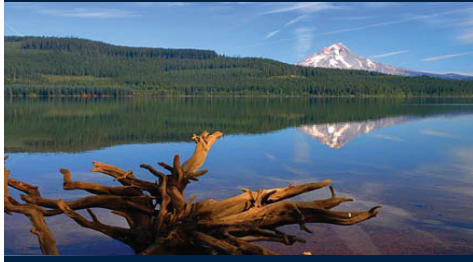

2017 SUMMARY OF LEGISLATION



MARIJUANA REGULATION



MARIJUANA REGULATION MEASURES

Criminal Justice and
Reclassification

Enacted: SB 302, SB 303

Not Enacted: HB 2556

General Marijuana Policy

Enacted: SB 319, SB 1015

Not Enacted: SB 307

Regulation and Oversight

Enacted: SB 56, SB 863, SB 1057,
HB 2198

Not Enacted: SB 874, HB 2371-A,
HB 2372-A

Picture: Timothy Lake, Clackamas County - [Gary Halvorson](#), [Oregon State Archives](#)

MARIJUANA REGULATION

TASK FORCES AND REPORTING REQUIREMENTS

The following bills created task forces and reporting requirements. Additional information is provided in the bill summaries.

HB 2198

The Oregon Cannabis Commission must report on the possible framework and governance structure for the Oregon Medical Marijuana Program (OMMP) to the Legislative Committees dealing with Judiciary and Health Care.

December 15, 2017

[Senate Bill 56](#)

Effective Date: June 23, 2017

Marijuana Systems Cleanup

At the request of: Governor Brown for Oregon Liquor Control Commission

Committees: Joint Committee on Marijuana Regulation

Background and Current Law: Legislation in 2015, 2016, and 2017 established the relationship between the state’s recreational marijuana licensing system maintained by the Oregon Liquor Control Commission (OLCC) and the medical marijuana registration system maintained by the Oregon Health Authority (OHA). The legislation created some legal ambiguities around these two systems.

Bill Summary: Senate Bill 56 makes a series of changes to clarify the licensing authority of OLCC, local control options for the allowance or prohibition of marijuana establishments, and authority of OLCC licensees to hold information required to make deliveries. It also exempts OHA-registered medical marijuana growers trying to enter the recreational markets from the cap on the number of immature plants they can legally possess.

Oregon Laws 2017: Chapter 476

[Senate Bill 302](#)

Effective Date: April 21, 2017

The Control and Regulation of Marijuana Act

At the request of: Joint Interim Committee on Marijuana Legalization

Committees: Joint Committee on Marijuana Regulation

Background and Current Law: Marijuana or cannabis was defined in Oregon law as an illegal narcotic as far back as the 1930s (Senate Bill 173 (Oregon Laws, Section 15-801)). Prohibitions on the manufacture, delivery, possession, and sale of cannabis were more recently codified in the Oregon Criminal Code and eventually moved to the Oregon Uniform Controlled Substances Act. Oregon voters passed Measure 91 in 2014, allowing persons over age 21 to use, possess, manufacture, and sell marijuana legally; these provisions were codified as the Control and Regulation of Marijuana Act in 2015. These two sets of statutes created inconsistencies within Oregon law.

Bill Summary: Senate Bill 302 moves criminal penalties and related provisions from the Oregon Uniform Controlled Substances Act to the Control and Regulation of Marijuana Act. The measure also reduces criminal penalties for possession of less than four times the legal limit and increases criminal penalties for possession of greater than sixteen times the legal limit. The bill creates crimes to punish committing arson while manufacturing cannabinoid extracts and repeals criminal penalties for the possession, manufacture, or sale of marijuana within 1,000 feet of a school. Senate Bill 302 further clarifies which statutes referencing controlled substances are applicable to cannabis and cannabis-derived products.

Oregon Laws 2017: Chapter 21

[Senate Bill 303](#)

Effective Date: April 21, 2017

Minors in Possession of Alcohol or Marijuana

At the request of: Joint Interim Committee on Marijuana Legalization

Committees: Senate Judiciary, Joint Committee on Marijuana Regulation

Background and Current Law: Oregon law treats minors in possession of alcoholic beverages differently from minors in possession of marijuana-related items. It is a Class B violation if a minor possesses alcohol. A minor can be charged with a Class B violation if found in possession of less than one ounce of marijuana, a Class B misdemeanor if found in possession of between one and eight ounces of marijuana, or a Class A misdemeanor if found in possession of more than eight ounces of marijuana.

Bill Summary: Senate Bill 303 makes it a Class B violation for anyone under age 21 to possess marijuana-related items. The bill creates a Class A violation for any person under age 21 who possesses alcoholic beverages or marijuana-related items while driving a motor vehicle.

