

Requested by Senator PROZANSKI

**PROPOSED AMENDMENTS TO
HOUSE BILL 2198**

1 On page 1 of the printed bill, line 2, after “provisions;” delete the rest
2 of the line and lines 3 through 23.

3 On page 2, delete lines 1 through 15 and insert “amending ORS 475B.245,
4 475B.358, 475B.375, 475B.410, 475B.415, 475B.418, 475B.420, 475B.423, 475B.428,
5 475B.430, 475B.433, 475B.435, 475B.438, 475B.440, 475B.450, 475B.453, 475B.455,
6 475B.458, 475B.460, 475B.462, 475B.464, 475B.468, 475B.469, 475B.470, 475B.475,
7 475B.490, 475B.495, 475B.505, 475B.507, 475B.510, 475B.517, 475B.525, 475B.555,
8 475B.605, 475B.610, 475B.615, 475B.620, 475B.625, 475B.640, 475B.650 and
9 475B.800 and sections 2, 13, 14, 20 and 22, chapter 23, Oregon Laws 2016,
10 sections 25, 30 and 33, chapter 24, Oregon Laws 2016, section 9, chapter 71,
11 Oregon Laws 2016, sections 2, 6, 22, 26 and 29, chapter 83, Oregon Laws 2016,
12 and section 4, chapter 97, Oregon Laws 2016; repealing ORS 475B.520; and
13 declaring an emergency.”.

14 Delete lines 17 through 45 and delete pages 3 through 186 and insert:
15

16 **“STATUTORY PLACEMENT**

17
18 **“SECTION 1. Sections 2, 4 to 9 and 12 to 14a of this 2017 Act are**
19 **added to and made a part of ORS 475B.400 to 475B.525.**

20 **“SECTION 1a. Sections 2, 4 to 9 and 12 to 14a of this 2017 Act shall**
21 **be known and may be cited as The Oregon Medical Cannabis Modern-**

1 **ization Act.**

2
3 **“ESTABLISHING OREGON CANNABIS COMMISSION**

4 **“(Establishment of Commission)**

5
6 **“SECTION 2. (1) The Oregon Cannabis Commission is established**
7 **within the Oregon Health Authority. The commission consists of:**

8 **“(a) The Public Health Officer or the Public Health Officer’s**
9 **designee; and**

10 **“(b) Nine members appointed by the Governor as follows:**

11 **“(A) Two registry identification cardholders, one from the western**
12 **part of the state and one from the eastern part of the state;**

13 **“(B) Two attending physicians who have diagnosed a person as**
14 **having a debilitating medical condition for which the medical use of**
15 **marijuana may mitigate the symptoms or effects, one of whom must**
16 **be the attending physician of a person who is under 18 years of age;**

17 **“(C) A person who maintains a hospice program;**

18 **“(D) A designated primary caregiver;**

19 **“(E) A person responsible for a marijuana grow site;**

20 **“(F) A person responsible for a medical marijuana dispensary; and**

21 **“(G) A person knowledgeable about research proposal grant proto-**
22 **cols.**

23 **“(2) The term of office of each member of the commission is four**
24 **years, but a member serves at the pleasure of the Governor. Before**
25 **the expiration of the term of a member, the Governor shall appoint a**
26 **successor whose term begins on January 1 of the following year. A**
27 **member is eligible for reappointment. If there is a vacancy for any**
28 **cause, the Governor shall make an appointment to become imme-**
29 **diately effective for the unexpired term.**

30 **“(3) The appointment of each member of the commission is subject**

1 to confirmation by the Senate in the manner prescribed in ORS 171.562
2 and 171.565.

3 “(4) A member of the commission is entitled to compensation and
4 expenses as provided in ORS 292.495.

5 **“SECTION 3. Notwithstanding the term of office specified by sec-**
6 **tion 2 (1)(b) of this 2017 Act, of the members first appointed to the**
7 **Oregon Cannabis Commission:**

8 “(1) Two shall serve for terms ending January 1, 2019.

9 “(2) Two shall serve for terms ending January 1, 2020.

10 “(3) Two shall serve for terms ending January 1, 2021.

11 “(4) Three shall serve for terms ending January 1, 2022.

12

13 “(Qualification of Members)

14

15 **“SECTION 4. The members of the Oregon Cannabis Commission**
16 **must be residents of this state who are well informed on the principles**
17 **of the medical use of marijuana to treat debilitating medical condi-**
18 **tions.**

19

20 “(Officers of the Commission, Quorum and Meetings)

21

22 **“SECTION 5. (1) The Oregon Cannabis Commission shall select one**
23 **of its members as chairperson and another as vice chairperson, for**
24 **terms and with duties and powers necessary for the performance of the**
25 **functions of the offices as the commission determines.**

26 “(2) A majority of the members of the commission constitutes a
27 quorum for the transaction of business.

28 “(3) The commission shall meet at least once every month at a time
29 and place determined by the commission. The commission also may
30 meet at other times and places specified by the call of the chairperson

1 or of a majority of the members of the commission.

2
3 **“(Primary Functions)”**

4
5 **“SECTION 6. In fulfilling the duties set forth under ORS 475B.400**
6 **to 475B.525, the Oregon Cannabis Commission shall:**

7 **“(1) Adopt all rules necessary to administer ORS 475B.400 to**
8 **475B.525;**

9 **“(2) Delegate to the Oregon Health Authority all duties, functions**
10 **and powers related to the administration of ORS 475B.400 to 475B.525**
11 **and the administration of rules adopted under ORS 475B.400 to 475B.525**
12 **the delegation of which the commission deems necessary to achieve**
13 **the full purposes and effect of ORS 475B.400 to 475B.525;**

14 **“(3) Coordinate with the Oregon Liquor Control Commission on**
15 **regulating registrants under ORS 475B.400 to 475B.525 and regulating**
16 **licensees under ORS 475B.010 to 475B.395;**

17 **“(4) Identify and evaluate potential factors that could prevent a**
18 **registry identification cardholder from accessing marijuana for med-**
19 **ical use;**

20 **“(5) Develop methods to ensure that registry identification**
21 **cardholders have access to marijuana for medical use;**

22 **“(6) Develop and implement a long-term strategic plan for ensuring**
23 **that marijuana will remain a therapeutic option for persons with de-**
24 **bilitating medical conditions and expend state moneys available to the**
25 **commission in a way that encourages a coordinated, cost-effective ef-**
26 **fort in implementing the plan;**

27 **“(7) Develop and implement a long-term strategic plan for ensuring**
28 **the safe and legal production, processing, selling and transporting of**
29 **marijuana, usable marijuana, cannabinoid concentrates and extracts**
30 **and medical cannabinoid products and expend state moneys available**

1 to the commission in a way that ensures the continued affordability
2 of registry identification cards and the continued viability of
3 marijuana grow sites, marijuana processing sites and medical
4 marijuana dispensaries;

5 “(8) Facilitate unbiased research on the medical, agronomic and
6 other properties of marijuana and expend state moneys available to
7 the commission in a way that ensures the research will have a prac-
8 tical effect on ensuring that marijuana will remain a therapeutic op-
9 tion for persons with debilitating medical conditions;

10 “(9) Compile information regarding the availability of:

11 “(a) Cannabinoid concentrates and extracts that contain
12 intoxicating levels of tetrahydrocannabinol, as compared to the avail-
13 ability of cannabinoid concentrates and extracts that do not;

14 “(b) Medical cannabinoid products that contain intoxicating levels
15 of tetrahydrocannabinol; and

16 “(c) Medical cannabinoid products for medical use by a person who
17 is on post-prison supervision, parole or probation; and

18 “(10) Monitor and study federal regulations regarding marijuana.

19 SECTION 6a. (1) On or before September 15 of each even-numbered
20 year, the Oregon Cannabis Commission shall report to the Legislative
21 Assembly, in the manner prescribed by ORS 192.245, on the following:

22 “(a) Registry identification cardholder access to marijuana;

23 “(b) Factors that may increase registry identification cardholder
24 access to marijuana, such as reduced costs associated with producing,
25 processing, selling and transporting marijuana;

26 “(c) The efficacy of different strains and types of usable marijuana,
27 cannabinoid concentrates and extracts and medical cannabinoid pro-
28 ducts in mitigating the symptoms of different types of debilitating
29 medical conditions;

30 “(d) Establishing a low-income patient program;

1 “(e) The needs of registry identification cardholders who are on
2 post-prison supervision, parole or probation; and

3 “(f) The impact that federal laws and regulations are having on the
4 medical use of marijuana.

5 “(2) The commission may include recommendations for legislation
6 in the report submitted under this section.

7
8 “(Staff Support and Services)

9
10 “SECTION 7. The Oregon Health Authority shall provide staff sup-
11 port to the Oregon Cannabis Commission and shall perform other
12 services as necessary for the effective operation of the commission.

13
14 “(Oaths, Witnesses and Subpoenas)

15
16 “SECTION 8. The Oregon Cannabis Commission may administer
17 oaths, take depositions and issue subpoenas to compel the attendance
18 of witnesses and the production of documents or other written infor-
19 mation necessary to carry out the provisions of ORS 475B.400 to
20 475B.525. If any person fails to comply with a subpoena issued under
21 this section or refuses to testify on matters on which the person law-
22 fully may be interrogated, the procedure set out in ORS 183.440 shall
23 be followed to compel obedience.

24
25 “(Advisory and Technical Committees)

26
27 “SECTION 9. (1) The Oregon Cannabis Commission may establish
28 any advisory or technical committee the commission considers neces-
29 sary to aid and advise the commission in the performance of its func-
30 tions. The committees may be continuing committees or temporary

1 committees. The commission shall determine the representation,
2 membership, terms and organization of the committees and shall ap-
3 point the members of the committees.

4 “(2) Members of the committees are not entitled to compensation
5 but, in the discretion of the commission, may be reimbursed from
6 funds available to the commission for actual and necessary travel and
7 other expenses incurred by the members in the performance of official
8 duties in the manner and amount provided in ORS 292.495.

9

10 “(Rules)

11

12 “SECTION 10. The rules of the Oregon Health Authority with re-
13 spect to duties, functions or powers conferred pursuant to ORS
14 475B.400 to 475B.525 that are in effect on the operative date specified
15 in section 72 of this 2017 Act continue in effect until superseded or
16 repealed by rules of the Oregon Cannabis Commission. References in
17 the rules of the authority to the authority are considered to be refer-
18 ences to the commission.

19 “SECTION 11. Whenever, in any uncodified law or resolution of the
20 Legislative Assembly or in any rule, document, record or proceeding
21 authorized by the Legislative Assembly, in the context of the duties,
22 functions and powers conferred pursuant to ORS 475B.400 to 475B.525,
23 reference is made to the Oregon Health Authority, the reference is
24 considered to be a reference to the Oregon Cannabis Commission.

25

26 “MEDICAL USE OF CANNABIS FUND

27

28 “SECTION 12. (1) There is established in the State Treasury, sepa-
29 rate and distinct from the General Fund, the Medical Use of Cannabis
30 Fund. Interest earned by the Medical Use of Cannabis Fund shall be

1 credited to the fund. All moneys in the Medical Use of Cannabis Fund
2 are continuously appropriated to the Oregon Cannabis Commission for
3 purposes of administering ORS 475B.400 to 475B.525.

