

CONTROLLED SUBSTANCES



ALCOHOL

The legislature enacted measures designed to support Oregon's alcohol industry. [Senate Bill 317](#) combined with [Senate Bill 806](#) allows full on-premises sales liquor license holders to sell and deliver mixed drinks and single servings of wine in a sealed container for off-premises consumption. The measure permanently codifies the temporary authorization adopted in [Senate Bill 1801](#) (2020 Third Special Session). [Senate Bill 406](#) expands the amount of wine that a direct shipment permit holder may ship to an Oregon resident from two to five cases per month.

[House Bill 2740](#) creates a compensation schedule for Oregon Liquor Control Commission (OLCC) retail sales agents that calculates compensation based on annual sales, location, and other defined wage increases. [House Bill 2742](#) allows the holders of off-premises sales licenses to sell kegs beginning January 1, 2022. Holders of a temporary sales license can now serve and sell regulated beverages at up to three separate premises and more than one location at each licensed premise under a single permit for up to 30 days with the enactment of [House Bill 2363](#).

[House Bill 2264](#) makes several changes to the state's regulation of alcohol. The measure subjects hard seltzers to the state's malt beverage privilege tax of \$.08 per gallon, a significant reduction from the current wine privilege tax of \$.67 per gallon. It increases the threshold for the additional \$.10 per gallon dessert wine tax from 14 percent alcohol by volume (ABV) to 16 percent ABV. For individuals purchasing alcoholic beverages, identification issued by a Canadian territory or province is now an acceptable form of identification. Nonprofits and charitable organizations registered in the state can sell alcoholic beverages for up to 45 days in a calendar year without a license, and certain license holders can sell or deliver factory-sealed containers of malt beverages, wine, and cider without requiring a direct shipper permit.

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See the **2021 Legislative Summary Report** for [Controlled Substances](#), which highlights policy measures that received a public hearing during Oregon's 2021 Regular Legislative Session.

OREGON MEDICAL MARIJUANA PROGRAM

The 2021 Legislative Assembly enacted several measures designed to reduce barriers to participation in the Oregon Medical Marijuana Program (OMMP). Effective January 1, 2022, [Senate Bill 307](#) waives the annual OMMP registration fee for veterans with a total disability rating of at least 50 percent as result of injury or illness incurred or aggravated during active military service and who received discharge or release under other than dishonorable conditions.

Beginning in 2022, [House Bill 3369 \(HB 3369\)](#) expands the list of medical providers who can discuss the use of medical cannabis with patients and provide the medical documentation required for OMMP participation. HB 3369 also prohibits regulatory boards from taking discipline against a licensed provider for advising on the medical use of cannabis or issuing documentation for OMMP applications.

The Legislative Assembly also considered, but declined to enact, [Senate Bill 758 \(not enacted\)](#), a measure brought on behalf of patient advocates which would have granted OMMP member benefits to patients with out-of-state medical marijuana patient

Cards. The measure also would have required retailers and dispensaries to publish terpene testing results for products, and established cybersecurity protection requirements for the Oregon Health Authority to protect patient information.

RECREATIONAL CANNABIS

The recreational cannabis industry also underwent changes, starting with the name of its primary regulatory agency. [House Bill 2111](#) changes the agency's name (but not acronym) from the "Oregon Liquor Control Commission" to the "Oregon Liquor and Cannabis Commission" (OLCC). Agency staff who enforce the state's regulatory marijuana laws are now also included in the definition of "peace officer" for the purpose of administering the state's criminal laws under [Senate Bill 808](#). The measure expanded an existing definition which was limited to agency staff who enforce the state's regulatory alcohol laws.

[Senate Bill 408](#) enacted a series of regulatory reforms developed by industry stakeholders in conjunction with the OLCC. The measure makes several regulatory changes to support Oregon's cannabis industry, including:

- limiting the conditions under which the OLCC may take action against a licensee;
- allowing for easier transfer of product between licensees with common ownership, reduced requirements for marijuana delivery manifests, agency rulemaking to allow for greater plant diversity through the delivery and receipt of seeds;
- doubling the concentration limit of tetrahydrocannabinol (THC) in cannabinoid products, concentrates, or extracts to 100 milligrams;
- doubling the possession limit for adults from one to two ounces of usable marijuana in a public place; and
- reducing the use of plastics by removing usable marijuana from the list of regulated products that must be packaged in child-resistant safety packaging--a requirement which has resulted in wide-scale use of plastics in Oregon's cannabis industry.

Home deliveries might become more competitive for consumers and available to Oregonians in amenable "dry" cities and counties under [House Bill 2519](#). Effective September 25, licensed retailers may make deliveries into an adjacent city or county if allowed by that jurisdiction.

HEMP

The Legislative Assembly was introduced to a new cannabinoid during the 2021 session now regulated after the enactment of [House Bill 3000 \(HB 3000\)](#). Delta-9 THC has properties similar to Delta-8 THC, the primary intoxicant in cannabis. Because Delta-9 can be extracted from hemp, it currently falls outside the regulatory framework for cannabis. The popularity of a non-regulated THC has led hemp growers to begin operation in Southern Oregon. HB 3000 now defines Delta-9 as an adult-use cannabinoid and may only be sold by licensed retailers to adults at least 21 years of age. The Oregon Department of Agriculture (ODA) and OLCC are currently inspecting hemp operations in the state to verify compliance with the THC concentration requirements, and state tracking requirements apply to a wider range of cannabinoid products intended for human consumption. HB 3000 also created the Task Force on Cannabis-Derived Intoxicants, which must provide recommendations on regulations for intoxicating cannabis items no later than December 31, 2021.

BALLOT MEASURE 110 IMPLEMENTATION

Oregon voters enacted [Ballot Measure 110](#) in 2020, decriminalizing the possession of small amounts of controlled substances, financing a Treatment and Recovery Services Fund primarily using recreational marijuana tax revenues, and establishing the Oversight and Accountability Council (OAC), under the auspices of the Oregon Health Authority (OHA), to oversee administration of the fund and disbursement of grants to increase access to behavioral health care. [Senate Bill 755](#) modified the implementation of Ballot Measure 110 by clarifying the administration of criminal provisions, requiring each county to establish a Behavioral Resource Network to provide specified

treatment services and clarifying the role and duties of the OAC and OHA in administering treatment and recovery programs.

KRATOM

Processed from trees native to Southeast Asia, kratom can produce stimulant effects in low doses and sedative effects in high doses. While the U.S. Drug Enforcement Administration (DEA) warns kratom users are at risk of addiction, abuse, and dependence, the substance is not currently regulated by state or federal government. The Legislative Assembly enacted [House Bill 2646](#) (*vetoed*) which would have limited the sale of kratom products to individuals at least 21 years of age. The measure would have required all kratom products be registered with the Oregon Department of Agriculture and prohibited the sale of unregistered products. On August 6, 2021, Governor Brown vetoed the measure stating in a [press release](#) that she was concerned about the lack of an approved use for kratom products by the United States Food and Drug Administration (FDA).

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