(F) One member with expertise in agricultural research;

(G) One member with expertise in microbiology;

(H) One member with expertise in substance abuse treatment;

(I) One member with expertise in neurology;

(J) One member with expertise in oncology;

(K) One member with expertise in palliative care;

(L) One member who has been designated as a person responsible for a marijuana grow site under ORS 475.304 [renumbered 475B.420]; and

(M) One member with expertise in measuring tetrahydrocannabinol and cannabidiol levels and in identifying other cannabinoid compounds that have a potential effect on specific medical conditions.

(2) The task force shall study and make a report on the development of a medical cannabis industry that provides patients with medical products that meet individual patient needs. The report must:

(a) Identify and assess the validity of research related to the medical properties of cannabis that have been conducted in other countries and in other states and territories of the United States;

(b) Assess the potential for this state to collaborate with other states that have legalized the medical or recreational use of cannabis for purposes related to researching the medical properties of cannabis;

(c) Identify key research areas related to the medical properties of cannabis;

(d) Identify legal barriers to the establishment of laboratories that research the medical properties of cannabis, including barriers related to the possession, delivery and manufacture of marijuana;

(e) Identify legal barriers to the use of institutional review boards in approving, monitoring and reviewing research involving the medical properties of cannabis;

(f) Propose solutions to structuring and funding research that involves the medical properties of cannabis, including solutions that involve state programs and moneys and solutions that involve investment by private businesses and business sectors; and

(g) Assess the potential of locating a cannabis grow site for research purposes in this state and, if appropriate, setting forth a plan for the establishment of a cannabis grow site for research purposes in this state.

(3) A majority of the members of the task force constitutes a quorum for the transaction of business.

(4) Official action by the task force requires the approval of a majority of the members of the task force.

(5) The task force shall elect one of its members to serve as chairperson.

(6) If there is a vacancy for any cause, the appointing authority shall make an appointment to become immediately effective.

(7) The task force shall meet at times and places specified by the call of the chairperson or of a majority of the members of the task force.

(8) The task force may adopt rules necessary for the operation of the task force.

(9) The task force shall:

(a) Submit a report updating the task force's progress in carrying out the duties of the task force pursuant to subsection (2) of this section, including any recommendations for legislation, in the manner provided by ORS 192.245 to the interim committees of the Legislative Assembly related to health, and any interim committee of the Legislative Assembly related to marijuana, no later than December 15, 2015; and

(b) Submit the report described in subsection (2) of this section, including any recommendations for legislation, in the manner provided by ORS 192.245 to the interim committees of the Legislative Assembly related to health, and any interim committee of the Legislative Assembly related to marijuana, no later than February 1, 2016.

(10) The Oregon Health Authority shall provide staff support to the task force.

(11) Members of the task force who are not members of the Legislative Assembly 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. Claims for expenses incurred in performing functions of the task force shall be paid out of funds appropriated to the Oregon Health Authority for purposes of the task force.

(12) All agencies of state government, as defined in ORS 174.111, are directed to assist the task force in the

performance of its duties and, to the extent permitted by laws relating to confidentiality, to furnish such information and advice as the members of the task force consider necessary to perform their duties. [2015 c.844 §1]

Sec. 9. Section 1 of this 2015 Act is repealed on December 31, 2017. [2015 c.844 §9]