4 “(2) The commission shall deposit all fee and penalty moneys col-
5 lected under ORS 475B.400 to 475B.525 in the Medical Use of Cannabis
6 Fund.

7
8 **“OREGON MEDICAL MARIJUANA ACT**

9 **“(New Provisions)**

10
11 **“SECTION 13. A designated primary caregiver may assist a registry**
12 **identification cardholder with any matter relating to the medical use**
13 **of marijuana, including the production and processing of marijuana**
14 **for the registry identification cardholder, except for the processing of**
15 **marijuana into cannabinoid extracts, at the address of the designated**
16 **primary caregiver.**

17 **“SECTION 14. Notwithstanding ORS 475B.160 and in accordance**
18 **with rules adopted by the Oregon Liquor Control Commission and any**
19 **applicable provision of an agreement described in ORS 475B.425, a**
20 **person designated to produce marijuana by a registry identification**
21 **cardholder may transfer up to 25 pounds of usable marijuana to a**
22 **person that holds a license issued under either ORS 475B.090 or**
23 **475B.100 per year.**

24 **“SECTION 14a. (1) The Oregon Cannabis Commission and the**
25 **Oregon Liquor Control Commission shall enter into an agreement un-**
26 **der which the Oregon Liquor Control Commission will use the system**
27 **developed and maintained under ORS 475B.150 to track:**

28 **“(a) The propagation of immature marijuana plants and the pro-**
29 **duction of marijuana by marijuana grow sites;**

30 **“(b) The processing of marijuana into medical cannabinoid pro-**

1 ducts, cannabinoid concentrates and cannabinoid extracts by
2 marijuana processing sites;

3 “(c) The transfer of usable marijuana, immature marijuana plants,
4 medical cannabinoid products, cannabinoid concentrates and
5 cannabinoid extracts by a marijuana grow site or a medical marijuana
6 dispensary to a registry identification cardholder or the designated
7 primary caregiver of a registry identification cardholder; and

8 “(d) The transfer of usable marijuana, immature marijuana plants,
9 medical cannabinoid products, cannabinoid concentrates and
10 cannabinoid extracts between marijuana grow sites, marijuana pro-
11 cessing sites and medical marijuana dispensaries.

12 “(2) The Oregon Cannabis Commission and the Oregon Liquor
13 Control Commission shall address as part of the terms of the agree-
14 ment entered in to under this section:

15 “(a) The types of marijuana grow sites, marijuana processing sites
16 and medical marijuana dispensaries that will be subject to tracking,
17 except that a marijuana grow site located at an address where a reg-
18 istry identification cardholder produces marijuana and where no more
19 than 12 mature marijuana plants are produced may not be subject to
20 tracking;

21 “(b) A schedule by which marijuana grow sites, marijuana process-
22 ing sites and medical marijuana dispensaries will be subject to track-
23 ing, provided that marijuana grow sites, marijuana processing sites
24 and medical marijuana dispensaries may not be subject to tracking
25 until January 1, 2019; and

26 “(c) The sharing of costs associated with implementing this section,
27 taking into account the various sources of revenue available to both
28 the Oregon Cannabis Commission and the Oregon Liquor Control
29 Commission and the burden of initially subjecting marijuana grow
30 sites, marijuana processing sites and medical marijuana dispensaries

1 to tracking.

2 “(3)(a) On and after the date on which a marijuana grow site be-
3 comes subject to tracking under this section, the marijuana grow site
4 is exempt from the requirements of ORS 475B.423 and the provisions
5 of ORS 475B.420 that relate to ORS 475B.423.

6 “(b) On and after the date on which a marijuana processing site
7 becomes subject to tracking under this section, the marijuana pro-
8 cessing site is exempt from the requirements of ORS 475B.438 and the
9 provisions of ORS 475B.435 that relate to ORS 475B.438.

10 “(c) On and after the date on which a medical marijuana dispensary
11 becomes subject to tracking under this section, the medical marijuana
12 dispensary is exempt from the requirements of ORS 475B.453 and the
13 provisions of ORS 475B.450 that relate to ORS 475B.453.

14 “(4) Notwithstanding any other provision of law, rules adopted by
15 the Oregon Cannabis Commission related to the tracking of marijuana
16 grow sites may not require a marijuana grow site to record the in-
17 ventory of the marijuana grow site more than once per month unless
18 the inventory of the marijuana grow site changes. In the event that
19 the inventory of the marijuana grow site changes, the marijuana grow
20 site must record the change in accordance with rules of the Oregon
21 Cannabis Commission.

22 “(5) The Oregon Liquor Control Commission may conduct in-
23 spections and investigations of alleged violations of ORS 475B.400 to
24 475B.525 about which the commission obtains knowledge as a result
25 of performing the commission’s duties under this section. The Oregon
26 Liquor Control Commission may use regulatory specialists, as defined
27 in ORS 471.001, to conduct the inspections and investigations.

28

29

“(Amendments to Statutes)

30

1 **SECTION 15.** ORS 475B.358 is amended to read:

2 “475B.358. A person may not sue the Oregon Liquor Control Commission
3 or a member of the [*commission*] **Oregon Liquor Control Commission**, the
4 State Department of Agriculture or the Oregon [*Health Authority*] **Cannabis**
5 **Commission or a member of the Oregon Cannabis Commission**, or any
6 employee of the [*commission*] **Oregon Liquor Control Commission**, de-
7 partment or [*authority*] **Oregon Cannabis Commission**, for performing or
8 omitting to perform any duty, function or power of the [*commission*] **Oregon**
9 **Liquor Control Commission**, department or [*authority*] **Oregon Cannabis**
10 **Commission** set forth in ORS 475B.010 to 475B.395 or in any other law of
11 this state requiring the [*commission*] **Oregon Liquor Control**
12 **Commission**, department or [*authority*] **Oregon Cannabis Commission** to
13 perform a duty, function or power related to marijuana.

14 **SECTION 16.** ORS 475B.375, as amended by section 6, chapter 23,
15 Oregon Laws 2016, and section 14, chapter 83, Oregon Laws 2016, is amended
16 to read:

17 “475B.375. Except for ORS 475B.370 and 475B.373, ORS 475B.010 to
18 475B.395:

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

21 “(2) Do not amend or affect duties, functions and powers of the Oregon
22 [*Health Authority*] **Cannabis Commission** under the Oregon Medical
23 Marijuana Act.

24 **SECTION 17.** ORS 475B.410 is amended to read:

25 “475B.410. As used in ORS 475B.400 to 475B.525:

26 “(1) ‘Attending physician’ means a physician licensed under ORS chapter
27 677 who has primary responsibility for the care and treatment of a person
28 diagnosed with a debilitating medical condition.

29 “(2) ‘Cannabinoid’ means any of the chemical compounds that are the
30 active constituents of marijuana.

1 “(3) ‘Cannabinoid concentrate’ means a substance obtained by separating
2 cannabinoids from marijuana by:

3 “(a) A mechanical extraction process;

4 “(b) A chemical extraction process using a nonhydrocarbon-based solvent,
5 such as vegetable glycerin, vegetable oils, animal fats, isopropyl alcohol or
6 ethanol;

7 “(c) A chemical extraction process using the hydrocarbon-based solvent
8 carbon dioxide, provided that the process does not involve the use of high
9 heat or pressure; or

10 “(d) Any other process identified by the Oregon [*Health Authority*]
11 **Cannabis Commission**, in consultation with the Oregon Liquor Control
12 Commission, by rule.

13 “(4) ‘Cannabinoid edible’ means food or potable liquid into which a
14 cannabinoid concentrate, cannabinoid extract or dried leaves or flowers of
15 marijuana have been incorporated.

16 “(5) ‘Cannabinoid extract’ means a substance obtained by separating
17 cannabinoids from marijuana by:

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

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

22 “(c) Any other process identified by the Oregon [*Health Authority*]
23 **Cannabis Commission**, in consultation with the Oregon Liquor Control
24 Commission, by rule.

25 “(6) ‘Debilitating medical condition’ means:

26 “(a) Cancer, glaucoma, a degenerative or pervasive neurological condi-
27 tion, positive status for human immunodeficiency virus or acquired immune
28 deficiency syndrome, or a side effect related to the treatment of those med-
29 ical conditions;

30 “(b) A medical condition or treatment for a medical condition that

1 produces, for a specific patient, one or more of the following:

2 “(A) Cachexia;

3 “(B) Severe pain;

4 “(C) Severe nausea;

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

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

8 “(c) Post-traumatic stress disorder; or

9 “(d) Any other medical condition or side effect related to the treatment
10 of a medical condition adopted by the Oregon [*Health Authority*] **Cannabis**
11 **Commission** by rule or approved by the [*authority*] **commission** pursuant
12 to a petition filed under ORS 475B.517.

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

14 “(b) ‘Delivery’ does not include transfer of marijuana by a registry iden-
15 tification cardholder to another registry identification cardholder if no con-
16 sideration is paid for the transfer.

17 “(8)(a) ‘Designated primary caregiver’ means an individual:

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

19 “(B) Who has significant responsibility for managing the well-being of a
20 person who has been diagnosed with a debilitating medical condition; and

21 “(C) Who is designated as the person responsible for managing the well-
22 being of a person who has been diagnosed with a debilitating medical con-
23 dition on that person’s application for a registry identification card or in
24 other written notification submitted to the [*authority*] **commission**.

25 “(b) ‘Designated primary caregiver’ does not include a person’s attending
26 physician.

27 “(9) ‘High heat’ means a temperature exceeding 180 degrees.

28 “(10) ‘Immature marijuana plant’ means a marijuana plant that is not
29 flowering.

30 “(11)(a) ‘Marijuana’ means the plant Cannabis family Cannabaceae, any

1 part of the plant Cannabis family Cannabaceae and the seeds of the plant
2 Cannabis family Cannabaceae.

3 “(b) ‘Marijuana’ does not include industrial hemp, as defined in ORS
4 571.300.

5 “(12) ‘Marijuana grow site’ means a location registered under ORS
6 475B.420 where marijuana is produced for use by a registry identification
7 cardholder.

8 “(13) ‘Marijuana processing site’ means a marijuana processing site reg-
9 istered under ORS 475B.435 or a site for which an applicant has submitted
10 an application for registration under ORS 475B.435.

11 “(14) ‘Mature marijuana plant’ means a marijuana plant that is not an
12 immature marijuana plant.

13 “(15)(a) ‘Medical cannabinoid product’ means a cannabinoid edible and
14 any other product intended for human consumption or use, including a
15 product intended to be applied to a person’s skin or hair, that contains
16 cannabinoids or dried leaves or flowers of marijuana.

17 “(b) ‘Medical cannabinoid product’ does not include:

18 “(A) Usable marijuana by itself;

19 “(B) A cannabinoid concentrate by itself;

20 “(C) A cannabinoid extract by itself; or

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

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

25 “(17) ‘Medical use of marijuana’ means the production, processing, pos-
26 session, delivery or administration of marijuana, or use of paraphernalia
27 used to administer marijuana, to mitigate the symptoms or effects of a de-
28 bilitating medical condition.