Oregon Laws 2017: Chapter 20

[Senate Bill 307](#)

Not Enacted

Social Consumption of Marijuana

At the request of: Joint Interim Committee on Marijuana Legalization

Committees: Joint Committee on Marijuana Regulation

Background and Current Law: Oregon law prohibits consumption of marijuana in a public place. The Oregon Indoor Clean Air Act requires a workplace to remain free of smoke, aerosols, and vapors containing inhalants and provides few exceptions.

Bill Summary: Senate Bill 307 would have created two license types for consuming marijuana in a public setting: cannabis lounges and temporary events. Cannabis lounge licenses would allow the consumption of marijuana on their premises. Temporary event licenses would allow the sale of marijuana by licensed marijuana retailers along with the consumption of marijuana on temporary event premises. The measure prohibited issuing these licenses in cities or counties that have passed ordinances prohibiting these types of activities.

[Senate Bill 319](#)

Effective Date: March 20, 2017

Siting of Marijuana Establishments Near Schools

Chief Sponsors: Sen. Prozanski

Committees: Joint Committee on Marijuana Regulation

Background and Current Law: Oregon law requires a marijuana dispensary or retailer to be at least 1,000 feet away from a school with few exceptions. In 2016, the Legislative Assembly passed Senate Bill 1511 authorizing cities or counties to pass ordinances allowing the placement of marijuana dispensaries and retailers within 500 feet of a public school if a major physical or geographic barrier separates the two facilities.

Bill Summary: Senate Bill 319 allows marijuana dispensaries and retailers to be sited between 500 and 1,000 feet from a public school if there is a physical or geographic barrier capable of preventing children from traversing from the school to the site.

Oregon Laws 2017: Chapter 7

[Senate Bill 863](#)

Effective Date: April 17, 2017

Marijuana Consumer Privacy

Chief Sponsors: Sen. Prozanski; Rep. Lininger

Committees: Joint Committee on Marijuana Regulation

Background and Current Law: Oregon law requires a person buying marijuana without a medical marijuana card to show that they are over the age of 21 by producing either a United States passport, a state driver's license or identification card, a United States military identification, or any other state-issued identification card that shows a picture, name, and date of birth. Oregon law does not require that this information be kept or recorded by a marijuana retail establishment.

Bill Summary: Senate Bill 863 prohibits recreational marijuana retailers from keeping or transferring any identifying customer information unless a customer offers their contact information to receive marketing materials or coupons. The bill also requires marijuana retailers to destroy any information they currently hold on file within 30 days of the effective date of the bill.

Oregon Laws 2017: Chapter 18

[Senate Bill 874](#)

Not Enacted

Marijuana Mandatory Reporters

At the request of: Joint Interim Committee on Marijuana Legalization

Committees: Joint Committee on Marijuana Regulation

Background and Current Law: Oregon law does not require a person to report a suspected violation of the law, except under certain circumstances. For example, certain professionals are designated mandated reporters and must report suspected child or elder abuse or neglect.

Bill Summary: Senate Bill 874 would have required marijuana businesses licensed by the Oregon Liquor Control Commission and their employees to report any violation of marijuana laws or regulations. If they did not, the license under which they operated could have been suspended or revoked.

[Senate Bill 1015](#)

Effective Date: October 6, 2017

Industrial Hemp Processing

Chief Sponsors: Sen. Ferrioli; Rep. Wilson

Committees: Joint Committee on Marijuana Regulation

Background and Current Law: In 2009, the Legislative Assembly passed Senate Bill 676 allowing the Oregon Department of Agriculture (ODA) to license industrial hemp growers and handlers. ODA licensed the state's first industrial hemp grower in 2015. A major feature that defines industrial hemp is that the crop must contain less than 0.3 percent tetrahydrocannabinol (THC), the psychoactive compound found in marijuana. While industrial hemp can be used to create fibers and fabrics, the plant also contains cannabinoid compounds. These compounds have been linked to positive medical treatments, but due to federal regulations, scientists have completed few peer-reviewed clinical trials to verify their medical efficacy.

Bill Summary: Senate Bill 1015 allows state-licensed marijuana processors to take industrial hemp, including concentrates or extracts from industrial hemp growers and handlers (processors). The processor can then use the concentrates or extracts in the creation of marijuana products for sale to marijuana wholesalers or retailers. The bill prohibits the sale of industrial hemp commodities or products in Oregon unless the process used to create them satisfies Oregon law or similar requirements. State-licensed marijuana retailers are exempt from this prohibition.

