

HB 2198 A STAFF MEASURE SUMMARY

Joint Committee On Marijuana Regulation

Action Date: 05/30/17

Action: Do pass with amendments and be referred to Ways and Means. (Printed A-Eng.)

House Vote

Yeas: 4 - Fahey, Helm, Lininger, Wilson

Nays: 1 - Olson

Senate Vote

Yeas: 5 - Beyer, Burdick, Ferrioli, Kruse, Prozanski

Fiscal: Fiscal impact issued

Revenue: Revenue impact issued

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WHAT THE MEASURE DOES:

Establishes the Oregon Cannabis Commission (OCC) within the Oregon Health Authority (OHA). Requires the OCC to submit a report by December 15, 2017 regarding the future of the Oregon Medical Marijuana Program (OMMP) and its governance framework, to the interim committees of the Legislative Assembly related to health and judiciary. Provides for Commission duties following report submission.

Allows a medical marijuana grow site with more than 12 plants to transfer up to 20 pounds of marijuana a year to a recreational marijuana processor or wholesaler if the grow site is registered with OHA when measure goes into effect. Allows the Oregon Liquor Control Commission (OLCC) to issue an order to limit the sale of medical marijuana into the recreational system if there is an excess of supply. Limits number of mature marijuana plants allowed at an address not registered as a grow site to six for each OMPP patient at the address, not to exceed 12 total, and to 10 if there is one OMMP patient and at least one more person above the age of 21 at the address. Limits the number of immature marijuana plants that are at least 24 inches tall, to two for every one mature marijuana plant. Specifies powers of an OMMP caregiver. Prohibits both OHA and OLCC from requiring a marijuana grow site to use a security system. Directs OHA to register a medical marijuana grow site if provided specified information, including tax lot number, GPS coordinates, assessor's map, or latitude/longitude coordinates. Allows a city or county that has enacted an ordinance prohibiting or allowing medical marijuana establishments to amend the ordinance without referendum to prohibit or allow OLCC's exclusively medical licensees. Allows marijuana retailers to locate up to 500 feet from a school if the OLCC determines there is a physical or geographic barrier preventing access. Allows transfer of marijuana between retailers substantially owned by the same persons. Provides OLCC with additional sanctioning authority if OCC makes specific findings against an applicant or licensee. Declares emergency, effective on passage.

ISSUES DISCUSSED:

- Medical and recreational marijuana regulatory systems
- Tracking of marijuana
- Costs associated with the regulation of marijuana

EFFECT OF AMENDMENT:

Replaces measure.

BACKGROUND:

In 1998, Oregon voters approved Ballot Measure 67 which allowed medical use of marijuana in Oregon within specified limits. It also established a state-controlled permit system. In December 1998, the Oregon Legislative Assembly passed Measure 67 into law. The law, known as the Oregon Medical Marijuana Act (OMMA), provides legal

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protections for qualified patients; requires a physician-written statement of the patient's qualifying debilitating medical condition; allows for a caregiver to provide assistance; and mandates registration with the Oregon Health Authority (OHA).

In 2014, Oregon voters approved Ballot Measure 91 (Measure 91) to allow the recreational sale and use of marijuana. The measure provided for administration and regulation of the recreational system by the Oregon Liquor Control Commission (OLCC), with tax revenues from the sale of recreational marijuana funding specified services. Marijuana produced within the recreational system must be tracked from seed to sale, and only OLCC licensees may transfer or accept marijuana produced from another OLCC licensee.

House Bill 2198 A makes series of changes to the OMMA. It creates an Oregon Cannabis Commission (OCC) to recommend a framework for future governance of the Oregon Medical Marijuana Program (OMMP) by December 15, 2017, and after that, provide governance advice to OHA. House Bill 2198 A also 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 OLCC authority to restrict licenses if specified findings are made.