29 “(18) ‘Person designated to produce marijuana by a registry identification
30 cardholder’ means a person designated to produce marijuana by a registry

1 identification cardholder under ORS 475B.420 who produces marijuana for a
2 registry identification cardholder at an address other than the address where
3 the registry identification cardholder resides or at an address where more
4 than 12 mature marijuana plants are produced.

5 “(19) ‘Process’ means the compounding or conversion of marijuana into
6 medical cannabinoid products, cannabinoid concentrates or cannabinoid ex-
7 tracts.

8 “(20) ‘Production’ means:

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

10 “(b) Drying marijuana leaves or flowers.

11 “(21) ‘Registry identification card’ means a document issued by the
12 Oregon [*Health Authority*] **Cannabis Commission** under ORS 475B.415 that
13 identifies a person authorized to engage in the medical use of marijuana and,
14 if the person has a designated primary caregiver under ORS 475B.418, the
15 person’s designated primary caregiver.

16 “(22) ‘Registry identification cardholder’ means a person to whom a reg-
17 istry identification card has been issued under ORS 475B.415.

18 “(23)(a) ‘Usable marijuana’ means the dried leaves and flowers of
19 marijuana.

20 “(b) ‘Usable marijuana’ does not include:

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

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

23 “(24) ‘Written documentation’ means a statement signed by the attending
24 physician of a person diagnosed with a debilitating medical condition or
25 copies of the person’s relevant medical records.

26 “**SECTION 18.** ORS 475B.415, as amended by section 9, chapter 24,
27 Oregon Laws 2016, and section 1, chapter 107, Oregon Laws 2016, is amended
28 to read:

29 “475B.415. (1) The Oregon [*Health Authority*] **Cannabis Commission**
30 shall establish a program for the issuance of registry identification cards to

1 applicants who meet the requirements of this section.

2 “(2) The [authority] **commission** shall issue a registry identification card
3 to an applicant who is 18 years of age or older if the applicant pays a fee
4 in an amount established by the [authority] **commission** by rule and submits
5 to the [authority] **commission** an application containing the following in-
6 formation:

7 “(a) Written documentation from the applicant’s attending physician
8 stating that the attending physician has diagnosed the applicant as having
9 a debilitating medical condition and that the medical use of marijuana may
10 mitigate the symptoms or effects of the applicant’s debilitating medical con-
11 dition;

12 “(b) The name, address and date of birth of the applicant;

13 “(c) The name, address and telephone number of the applicant’s attending
14 physician;

15 “(d) Proof of residency, submitted in a form required by the [authority]
16 **commission** by rule;

17 “(e) The name and address of the applicant’s designated primary
18 caregiver, if the applicant is designating a primary caregiver under ORS
19 475B.418; and

20 “(f) The information described in ORS 475B.420 (2), if the applicant is
21 applying to produce marijuana or designate another person under ORS
22 475B.420 to produce marijuana.

23 “(3)(a) The [authority] **commission** shall issue a registry identification
24 card to an applicant who is under 18 years of age if:

25 “(A) The applicant pays the fee and submits the application described in
26 subsection (2) of this section; and

27 “(B) The custodial parent or legal guardian who is responsible for the
28 health care decisions of the applicant signs and submits to the [authority]
29 **commission** a written statement that:

30 “(i) The applicant’s attending physician has explained to the applicant

1 and to the custodial parent or legal guardian the possible risks and benefits
2 of the medical use of marijuana;

3 “(ii) The custodial parent or legal guardian consents to the medical use
4 of marijuana by the applicant;

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

7 “(iv) The custodial parent or legal guardian agrees to control the acqui-
8 sition, dosage and frequency of the medical use of marijuana by the appli-
9 cant.

10 “(b) An applicant who is under 18 years of age may not apply to produce
11 marijuana under subsection (2)(f) of this section.

12 “(4) The [authority] **commission** shall:

13 “(a) On the date on which the [authority] **commission** receives an appli-
14 cation described in subsection (2) of this section, issue a receipt to the ap-
15 plicant verifying that the [authority] **commission** received an application
16 under subsection (2) or (3) of this section; and

17 “(b) Approve or deny an application received under subsection (2) or (3)
18 of this section within 30 days after receiving the application.

19 “(5)(a) If the [authority] **commission** approves an application, the [au-
20 thority] **commission** shall issue a serially numbered registry identification
21 card to the applicant within five days after approving the application. The
22 registry identification card must include the following information:

23 “(A) The registry identification cardholder’s name, address and date of
24 birth;

25 “(B) The issuance date and expiration date of the registry identification
26 card;

27 “(C) If the registry identification cardholder designated a primary
28 caregiver under ORS 475B.418, the name and address of the registry iden-
29 tification cardholder’s designated primary caregiver; and

30 “(D) Any other information required by the [authority] **commission** by

1 rule.

2 “(b) If the registry identification cardholder designated a primary
3 caregiver under ORS 475B.418, the [authority] **commission** shall issue an
4 identification card to the designated primary caregiver. The identification
5 card must contain the information required by paragraph (a) of this sub-
6 section.

7 “(6) A registry identification cardholder shall:

8 “(a) In a form and manner prescribed by the [authority] **commission**,
9 notify the [authority] **commission** of any change concerning the registry
10 identification cardholder’s:

11 “(A) Name, address or attending physician;

12 “(B) Designated primary caregiver, including the designation of a primary
13 caregiver made at a time other than at the time of applying for or renewing
14 a registry identification card; or

15 “(C) Person responsible for a marijuana grow site, including the desig-
16 nation of a person responsible for a marijuana grow site made at a time
17 other than at the time of applying for or renewing a registry identification
18 card.

19 “(b) Annually renew the registry identification card by paying a fee in
20 an amount established by the [authority] **commission** by rule and submitting
21 to the [authority] **commission** an application that contains the following
22 information:

23 “(A) Updated written documentation from the registry identification
24 cardholder’s attending physician stating that the registry identification
25 cardholder still has a debilitating medical condition and that the medical use
26 of marijuana may mitigate the symptoms or effects of the registry identifi-
27 cation cardholder’s debilitating medical condition;

28 “(B) The information described in subsection (2)(b) to (f) of this section;
29 and

30 “(C) If the registry identification cardholder is under 18 years of age, a

1 statement signed by the custodial parent or legal guardian of the registry
2 identification cardholder that meets the requirements of subsection (3) of this
3 section.

4 “(7) The [authority] **commission** shall:

5 “(a) On the date on which the [authority] **commission** receives an appli-
6 cation described in subsection (2) of this section, issue a receipt to the ap-
7 plicant verifying that the [authority] **commission** received an application
8 under subsection (6)(b) of this section; and

9 “(b) Approve or deny an application received under subsection (6)(b) of
10 this section within 30 days after receiving the application.

11 “(8)(a) If the registry identification cardholder’s attending physician de-
12 termines that the registry identification cardholder no longer has a debili-
13 tating medical condition, or determines that the medical use of marijuana is
14 contraindicated for the registry identification cardholder’s debilitating med-
15 ical condition, the registry identification cardholder shall return the registry
16 identification card to the [authority] **commission** within 30 calendar days
17 after receiving notice of the determination.

18 “(b) If, because of circumstances beyond the control of the registry iden-
19 tification cardholder, a registry identification cardholder is unable to obtain
20 a second medical opinion about the registry identification cardholder’s con-
21 tinuing eligibility for the medical use of marijuana before having to return
22 the registry identification card to the [authority] **commission**, the
23 [authority] **commission** may grant the registry identification cardholder ad-
24 ditional time to obtain a second medical opinion.

25 “(9)(a) The [authority] **commission** may deny an application for a registry
26 identification card or an application to renew a registry identification card,
27 or may suspend or revoke a registry identification card, if:

28 “(A) The applicant or registry identification cardholder does not provide
29 the information required by this section;

30 “(B) The [authority] **commission** determines that the applicant or regis-

1 try identification cardholder provided false information; or

2 “(C) The [*authority*] **commission** determines that the applicant or regis-
3 try identification cardholder violated a provision of ORS 475B.400 to
4 475B.525 or a rule adopted under ORS 475B.400 to 475B.525.

5 “(b) If a registry identification card is revoked, any associated identifi-
6 cation card issued under subsection (5)(b) of this section, or marijuana grow
7 site registration card issued under ORS 475B.420 (6), shall also be revoked.

8 “(c) A person whose application is denied, or whose registry identification
9 card is revoked, under this subsection may not reapply for a registry iden-
10 tification card for six months from the date of the denial or revocation un-
11 less otherwise authorized by the [*authority*] **commission**.

12 “(10)(a) The [*authority*] **commission** may deny a designation of a primary
13 caregiver made under ORS 475B.418, or suspend or revoke an associated
14 identification card issued under subsection (5)(b) of this section, if the [*au-*
15 *thority*] **commission** determines that the designee or the registry identifica-
16 tion cardholder violated a provision of ORS 475B.400 to 475B.525 or a rule
17 adopted under ORS 475B.400 to 475B.525.

18 “(b) A person whose designation has been denied, or whose identification
19 card has been revoked, under this subsection may not be designated as a
20 primary caregiver under ORS 475B.418 for six months from the date of the
21 denial or revocation unless otherwise authorized by the [*authority*] **com-**
22 **mission**.

23 “(11)(a) Notwithstanding subsection (2) or (6)(b) of this section, if an ap-
24 plicant for a registry identification card, or a registry identification
25 cardholder applying for renewal of a registry identification card, submits to
26 the [*authority*] **commission** proof of having served in the Armed Forces of
27 the United States, the [*authority*] **commission** may not impose a fee that is
28 greater than \$20 for the issuance or renewal of the registry identification
29 card.

30 “(b) Notwithstanding subsection (6)(b)(A) of this section, the requirement

1 that a registry identification cardholder include in the application to renew
2 a registry identification card updated written documentation from the
3 cardholder's attending physician regarding the cardholder's continuing de-
4 bilitating medical condition does not apply to a service-disabled veteran who:

5 “(A) Has been assigned a total and permanent disability rating for com-
6 pensation that rates the veteran as unable to secure or follow a substantially
7 gainful occupation as a result of service-connected disabilities as described
8 in 38 C.F.R. 4.16; or

9 “(B) Has a United States Department of Veterans Affairs total disability
10 rating of 100 percent as a result of an injury or illness that the veteran in-
11 curred, or that was aggravated, during active military service and who re-
12 ceived a discharge or release under other than dishonorable conditions.

13 “(12) For any purpose described in ORS 475B.400 to 475B.525, including
14 exemption from criminal liability under ORS 475B.475, a receipt issued by the
15 [authority] **commission** verifying that an application has been submitted to
16 the [authority] **commission** under subsection (2), (3) or (6)(b) of this section
17 has the same legal effect as a registry identification card for 30 days fol-
18 lowing the date on which the receipt was issued to the applicant.