Oregon Laws 2017: Chapter 531

Marijuana Tracking and Regulation

At the request of: Senate Committee on Rules at the request of Sens. Burdick and Ferrioli

Committees: Joint Committee on Marijuana Regulation

Background and Current Law: In 2014, Oregon voters passed Measure 91 allowing the recreational use of marijuana for people over the age of 21 in Oregon. Since 2014, voters in several other states have passed similar laws. While the manufacture, delivery, or possession of marijuana remains illegal under federal law, the Cole Memo, issued by the U.S. Department of Justice, set forth guidelines for when federal prosecutors should use their prosecutorial discretion to prosecute marijuana crimes. If states complied with the Cole Memo, federal prosecutors were urged to focus their efforts elsewhere and not intervene in state-sanctioned medical or recreational marijuana systems. With the change in the federal administration in 2017, the continued application of the Cole Memo is uncertain.

Bill Summary: Senate Bill 1057 makes a series of changes to Oregon's medical and recreational marijuana programs. Most of these changes provide greater oversight authority to the Oregon Liquor Control Commission or the Oregon Health Authority regarding tracking, production, transport, and sale of marijuana.

Oregon Laws 2017: Chapter 183

Medical Marijuana Governance

At the request of: Joint Interim Committee on Marijuana Legalization

Committees: Joint Committee on Marijuana Regulation, Joint Ways and Means

Background and Current Law: In 1998, Oregon voters approved Ballot Measure 67 allowing the medical use of marijuana in Oregon within specified limits. It also established a state-controlled registration system. This law, known as the Oregon Medical Marijuana Act, requires a physician-written statement of a patient’s qualifying debilitating medical condition to authorize the patient to use medical marijuana, provides legal protections for qualified patients using marijuana, allows a caregiver to assist a qualified patient, and mandates a statewide registration system maintained by the Oregon Health Authority.

Bill Summary: House Bill 2198 makes a series of changes to the Oregon Medical Marijuana Act. The bill allows medical marijuana growers to sell up to 20 pounds of marijuana into the recreational system, clarifies plant limits allowed at registered medical marijuana grow sites and other locations, and expands the Oregon Liquor Control Commission’s authority to restrict licenses if specified findings are made. The bill also creates the Oregon Cannabis Commission, tasked with recommending a framework for future governance of the Oregon Medical Marijuana Program by December 15, 2017 and, after that, to provide governance advice to the Oregon Health Authority.

Oregon Laws 2017: Chapter 613

Regulation of Industrial Hemp Seed as Flower Seed

Chief Sponsors: Reps. Wilson, Brock Smith

Committees: House Agriculture and Natural Resources, Joint Ways and Means

Background and Current Law: Industrial hemp is an agricultural product that is subject to regulation by the Oregon Department of Agriculture (ODA) and refers to cannabis varieties that are grown for fiber, seed, oil, or as a cover crop. Senate Bill 676 (2009) authorized the production of, possession of, and commerce in industrial hemp and commodities in Oregon, and House Bill 4060 (2016) authorized ODA to adopt rules to govern quality, packaging, and labeling of industrial hemp seed.

Bill Summary: House Bill 2371-A would have established the Oregon Industrial Hemp Fund and Agricultural Pilot Research Program under the Oregon Department of Agriculture, directed ODA and the College of Agricultural Sciences at Oregon State University to establish a program for labeling and certification of agricultural hemp seed, and allowed accredited independent laboratories to be approved for the testing of industrial hemp and related products. The measure exempted homegrown industrial hemp under four plants from licensing requirements and specified tetrahydrocannabinol concentration limits for various uses of industrial hemp.

[House Bill 2372-A](#)

Not Enacted

Establishment of Industrial Hemp Commission

Chief Sponsors: Reps. Wilson, Brock Smith

Committees: House Agriculture and Natural Resources, Joint Ways and Means

Background and Current Law: Commodity commissions are made up of volunteers appointed by Oregon’s Director of Agriculture to serve as a link between production agriculture and decision makers. Oregon’s 23 commodity commissions are charged with supporting commodity industries and enhancing and preserving the economic interests of the state by engaging in public policy and educational activities related to the commodities they represent.

Bill Summary: House Bill 2372-A would have established the Oregon Industrial Hemp Commission as a commodity commission pursuant to Oregon law and authorizes the Director of Agriculture to appoint members who are growers or handlers of industrial hemp on or before January 1, 2018.

[House Bill 2556](#)

Not Enacted

Marijuana Paraphernalia and Minors

Chief Sponsors: Rep. Hack

Committees: Joint Committee on Marijuana Regulation

Background and Current Law: Oregon law considers “marijuana paraphernalia” as all equipment, products, and materials marketed or designed for any marijuana-related activity.

Bill Summary: House Bill 2556 specified that a marijuana retailer or person who sells marijuana paraphernalia to anyone under the age of 21 commits a Class A violation, with a maximum civil penalty of \$2,000. The measure provided some exceptions for lawful sale or delivery of marijuana paraphernalia.