19 “**SECTION 19.** ORS 475B.418 is amended to read:

20 “475B.418. (1) If a person who is applying for a registry identification card
21 under ORS 475B.415, or who is a registry identification cardholder, chooses
22 to designate, or to change the designation of, a primary caregiver, the person
23 must include the primary caregiver's name and address:

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

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

26 or

27 “(c) In a form and manner prescribed by the [authority] **Oregon Cannabis**
28 **Commission**, in a signed statement notifying the [Oregon Health Authority]
29 **commission** of the designation.

30 “(2) A registry identification cardholder may have only one designated

1 primary caregiver at any given time.

2 “(3) If a registry identification cardholder who previously designated a
3 primary caregiver chooses to designate a different primary caregiver, the
4 [authority] **commission** shall notify the previous designee of the new desig-
5 nation and issue an identification card to the newly designated primary
6 caregiver.

7 **“SECTION 20.** ORS 475B.420, as amended by section 5, chapter 24,
8 Oregon Laws 2016, is amended to read:

9 “475B.420. (1)(a) The Oregon [*Health Authority*] **Cannabis Commission**
10 shall establish by rule a marijuana grow site registration system to track
11 and regulate the production of marijuana by a registry identification
12 cardholder or a person designated by the registry identification cardholder
13 to produce marijuana for the registry identification cardholder.

14 “(b) Except as provided in paragraph (c) of this subsection, a person may
15 not produce marijuana unless the person is registered under this section.

16 “(c) Paragraph (b) of this subsection does not apply to the production of
17 marijuana as provided in ORS 475B.010 to 475B.395 or as otherwise provided
18 for by the statutory laws of this state.

19 “(2) Rules adopted under this section must require an applicant for a
20 registry identification card, or a registry identification cardholder who
21 produces marijuana or who designates another person to produce marijuana,
22 to submit an application to the [authority] **commission** containing the fol-
23 lowing information at the time of making an application under ORS 475B.415
24 (2), renewing a registry identification card under ORS 475B.415 (6)(b), or
25 notifying the [authority] **commission** of a change under ORS 475B.415 (6)(a):

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

27 “(b) Proof that the person is 21 years of age or older;

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

29 “(d) Any other information that the [authority] **commission** considers
30 necessary to track the production of marijuana under ORS 475B.400 to

1 475B.525.

2 “(3)(a) The [*authority*] **commission** shall conduct a criminal records
3 check under ORS 181A.195 of any person whose name is submitted under this
4 section as the person responsible for a marijuana grow site.

5 “(b) A person convicted of a Class A or Class B felony under ORS 475.752
6 to 475.920 for the manufacture or delivery of a controlled substance in
7 Schedule I or Schedule II may not act as or be designated a person respon-
8 sible for a marijuana grow site for two years from the date of conviction.

9 “(c) A person convicted more than once of a Class A or Class B felony
10 under ORS 475.752 to 475.920 for the manufacture or delivery of a controlled
11 substance in Schedule I or Schedule II may not act as or be designated a
12 person responsible for a marijuana grow site.

13 “(4) Subject to subsection (11) of this section, the [*authority*] **commission**
14 shall issue a marijuana grow site registration card if the requirements of
15 subsections (2) and (3) of this section are met.

16 “(5) A person who holds a marijuana grow site registration card under
17 this section must display the card at the marijuana grow site at all times.

18 “(6) A marijuana grow site registration card must be obtained and posted
19 for each registry identification cardholder for whom marijuana is being
20 produced at a marijuana grow site.

21 “(7)(a) All seeds, immature marijuana plants, mature marijuana plants
22 and usable marijuana associated with the production of marijuana for a
23 registry identification cardholder by a person responsible for a marijuana
24 grow site are the property of the registry identification cardholder.

25 “(b) All seeds, immature marijuana plants, mature marijuana plants and
26 usable marijuana associated with the production of marijuana for a registry
27 identification cardholder by a person responsible for a marijuana grow site
28 must be transferred to the registry identification cardholder upon the request
29 of the registry identification cardholder.

30 “(c) All usable marijuana associated with the production of marijuana for

1 a registry identification cardholder by a person responsible for a marijuana
2 grow site must be transferred to a marijuana processing site upon the re-
3 quest of the registry identification cardholder. For purposes of this para-
4 graph, a request to transfer usable marijuana constitutes an assignment of
5 the right to possess the usable marijuana.

6 “(d) All seeds, immature marijuana plants and usable marijuana associ-
7 ated with the production of marijuana for a registry identification cardholder
8 by a person responsible for a marijuana grow site must be transferred to a
9 medical marijuana dispensary upon request of the registry identification
10 cardholder. For purposes of this paragraph, a request to transfer seeds, im-
11 mature marijuana plants or usable marijuana constitutes an assignment of
12 the right to possess the seeds, immature marijuana plants or usable
13 marijuana.

14 “(e) Information related to transfers made under this subsection must be
15 submitted to the [*authority*] **commission** in the manner required by ORS
16 475B.423.

17 “(8) A registry identification cardholder, or the designated caregiver of a
18 registry identification cardholder, may reimburse a person responsible for a
19 marijuana grow site for all costs associated with the production of marijuana
20 for the registry identification cardholder.

21 “(9) The [*authority*] **commission** may inspect:

22 “(a) The marijuana grow site of a person designated to produce marijuana
23 by a registry identification cardholder to ensure compliance with this section
24 and ORS 475B.423 and 475B.428 and any rule adopted under this section and
25 ORS 475B.423 and 475B.428; and

26 “(b) The records of the marijuana grow site of a person designated to
27 produce marijuana by a registry identification cardholder to ensure compli-
28 ance with this section and ORS 475B.423 and any rule adopted under this
29 section and ORS 475B.423.

30 “(10) The [*authority*] **commission** may refuse to register a registry iden-

1 tification cardholder or a designee under this section or may suspend or re-
2 voke the registration of a person responsible for a marijuana grow site if the
3 [authority] **commission** determines that the applicant or the person respon-
4 sible for a marijuana grow site violated a provision of ORS 475B.400 to
5 475B.525, a rule adopted under ORS 475B.400 to 475B.525 or an ordinance
6 adopted pursuant to ORS 475B.500.

7 “(11) The [authority] **commission** may require a person responsible for a
8 marijuana grow site, prior to issuing a marijuana grow site registration card
9 under subsection (4) of this section, to pay a fee reasonably calculated to pay
10 costs incurred under this section and ORS 475B.423 and 475B.458.

11 **“SECTION 21.** ORS 475B.423 is amended to read:

12 “475B.423. (1) A person designated to produce marijuana by a registry
13 identification cardholder must submit to the Oregon [*Health Authority*]
14 **Cannabis Commission**, in a form and manner established by the
15 [authority] **commission** by rule, the following information related to the
16 production of marijuana:

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

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

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

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

27 “(2) The [authority] **commission** shall by rule require a person designated
28 to produce marijuana by a registry identification cardholder to submit the
29 information described in subsection (1) of this section once each month. The
30 [authority] **commission** may not employ any method other than that de-

1 scribed in this section to obtain information related to the production of
2 marijuana from a person designated to produce marijuana by a registry
3 identification cardholder.

4 “(3) In addition to submitting the information as required by subsection
5 (1) of this section, a person designated to produce marijuana by a registry
6 identification cardholder must keep a record of the information described in
7 subsection (1) of this section for two years after the date on which the person
8 submits the information to the [*authority*] **commission**.

9 “**SECTION 22.** ORS 475B.428, as amended by section 23, chapter 24,
10 Oregon Laws 2016, is amended to read:

11 “475B.428. (1) Subject to subsection (2) of this section, a registry iden-
12 tification cardholder and the designated primary caregiver of the registry
13 identification cardholder may jointly possess six or fewer mature marijuana
14 plants.

15 “(2)(a) A person may be designated to produce marijuana under ORS
16 475B.420 by no more than four registry identification cardholders.

17 “(b) A person who is designated to produce marijuana by a registry
18 identification cardholder may produce no more than six mature marijuana
19 plants for a registry identification cardholder who designates the person to
20 produce marijuana.

21 “(3) If the address of a person responsible for a marijuana grow site under
22 ORS 475B.420 is located within city limits in an area zoned for residential
23 use:

24 “(a) Except as provided in paragraph (b) of this subsection, no more than
25 12 mature marijuana plants may be produced at the address; or

26 “(b) Subject to subsection (5) of this section, if each person responsible
27 for a marijuana grow site located at the address first registered with the
28 Oregon [*Health Authority*] **Cannabis Commission** under ORS 475B.420 be-
29 fore January 1, 2015, no more than the amount of mature marijuana plants
30 located at that address on December 31, 2014, in excess of 12 mature

1 marijuana plants, not to exceed 24 mature marijuana plants, may be produced
2 at the address.

3 “(4) If the address of a person responsible for a marijuana grow site under
4 ORS 475B.420 is located in an area other than an area described in sub-
5 section (3) of this section:

6 “(a) Except as provided in paragraph (b) of this subsection, no more than
7 48 mature marijuana plants may be produced at the address; or

8 “(b) Subject to subsections (5) and (6) of this section, if each person re-
9 sponsible for a marijuana grow site located at the address first registered
10 with the [*authority*] **commission** under ORS 475B.420 before January 1, 2015,
11 no more than the amount of mature marijuana plants located at that address
12 on December 31, 2014, in excess of 48 mature marijuana plants, not to exceed
13 96 mature marijuana plants, may be produced at the address.

14 “(5) If the [*authority*] **commission** suspends or revokes the registration
15 of a person responsible for a marijuana grow site that is located at an ad-
16 dress described in subsection (3)(b) or (4)(b) of this section:

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

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

23 “(6) If a registry identification cardholder who designated a person to
24 produce marijuana for the registry identification cardholder pursuant to ORS
25 475B.420 terminates the designation, the person responsible for the marijuana
26 grow site whose designation has been terminated may not be designated to
27 produce marijuana by another registry identification cardholder, except that
28 the person may be designated by another registry identification cardholder
29 if no more than 48 mature marijuana plants are produced at the address for
30 the marijuana grow site at which the person produces marijuana.

1 “(7) Subject to the limits described in subsections (2) to (6) of this section,
2 if multiple persons responsible for a marijuana grow site under ORS 475B.420
3 are located at the same address, the persons designated to produce marijuana
4 by registry identification cardholders who are located at that address may
5 collectively produce mature marijuana plants for any number of registry
6 identification cardholders who designate the persons to produce marijuana.

7 “(8) If a law enforcement officer determines that a registry identification
8 cardholder, the designated primary caregiver of a registry identification
9 cardholder, or a person responsible for a marijuana grow site under ORS
10 475B.420 who grows marijuana for a registry identification cardholder, pos-
11 sesses a number of mature marijuana plants in excess of the quantities
12 specified in this section, the law enforcement officer may confiscate only the
13 excess number of mature marijuana plants.

14 **“SECTION 23.** ORS 475B.430 is amended to read:

15 “475B.430. *[(1) Except as provided in subsection (2) of this section, a regis-*
16 *try identification cardholder and the designated primary caregiver of the reg-*
17 *istry identification cardholder may jointly possess no more than 24 ounces of*
18 *usable marijuana.]*

19 **“(1)(a) Subject to paragraph (b) of this subsection, a registry iden-**
20 **tification cardholder and the designated primary caregiver of a regis-**
21 **try identification cardholder may jointly possess the amount of usable**
22 **marijuana that the person harvests from the person’s mature**
23 **marijuana plants.**

24 **“(b) A registry identification cardholder and a designated primary**
25 **caregiver may not jointly possess marijuana in excess of six pounds**
26 **of usable marijuana per mature marijuana plant.**

27 **“[(2)] (2)(a) Subject to [subsection (3) of this section,] paragraph (b) of**
28 **this subsection,** a person designated to produce marijuana by a registry
29 identification cardholder may possess the amount of usable marijuana that
30 the person harvests from the person’s mature marijuana plants, provided that

1 the person may not possess usable marijuana in excess of the amount of us-
2 able marijuana in the person’s possession as reported to the Oregon [*Health*
3 *Authority*] **Cannabis Commission** under ORS 475B.423.

4 “[3] (b) A person designated to produce marijuana by a registry iden-
5 tification cardholder may not possess usable marijuana in excess of:

6 “[a] (A) For a marijuana [*growsite*] **grow site** located outdoors, 12
7 pounds of usable marijuana per mature marijuana plant; or

8 “[b] (B) For a marijuana [*growsite*] **grow site** located indoors, six
9 pounds of usable marijuana per mature marijuana plant.

10 **“SECTION 24.** ORS 475B.433 is amended to read:

11 “475B.433. A person to whom a registry identification card has been is-
12 sued under ORS 475B.415 (5)(a), an identification card has been issued under
13 ORS 475B.415 (5)(b), or a marijuana grow site registration card has been is-
14 sued under ORS 475B.420, may not possess marijuana, usable marijuana,
15 medical cannabinoid products, cannabinoid concentrates or cannabinoid ex-
16 tracts in a location other than the address on file with the Oregon [*Health*
17 *Authority*] **Cannabis Commission** unless the person is carrying the card.

18 **“SECTION 25.** ORS 475B.435, as amended by section 6, chapter 24,
19 Oregon Laws 2016, is amended to read:

20 “475B.435. (1)(a) The Oregon [*Health Authority*] **Cannabis Commission**
21 shall establish by rule a marijuana processing site registration system to
22 track and regulate the processing of marijuana by a person responsible for
23 a marijuana processing site.

24 “(b) Except as provided in paragraph (c) of this subsection, a person may
25 not process marijuana unless the person is registered under this section.

26 “(c) Paragraph (b) of this subsection does not apply to the processing of
27 marijuana as provided in ORS 475B.010 to 475B.395 or as otherwise provided
28 for by the statutory laws of this state.

29 “(2) The registration system established under subsection (1) of this sec-
30 tion must require an applicant for a marijuana processing site to submit an

1 application to the [*authority*] **commission** that includes:

2 “(a) The name of the individual who owns the marijuana processing site
3 or, if a business entity owns the marijuana processing site, the name of each
4 individual who has a financial interest in the marijuana processing site;

5 “(b) The name of the individual or individuals responsible for the
6 marijuana processing site, if different from the name of the individual who
7 owns the marijuana processing site;

8 “(c) The address of the marijuana processing site;

9 “(d) Proof that each individual responsible for the marijuana processing
10 site is 21 years of age or older;

11 “(e) Documentation, as required by the [*authority*] **commission** by rule,
12 that demonstrates the marijuana processing site meets the requirements of
13 subsection (3) of this section; and

14 “(f) Any other information that the [*authority*] **commission** considers
15 necessary.

16 “(3) To qualify for registration under this section, a marijuana processing
17 site:

18 “(a) May not be located in an area that is zoned for residential use if the
19 marijuana processing site processes cannabinoid extracts;

20 “(b) Must be registered as a business, or have filed an application to
21 register as a business, with the office of the Secretary of State; and

22 “(c) Must meet the requirements of any rule adopted by the [*authority*]
23 **commission** under subsection (10) of this section.

24 “(4)(a) The [*authority*] **commission** shall conduct a criminal records
25 check under ORS 181A.195 for each individual named in an application under
26 subsection (2) of this section.

27 “(b) An individual convicted for the manufacture or delivery of a con-
28 trolled substance in Schedule I or Schedule II may not own or be responsible
29 for a marijuana processing site for two years from the date the individual
30 is convicted.

1 “(c) An individual convicted more than once for the manufacture or de-
2 livery of a controlled substance in Schedule I or Schedule II may not own
3 or be responsible for a marijuana processing site.

4 “(5) If a person submits the application required under subsection (2) of
5 this section, if the marijuana processing site identified in the application
6 meets the requirements of this section and any rules adopted under this
7 section and if each individual named in the application passes the criminal
8 records check required under subsection (4) of this section, the [*authority*]
9 **commission** shall register the marijuana processing site and issue proof of
10 registration. Proof of registration must be displayed on the premises of the
11 marijuana processing site at all times.

12 “(6) A marijuana processing site that is registered under this section is
13 not required to register with the State Board of Pharmacy under ORS
14 475.125.

15 “(7) The individual or individuals responsible for a marijuana processing
16 site shall maintain documentation of each transfer of usable marijuana,
17 medical cannabinoid products, cannabinoid concentrates and cannabinoid
18 extracts.

19 “(8) The [*authority*] **commission** may inspect:

20 “(a) The premises of a proposed marijuana processing site or a registered
21 marijuana processing site to ensure compliance with this section and ORS
22 475B.438 and 475B.440 and any rules adopted under this section and ORS
23 475B.438 and 475B.440; and

24 “(b) The records of a registered marijuana processing site to ensure com-
25 pliance with subsection (7) of this section.

26 “(9) Subject to the provisions of ORS chapter 183, the [*authority*] **com-**
27 **mission** may refuse to register an applicant under this section or may sus-
28 pend or revoke the registration of a marijuana processing site if the
29 [*authority*] **commission** determines that the applicant, the owner of the
30 marijuana processing site, a person responsible for the marijuana processing

1 site, or an employee of the marijuana processing site, violated a provision
2 of ORS 475B.400 to 475B.525, a rule adopted under ORS 475B.400 to 475B.525
3 or an ordinance adopted pursuant to ORS 475B.500.

4 “(10) The [*authority*] **commission** shall adopt rules to implement this
5 section, including rules that:

6 “(a) Require a registered marijuana processing site to annually renew the
7 registration for that site;

8 “(b) Establish fees for registering, and renewing the registration of, a
9 marijuana processing site;

10 “(c) Require that medical cannabinoid products, cannabinoid concentrates
11 and cannabinoid extracts transferred by a marijuana processing site be tested
12 to ensure the public health and safety; and

13 “(d) Impose any other standard on the operation of a marijuana process-
14 ing site to ensure the public health and safety.

15 **“SECTION 26.** ORS 475B.438 is amended to read:

16 “475B.438. (1) The Oregon [*Health Authority*] **Cannabis Commission**
17 shall require by rule a marijuana processing site to submit to the
18 [*authority*] **commission** for inclusion in the database developed and main-
19 tained pursuant to ORS 475B.458 the following information:

20 “(a) The amount of usable marijuana transferred to the marijuana pro-
21 cessing site;

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

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

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

28 “(2) The [*authority*] **commission** by rule may require a marijuana pro-
29 cessing site to submit to the [*authority*] **commission** for inclusion in the
30 database developed and maintained pursuant to ORS 475B.458 information

1 that is in addition to the information described in subsection (1) of this
2 section as the [authority] **commission** considers necessary to fulfill the
3 [authority's] **commission's** duties under ORS 475B.435 (1). The [authority]
4 **commission** may not employ any method other than that described in this
5 section to obtain information from a marijuana processing site.

6 **“SECTION 27.** ORS 475B.440 is amended to read:

7 “475B.440. (1) A marijuana processing site must meet any public health
8 and safety standards established by the Oregon [Health Authority] **Cannabis**
9 **Commission** by rule related to:

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

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

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

16 “(d) Any other type of medical cannabinoid product identified by the
17 [authority] **commission** by rule, if the marijuana processing site processes
18 marijuana into that type of medical cannabinoid product.

19 “(2) The [authority] **commission** shall adopt rules to implement this sec-
20 tion.

21 **“SECTION 28.** ORS 475B.450, as amended by section 8, chapter 24,
22 Oregon Laws 2016, and section 30, chapter 83, Oregon Laws 2016, is amended
23 to read:

24 “475B.450. (1)(a) The Oregon [Health Authority] **Cannabis Commission**
25 shall establish by rule a medical marijuana dispensary registration system
26 for the purpose of tracking and regulating the transfer of:

27 “(A) Usable marijuana, immature marijuana plants and seeds from regis-
28 try identification cardholders, designated primary caregivers and persons
29 responsible for marijuana grow sites to medical marijuana dispensaries;

30 “(B) Medical cannabinoid products, cannabinoid concentrates and

1 cannabinoid extracts from persons responsible for marijuana processing sites
2 to medical marijuana dispensaries; and

3 “(C) Usable marijuana, immature marijuana plants, seeds, medical
4 cannabinoid products, cannabinoid concentrates and cannabinoid extracts
5 from medical marijuana dispensaries to registry identification cardholders
6 and designated primary caregivers.

7 “(b) A person may not operate an establishment for the purpose of pro-
8 viding the services described in paragraph (a) of this subsection unless the
9 person is registered under this section.

10 “(2) The registration system established under subsection (1) of this sec-
11 tion must require an applicant for a medical marijuana dispensary to submit
12 an application to the [*authority*] **commission** that includes:

13 “(a) The name of the individual who owns the medical marijuana
14 dispensary or, if a business entity owns the medical marijuana dispensary,
15 the name of each individual who has a financial interest in the medical
16 marijuana dispensary;

17 “(b) The name of the individual or individuals responsible for the medical
18 marijuana dispensary, if different from the name of the individual who owns
19 the medical marijuana dispensary;

20 “(c) The address of the medical marijuana dispensary;

21 “(d) Proof that each individual responsible for the medical marijuana
22 dispensary is 21 years of age or older;

23 “(e) Documentation, as required by the [*authority*] **commission** by rule,
24 that demonstrates the medical marijuana dispensary meets the requirements
25 of subsection (3) of this section; and

26 “(f) Any other information that the [*authority*] **commission** considers
27 necessary.

28 “(3) To qualify for registration under this section, a medical marijuana
29 dispensary:

30 “(a) May not be located in an area that is zoned for residential use;

1 “(b) May not be located at the same address as a marijuana grow site;

2 “(c) Must be registered as a business, or have filed an application to

3 register as a business, with the office of the Secretary of State;

4 “(d) Except as provided under section 29, chapter 83, Oregon Laws 2016,

5 may not be located within 1,000 feet of:

6 “(A) A public elementary or secondary school for which attendance is

7 compulsory under ORS 339.020; or

8 “(B) A private or parochial elementary or secondary school, teaching

9 children as described in ORS 339.030 (1)(a);

10 “(e) Must not be located within 1,000 feet of another medical marijuana

11 dispensary; and

12 “(f) Must meet the requirements of any rule adopted by the [*authority*]

13 **commission** under subsection (10) of this section.

14 “(4)(a) The [*authority*] **commission** shall conduct a criminal records

15 check under ORS 181A.195 for each individual named in an application sub-

16 mitted under subsection (2) of this section.

17 “(b) An individual convicted for the manufacture or delivery of a con-

18 trolled substance in Schedule I or Schedule II may not own or be responsible

19 for a medical marijuana dispensary for two years from the date the individ-

20 ual is convicted.

21 “(c) An individual convicted more than once for the manufacture or de-

22 livery of a controlled substance in Schedule I or Schedule II may not own

23 or be responsible for a medical marijuana dispensary.

24 “(5) If a person submits the application required under subsection (2) of

25 this section, if the medical marijuana dispensary identified in the application

26 meets the requirements of this section and any rules adopted under this

27 section and if each individual named in the application passes the criminal

28 records check required under subsection (4) of this section, the [*authority*]

29 **commission** shall register the medical marijuana dispensary and issue proof

30 of registration. Proof of registration must be displayed on the premises of the

1 medical marijuana dispensary at all times.

2 “(6) A medical marijuana dispensary that is registered under this section
3 is not required to register with the State Board of Pharmacy under ORS
4 475.125.

5 “(7) The individual or individuals responsible for a medical marijuana
6 dispensary shall maintain documentation of each transfer of usable
7 marijuana, medical cannabinoid products, cannabinoid concentrates,
8 cannabinoid extracts, immature marijuana plants and seeds.

9 “(8) The [authority] **commission** may inspect:

10 “(a) The premises of a proposed medical marijuana dispensary or a regis-
11 tered medical marijuana dispensary to ensure compliance with this section
12 and ORS 475B.453 and any rules adopted under this section or ORS 475B.453;
13 and

14 “(b) The records of a registered medical marijuana dispensary to ensure
15 compliance with subsection (7) of this section.

16 “(9) Subject to the provisions of ORS chapter 183, the [authority] **com-**
17 **mission** may refuse to register an applicant under this section or may sus-
18 pend or revoke the registration of a medical marijuana dispensary if the
19 [authority] **commission** determines that the applicant, the owner of the
20 medical marijuana dispensary, a person responsible for the medical
21 marijuana dispensary, or an employee of the medical marijuana dispensary,
22 violated a provision of ORS 475B.400 to 475B.525, a rule adopted under ORS
23 475B.400 to 475B.525 or an ordinance adopted pursuant to ORS 475B.500.

24 “(10) The [authority] **commission** shall adopt rules to implement this
25 section, including rules that:

26 “(a) Require a registered medical marijuana dispensary to annually renew
27 the registration for that dispensary;

28 “(b) Establish fees for registering, and renewing the registration of, a
29 medical marijuana dispensary;

30 “(c) Require that each medical marijuana dispensary install and maintain

1 a minimum security system that includes video surveillance, an alarm system
2 and a safe;

3 “(d) Require that usable marijuana, medical cannabinoid products,
4 cannabinoid concentrates, cannabinoid extracts and immature marijuana
5 plants transferred by a medical marijuana dispensary be tested to ensure the
6 public health and safety; and

7 “(e) Impose any other standard on the operation of a medical marijuana
8 dispensary to ensure the public health and safety.

9 **“SECTION 29.** ORS 475B.453 is amended to read:

10 “475B.453. (1) The Oregon [*Health Authority*] **Cannabis Commission**
11 shall require by rule a medical marijuana dispensary to submit to the [*au-*
12 *thority*] **commission** for inclusion in the database developed and maintained
13 pursuant to ORS 475B.458 the following information:

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

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

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

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

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

24 “(2) The [*authority*] **commission** by rule may require a medical marijuana
25 dispensary to submit to the [*authority*] **commission** for inclusion in the da-
26 tabase developed and maintained pursuant to ORS 475B.458 information that
27 is in addition to the information described in subsection (1) of this section
28 as the [*authority*] **commission** considers necessary to fulfill the
29 [*authority’s*] **commission’s** duties under ORS 475B.450 (1). The [*authority*]
30 **commission** may not employ any method other than that described in this

1 section to obtain information from a medical marijuana dispensary.

2 **“SECTION 30.** ORS 475B.455 is amended to read:

3 “475B.455. If a school described in ORS 475B.450 (3)(d) that has not pre-
4 viously been attended by children is established within 1,000 feet of a med-
5 ical marijuana dispensary, the medical marijuana dispensary may remain at
6 its current location unless the Oregon [*Health Authority*] **Cannabis Com-
7 mission** revokes the registration of the medical marijuana dispensary.

8 **“SECTION 31.** ORS 475B.458 is amended to read:

9 “475B.458. (1) The Oregon [*Health Authority*] **Cannabis Commission**
10 shall develop and maintain a database of information related to the pro-
11 duction of marijuana by persons designated to produce marijuana by a reg-
12 istry identification cardholder, the processing of marijuana by a marijuana
13 processing site under ORS 475B.435 and the transfer of usable marijuana,
14 medical cannabinoid products, cannabinoid concentrates and cannabinoid
15 extracts by medical marijuana dispensaries under ORS 475B.450. At a mini-
16 mum, the database must include the information submitted to the
17 [*authority*] **commission** under ORS 475B.423, 475B.438 and 475B.453.

18 “(2)(a) Subject to paragraph (c) of this subsection, the [*authority*] **com-
19 mission** may provide information that is stored in the database developed
20 and maintained under this section to a law enforcement agency.

21 “(b) Subject to paragraph (c) of this subsection, the [*authority*] **commis-
22 sion** may provide information that is stored in the database developed and
23 maintaining under this section to the regulatory agencies of a city or county.

24 “(c) The [*authority*] **commission** may not disclose:

25 “(A) Any personally identifiable information related to a registry iden-
26 tification cardholder or a designated primary caregiver that is stored in the
27 database developed and maintained under this section.

28 “(B) Any information related to the amount and type of usable marijuana,
29 medical cannabinoid products, cannabinoid concentrates and cannabinoid
30 extracts transferred to or by persons designated to produce marijuana by a

1 registry identification cardholder, marijuana processing sites or medical
2 marijuana dispensaries.

3 “(3) Nothing in this section prevents a law enforcement agency from
4 lawfully obtaining information that is stored in the database developed and
5 maintained under this section by subpoena.

6 **“SECTION 32.** ORS 475B.460 is amended to read:

7 “475B.460. (1)(a) The Oregon [*Health Authority*] **Cannabis Commission**
8 shall establish and maintain a list of:

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

11 “(B) The names of persons designated as primary caregivers under ORS
12 475B.418; and

13 “(C) The addresses of marijuana grow sites registered under ORS
14 475B.420.

15 “(b) Except as provided in subsection (2) of this section, the list is confi-
16 dential and not subject to public disclosure under ORS 192.410 to 192.505.

17 “(c) The [*authority*] **commission** shall develop a system by which au-
18 thorized employees of state and local law enforcement agencies may verify
19 that:

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

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

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

24 “(2) Names, addresses and other identifying information from the list es-
25 tablished and maintained pursuant to subsection (1) of this section may be
26 released to:

27 “(a) Authorized employees of the [*authority*] **commission** as necessary to
28 perform official duties of the [*authority*] **commission**.

29 “(b) Authorized employees of state or local law enforcement agencies who
30 provide to the [*authority*] **commission** adequate identification, but only as

1 necessary to verify that:

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

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

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

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

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

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

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

13 “(4) In addition to releasing information to authorized employees of state
14 or local law enforcement agencies for purposes of verifying information un-
15 der subsection (2)(b) of this section, the [*authority*] **commission** may release
16 to authorized employees of state or local law enforcement agencies the min-
17 imum amount of information necessary to enable an employee to determine
18 whether an individual or location is in compliance with a provision of ORS
19 475B.400 to 475B.525 or a rule adopted under ORS 475B.400 to 475B.525.

20 “(5) If the [*authority*] **commission** determines, after conducting an in-
21 vestigation or receiving a complaint of an alleged violation of a provision
22 of ORS 475B.400 to 475B.525 or a rule adopted under ORS 475B.400 to
23 475B.525, that a violation of a provision of ORS 475B.400 to 475B.525 or a
24 rule adopted under ORS 475B.400 to 475B.525 has occurred, the [*authority*]
25 **commission** may provide information obtained by the [*authority*] **commis-**
26 **sion**, except for information related to a registry identification cardholder’s
27 debilitating **medical** condition, to authorized employees of state or local law
28 enforcement agencies, or to another state or local government agency with
29 jurisdiction over the matter.

30 “**SECTION 33.** ORS 475B.462 is amended to read:

1 “475B.462. (1) Any personally identifiable information, as defined in ORS
2 432.005, other than a name of an individual or an address submitted with an
3 application under ORS 475B.435 or 475B.450, that the Oregon [*Health Au-*
4 *thority*] **Cannabis Commission** collects and maintains for purposes of reg-
5 istering a marijuana grow site under ORS 475B.420, a marijuana processing
6 site under ORS 475B.435, or a medical marijuana dispensary under ORS
7 475B.450, is confidential and not subject to public disclosure under ORS
8 192.410 to 192.505, except that the [*authority*] **commission** may provide per-
9 sonally identifiable information to a person registered under ORS 475B.400
10 to 475B.525 if the registrant requests the information and the information is
11 related to a designation made under ORS 475B.400 to 475B.525.

12 “(2) Any personally identifiable information, as defined in ORS 432.005,
13 submitted to the [*authority*] **commission** under ORS 475B.423, 475B.438 or
14 475B.453 or pursuant to ORS 475B.458 is confidential and not subject to
15 public disclosure under ORS 192.410 to 192.505.

16 “(3) Any record that the [*authority*] **commission** keeps or maintains for
17 purposes related to the installation or maintenance of a security system by
18 a medical marijuana dispensary pursuant to rules adopted under ORS
19 475B.450 (10) is confidential and not subject to public disclosure under ORS
20 192.410 to 192.505.

21 **“SECTION 34.** ORS 475B.464 is amended to read:

22 “475B.464. Notwithstanding ORS 475B.462, if the Oregon [*Health Author-*
23 *ity*] **Cannabis Commission** suspends or revokes the registration of the
24 marijuana grow site of a person designated to produce marijuana by a reg-
25 istry identification cardholder, a marijuana processing site or a medical
26 marijuana dispensary, or otherwise takes disciplinary action against the
27 marijuana grow site of a person designated to produce marijuana by a reg-
28 istry identification cardholder, a marijuana processing site or a medical
29 marijuana dispensary, the [*authority*] **commission** shall provide that infor-
30 mation to a law enforcement agency.

1 **“SECTION 35.** ORS 475B.468 is amended to read:

2 “475B.468. (1) A person responsible for a marijuana processing site, or a
3 person responsible for a medical marijuana dispensary, may designate that
4 responsibility to another person.

5 “(2) If a designation is made under this section, the designee must submit
6 to the Oregon [*Health Authority*] **Cannabis Commission** proof that the
7 designee meets the requirements and restrictions set forth in:

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

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

10 “(3) The [*authority*] **commission** may prescribe the form and manner of
11 submitting proof under subsection (2) of this section.

12 **“SECTION 36.** ORS 475B.469 is amended to read:

13 “475B.469. (1) A person responsible for a marijuana processing site, or a
14 person responsible for a medical marijuana dispensary, may assign that re-
15 sponsibility to another person.

16 “(2) If an assignment is made under this section, the assignee must submit
17 to the Oregon [*Health Authority*] **Cannabis Commission** proof that the
18 assignee meets the requirements and restrictions set forth in:

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

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

21 “(3) The [*authority*] **commission** may prescribe the form and manner of
22 submitting proof under subsection (2) of this section.

23 **“SECTION 37.** ORS 475B.470 is amended to read:

24 “475B.470. (1) In the event that a marijuana processing site or a medical
25 marijuana dispensary is foreclosed or otherwise ceases operations as de-
26 scribed in ORS chapter 79, a secured party, as defined in ORS 79.0102, may
27 continue operations at the marijuana processing site or medical marijuana
28 dispensary upon submitting to the Oregon [*Health Authority*] **Cannabis**
29 **Commission** proof that the secured party or, if the secured party is a busi-
30 ness entity, any individual who has a financial interest in the secured party,

1 meets the requirements and restrictions set forth in:

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

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

4 “(2) The [*authority*] **commission** may prescribe the form and manner of
5 submitting proof under subsection (1) of this section.

6 “**SECTION 38.** ORS 475B.475 is amended to read:

7 “475B.475. Except as provided in ORS 475B.478, a person engaged in or
8 assisting in the medical use of marijuana is exempt from the criminal laws
9 of this state for possession, delivery or manufacture of marijuana, aiding and
10 abetting another in the possession, delivery or manufacture of marijuana, or
11 any other criminal offense in which possession, delivery or manufacture of
12 marijuana is an element if:

13 “(1) The person holds a registry identification card.

14 “(2) The person has applied for a registry identification card under ORS
15 475B.415 and the person has proof of written documentation described in ORS
16 475B.415 (2)(a) and proof of the date on which the person submitted the ap-
17 plication to the Oregon [*Health Authority*] **Cannabis Commission**. An ex-
18 emption under this subsection applies only until the [*authority*] **commission**
19 approves or denies the application.

20 “(3) The person is designated as a primary caregiver under ORS 475B.418.

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

23 “(5) The person owns, is responsible for, or is employed by, a marijuana
24 processing site.

25 “(6) The person owns, is responsible for, or is employed by, a medical
26 marijuana dispensary.

27 “**SECTION 39.** ORS 475B.490, as amended by section 20a, chapter 23,
28 Oregon Laws 2016, is amended to read:

29 “475B.490. (1) Registration under ORS 475B.400 to 475B.525 or possession
30 of proof of registration under ORS 475B.400 to 475B.525 does not constitute

1 probable cause to search the person or property of the registrant or other-
2 wise subject the person or property of the registrant to inspection by a
3 government agency. However, the Oregon [*Health Authority*] **Cannabis**
4 **Commission** may inspect the marijuana grow site of a person designated to
5 produce marijuana by a registry identification cardholder, a marijuana pro-
6 cessing site registered under ORS 475B.435, or a medical marijuana
7 dispensary registered under ORS 475B.450, at any reasonable time to deter-
8 mine whether the person responsible for the marijuana grow site, the person
9 responsible for the marijuana processing site, or the person responsible for
10 the medical marijuana dispensary, is in compliance with ORS 475B.400 to
11 475B.525 and rules adopted under ORS 475B.400 to 475B.525.

12 “(2) Any property interest possessed, owned or used in connection with
13 the medical use of marijuana or acts incidental to the medical use of
14 marijuana that has been seized by state or local law enforcement officers
15 may not be harmed, neglected, injured or destroyed while in the possession
16 of a law enforcement agency, except that a law enforcement agency has no
17 responsibility to maintain live marijuana plants lawfully seized. Such prop-
18 erty interest may not be forfeited under any provision of law providing for
19 the forfeiture of property, except pursuant to a sentence imposed after con-
20 viction of a criminal offense. Marijuana and equipment or paraphernalia
21 used to produce, process or administer marijuana that was seized by a law
22 enforcement officer shall be returned immediately if the district attorney in
23 whose county the property was seized, or the district attorney’s designee,
24 determines that the person from whom the marijuana, equipment or par-
25 aphernalia was seized is entitled to the protections provided by ORS 475B.400
26 to 475B.525. The determination may be evidenced by a decision not to pros-
27 ecute, the dismissal of charges or acquittal.

28 **“SECTION 40.** ORS 475B.495 is amended to read:

29 “475B.495. (1) In addition to any other liability or penalty provided by
30 law, the Oregon [*Health Authority*] **Cannabis Commission** may impose for

1 each violation of a provision of ORS 475B.400 to 475B.525, or for each vio-
2 lation of a rule adopted under a provision of ORS 475B.400 to 475B.525, a
3 civil penalty that does not exceed \$500 for each day that the violation occurs.

4 “(2) The [authority] **commission** shall impose civil penalties under this
5 section in the manner provided by ORS 183.745.

6 “(3) All moneys collected pursuant to this section shall be deposited in
7 the Oregon [Health Authority] **Cannabis Commission** Fund established un-
8 der ORS 413.101 and are continuously appropriated to the [authority] **com-**
9 **mission** for the purpose of carrying out the duties, functions and powers of
10 the [authority] **commission** under ORS 475B.400 to 475B.525.

11 **“SECTION 41.** ORS 475B.505 is amended to read:

12 “475B.505. Upon request the State Department of Agriculture and the
13 Oregon Liquor Control Commission, pursuant to an agreement or otherwise,
14 shall assist the Oregon [Health Authority] **Cannabis Commission** in imple-
15 menting and enforcing the provisions of ORS 475B.400 to 475B.525 and rules
16 adopted under the provisions of ORS 475B.400 to 475B.525.

17 **“SECTION 42.** ORS 475B.507 is amended to read:

18 “475B.507. The Oregon [Health Authority] **Cannabis Commission**, the
19 State Department of Agriculture and the Oregon Liquor Control Commission,
20 and the officers, employees and agents of the [authority] **Oregon Cannabis**
21 **Commission**, department and [commission] **Oregon Liquor Control Com-**
22 **mission**, are immune from any cause of action for the performance of, or the
23 failure to perform, duties required by ORS 475B.400 to 475B.525.

24 **“SECTION 43.** ORS 475B.510 is amended to read:

25 “475B.510. The Oregon [Health Authority] **Cannabis Commission**, the
26 State Department of Agriculture and the Oregon Liquor Control Commission
27 may possess, seize or dispose of marijuana, usable marijuana, medical
28 cannabinoid products, cannabinoid concentrates and cannabinoid extracts as
29 is necessary for the [authority] **Oregon Cannabis Commission** to ensure
30 compliance with and enforce the provisions of ORS 475B.400 to 475B.525 and

1 any rule adopted under ORS 475B.400 to 475B.525.

2 **“SECTION 44.** ORS 475B.517 is amended to read:

3 “475B.517. Any person may petition the Oregon [*Health Authority*]
4 **Cannabis Commission** to request that a disease or condition be included
5 among the diseases and conditions that qualify as debilitating medical con-
6 ditions under ORS 475B.400 to 475B.525. The [*authority*] **commission** shall
7 adopt rules establishing the procedure for filing a petition under this section
8 and the manner by which the [*authority*] **commission** evaluates a request
9 made under this section. Rules adopted under this section must require the
10 [*authority*] **commission** to approve or deny a petition within 180 days of
11 receiving the petition. Denial of a petition is a final agency action subject
12 to judicial review.

13 **“SECTION 45.** ORS 475B.525 is amended to read:

14 “475B.525. (1) The Oregon [*Health Authority*] **Cannabis Commission**
15 shall adopt rules necessary for the implementation, administration and
16 enforcement of ORS 475B.400 to 475B.525.

17 “(2) The [*authority*] **commission** may adopt rules as the [*authority*]
18 **commission** considers necessary to protect the public health and safety.

19 **“SECTION 46.** ORS 475B.555 is amended to read:

20 “475B.555. (1) As is necessary to protect the public health and safety, and
21 in consultation with the Oregon Liquor Control Commission and the State
22 Department of Agriculture, the Oregon Health Authority shall adopt rules:

23 “(a) Establishing standards for testing marijuana items.

24 “(b) Identifying appropriate tests for marijuana items, depending on the
25 type of marijuana item and the manner in which the marijuana item was
26 produced or processed, that are necessary to protect the public health and
27 safety, including, but not limited to, tests for:

28 “(A) Microbiological contaminants;

29 “(B) Pesticides;

30 “(C) Other contaminants;

1 “(D) Solvents or residual solvents; and

2 “(E) Tetrahydrocannabinol and cannabidiol concentration.

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

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

9 “(2) In addition to the testing requirements established under subsection
10 (1) of this section, the authority or the [*commission*] **Oregon Liquor Control**
11 **Commission** may require cannabinoid edibles to be tested in accordance
12 with any applicable law of this state, or any applicable rule adopted under
13 a law of this state, related to the production and processing of food products
14 or commodities.

15 “(3) In adopting rules under ORS 475B.400 to 475B.525, the [*authority*]
16 **Oregon Cannabis Commission** may require:

17 “(a) A person responsible for a marijuana grow site under ORS 475B.420
18 to test usable marijuana [*before transferring*] **at the time that the person**
19 **transfers** the usable marijuana to a registrant other than an individual who
20 holds a registry identification card under ORS 475B.415 **or to a person that**
21 **holds a license issued under ORS 475B.090, 475B.100 or 475B.110;** and

22 “(b) A person processing marijuana to test cannabinoid products or
23 cannabinoid concentrates or extracts before transferring the cannabinoid
24 products or cannabinoid concentrates or extracts to a registrant other than
25 an individual who holds a registry identification card under ORS 475B.415.

26 “(4) In adopting rules under ORS 475B.010 to 475B.395, the **Oregon Li-**
27 **quor Control Commission** may require:

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

1 “(b) A marijuana processor that holds a license under ORS 475B.090 or a
2 marijuana wholesaler that holds a license under ORS 475B.100 to test
3 cannabinoid products or cannabinoid concentrates or extracts before selling
4 or transferring the cannabinoid products or cannabinoid concentrates or ex-
5 tracts.

6 “(5) The [*authority*] **Oregon Cannabis Commission** and the
7 [*commission*] **Oregon Liquor Control Commission** may conduct random
8 testing of marijuana items for the purpose of determining whether a person
9 subject to testing under subsection (3) of this section or a licensee subject
10 to testing under subsection (4) of this section is in compliance with this
11 section.

12 “(6) In adopting rules to implement this section, the [*authority*] **Oregon**
13 **Cannabis Commission** and [*commission*] **Oregon Liquor Control Com-**
14 **mission** may not require a marijuana item to undergo the same test more
15 than once unless the marijuana item is processed into a different type of
16 marijuana item or the condition of the marijuana item has fundamentally
17 changed.

18 “(7) The testing of marijuana items as required by this section must be
19 conducted by a laboratory licensed by the **Oregon Liquor Control Com-**
20 **mission** under ORS 475B.560 and accredited by the authority under ORS
21 475B.565.

22 “(8) In adopting rules under subsection (1) of this section, the authority:

23 “(a) Shall consider the cost of a potential testing procedure and how that
24 cost will affect the cost to the ultimate consumer of the marijuana item; and

25 “(b) May not adopt rules that are more restrictive than is reasonably
26 necessary to protect the public health and safety.

27 **“SECTION 47.** ORS 475B.605 is amended to read:

28 “475B.605. (1) As is necessary to protect the public health and safety, and
29 in consultation with the Oregon Liquor Control Commission and the State
30 Department of Agriculture, the Oregon Health Authority shall adopt rules

1 establishing standards for the labeling of marijuana items, including but not
2 limited to:

3 “(a) Ensuring that usable marijuana, cannabinoid concentrates and ex-
4 tracts, cannabinoid edibles and other cannabinoid products have labeling
5 that communicates:

6 “(A) Health and safety warnings;

7 “(B) Activation time;

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

9 “(D) Potency;

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

13 “(F) Content of the marijuana item; and

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

17 “(2) In adopting rules under ORS 475B.400 to 475B.525, the [*authority*]
18 **Oregon Cannabis Commission** shall require all usable marijuana,
19 cannabinoid products and cannabinoid concentrates and extracts transferred
20 by a medical marijuana dispensary registered under ORS 475B.450 to be la-
21 beled in accordance with subsection (1) of this section and rules adopted
22 under subsection (1) of this section.

23 “(3) In adopting rules under ORS 475B.010 to 475B.395, the [*commission*]
24 **Oregon Liquor Control Commission** shall require all usable marijuana,
25 cannabinoid products and cannabinoid concentrates and extracts sold or
26 transferred by a marijuana retailer that holds a license under ORS 475B.110
27 to be labeled in accordance with subsection (1) of this section and rules
28 adopted under subsection (1) of this section.

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

30 “(a) May establish different labeling standards for different varieties of

1 usable marijuana and for different types of cannabinoid products and
2 cannabinoid concentrates and extracts;

3 “(b) May establish different minimum labeling standards for persons reg-
4 istered under ORS 475B.400 to 475B.525 and persons licensed under ORS
5 475B.010 to 475B.395;

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

8 “(d) May not adopt rules that are more restrictive than is reasonably
9 necessary to protect the public health and safety.

10 **“SECTION 48.** ORS 475B.610 is amended to read:

11 “475B.610. (1) As used in this section:

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

13 “(b) ‘Registrant’ means a person registered under ORS 475B.400 to
14 475B.525.

15 “(2) The Oregon Liquor Control Commission may by rule require a
16 licensee, and the Oregon [*Health Authority*] **Cannabis Commission** may by
17 rule require a registrant, to submit a label intended for use on a marijuana
18 item for preapproval by the [*commission*] **Oregon Liquor Control Com-**
19 **mission** before the licensee or registrant may sell or transfer a marijuana
20 item bearing the label. The [*commission*] **Oregon Liquor Control Commis-**
21 **sion** shall determine whether a label submitted under this section complies
22 with ORS 475B.605 and any rule adopted under ORS 475B.605.

23 “(3) The [*commission*] **Oregon Liquor Control Commission** may impose
24 a fee for submitting a label for preapproval under this section that is rea-
25 sonably calculated to not exceed the cost of administering this section.

26 **“SECTION 49.** ORS 475B.615 is amended to read:

27 “475B.615. (1) As is necessary to protect the public health and safety, and
28 in consultation with the Oregon Health Authority and the State Department
29 of Agriculture, the Oregon Liquor Control Commission shall adopt rules es-
30 tablishing standards for the packaging of marijuana items, including but not

1 limited to:

2 “(a) Ensuring that usable marijuana, cannabinoid concentrates and ex-
3 tracts, cannabinoid edibles and other cannabinoid products are:

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

5 “(B) Not marketed in a manner that:

6 “(i) Is untruthful or misleading;

7 “(ii) Is attractive to minors; or

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

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

12 “(2) In adopting rules under ORS 475B.400 to 475B.525, the [*authority*]
13 **Oregon Cannabis Commission** shall require all usable marijuana,
14 cannabinoid products and cannabinoid concentrates and extracts transferred
15 by a medical marijuana dispensary registered under ORS 475B.450 to be
16 packaged in accordance with subsection (1) of this section and rules adopted
17 under subsection (1) of this section.

18 “(3) In adopting rules under ORS 475B.010 to 475B.395, the [*commission*]
19 **Oregon Liquor Control Commission** shall require all usable marijuana,
20 cannabinoid products and cannabinoid concentrates and extracts sold or
21 transferred by a marijuana retailer that holds a license under ORS 475B.110
22 to be packaged in accordance with subsection (1) of this section and rules
23 adopted under subsection (1) of this section.

24 “(4) In adopting rules under subsection (1) of this section the
25 [*commission*] **Oregon Liquor Control Commission**:

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

29 “(b) May establish different minimum packaging standards for persons
30 registered under ORS 475B.400 to 475B.525 and persons licensed under ORS

1 475B.010 to 475B.395;

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

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

6 “(e) May not adopt rules that are more restrictive than is reasonably
7 necessary to protect the public health and safety.

8 **“SECTION 50.** ORS 475B.620 is amended to read:

9 “475B.620. (1) As used in this section:

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

11 “(b) ‘Registrant’ means a person registered under ORS 475B.400 to
12 475B.525.

13 “(2) The Oregon Liquor Control Commission may by rule require a
14 licensee, and the Oregon [*Health Authority*] **Cannabis Commission** may by
15 rule require a registrant, to submit packaging intended for a marijuana item
16 for preapproval by the [*commission*] **Oregon Liquor Control Commission**
17 before the licensee or registrant may sell or transfer a marijuana item
18 packaged in the packaging. The **Oregon Liquor Control** Commission shall
19 determine whether packaging submitted under this section complies with
20 ORS 475B.615 and any rule adopted under ORS 475B.615.

21 “(3) The [*commission*] **Oregon Liquor Control Commission** may impose
22 a fee for submitting packaging for preapproval under this section that is
23 reasonably calculated to not exceed the cost of administering this section.

24 **“SECTION 51.** ORS 475B.625, as amended by section 15, chapter 83,
25 Oregon Laws 2016, is amended to read:

26 “475B.625. (1) The Oregon Health Authority shall adopt rules establishing:

27 “(a) The maximum concentration of tetrahydrocannabinol that is permit-
28 ted in a single serving of a cannabinoid product or cannabinoid concentrate
29 or extract; and

30 “(b) The number of servings that are permitted in a cannabinoid product

1 or cannabinoid concentrate or extract package.

2 “(2)(a) In adopting rules under subsection (1)(a) of this section, the au-
3 thority shall prescribe the different levels of concentration of
4 tetrahydrocannabinol that is permitted in a single serving of a cannabinoid
5 product or cannabinoid concentrate or extract for:

6 “(A) Consumers who hold a valid registry identification card issued under
7 ORS 475B.415; and

8 “(B) Consumers who do not hold a valid registry identification card issued
9 under ORS 475B.415.

10 “(b) In prescribing the levels of concentration of tetrahydrocannabinol
11 that is permitted in a single serving of a cannabinoid product or cannabinoid
12 concentrate or extract for consumers who hold a valid registry identification
13 card issued under ORS 475B.415, the authority shall consider the appropriate
14 level of concentration necessary to mitigate the symptoms or effects of a
15 debilitating medical condition, as defined in ORS 475B.410.

16 “(3) In adopting rules under ORS 475B.400 to 475B.525, the [*authority*]
17 **Oregon Cannabis Commission** shall require all usable marijuana,
18 cannabinoid products and cannabinoid concentrates and extracts transferred
19 by a medical marijuana dispensary registered under ORS 475B.450 to meet
20 the concentration standards and packaging standards adopted by rule pur-
21 suant to this section.

22 “(4) In adopting rules under ORS 475B.010 to 475B.395, the Oregon Liquor
23 Control Commission shall require all usable marijuana, cannabinoid products
24 and cannabinoid concentrates and extracts sold or transferred by a
25 marijuana retailer that holds a license under ORS 475B.110 to meet the
26 concentration standards and packaging standards adopted by rule pursuant
27 to this section.

28 “**SECTION 52.** ORS 475B.640 is amended to read:

29 “475B.640. To ensure compliance with ORS 475B.600 to 475B.655 and any
30 rule adopted under ORS 475B.600 to 475B.655, the Oregon [*Health*

1 *Authority*] **Cannabis Commission** may inspect the premises of:

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

3 “(2) A person that processes marijuana to test cannabinoid products or
4 cannabinoid concentrates or extracts for the purpose of transferring the
5 cannabinoid products or cannabinoid concentrates or extracts to a medical
6 marijuana dispensary registered under ORS 475B.450.

7 **“SECTION 53.** ORS 475B.650 is amended to read:

8 “475B.650. Subject to the applicable provisions of ORS chapter 183, if a
9 person violates a provision of ORS 475B.600 to 475B.655 or a rule adopted
10 under a provision of ORS 475B.600 to 475B.655, the Oregon [*Health*
11 *Authority*] **Cannabis Commission** may:

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

13 “(2) Suspend activities conducted by a registrant pursuant to ORS
14 475B.400 to 475B.525; or

15 “(3) Remove a registrant from a registry kept pursuant to ORS 475B.400
16 to 475B.525.

17 **“SECTION 54.** ORS 475B.800, as amended by section 31, chapter 24,
18 Oregon Laws 2016, is amended to read:

19 “475B.800. (1) The governing body of a city or county may adopt ordi-
20 nances to be referred to the electors of the city or county as described in
21 subsection (2) of this section that prohibit or allow the establishment of any
22 one or more of the following in the area subject to the jurisdiction of the
23 city or in the unincorporated area subject to the jurisdiction of the county:

24 “(a) Marijuana processing sites registered under ORS 475B.435;

25 “(b) Medical marijuana dispensaries registered under ORS 475B.450;

26 “(c) Marijuana producers licensed under ORS 475B.070;

27 “(d) Marijuana processors licensed under ORS 475B.090;

28 “(e) Marijuana wholesalers licensed under ORS 475B.100;

29 “(f) Marijuana retailers licensed under ORS 475B.110; or

30 “(g) Any combination of the entities described in this subsection.

1 “(2) If the governing body of a city or county adopts an ordinance under
2 this section, the governing body shall submit the measure of the ordinance
3 to the electors of the city or county for approval at the next statewide gen-
4 eral election.

5 “(3) If the governing body of a city or county adopts an ordinance under
6 this section, the governing body must provide the text of the ordinance:

7 “(a) To the Oregon [*Health Authority*] **Cannabis Commission**, in a form
8 and manner prescribed by the [*authority*] **commission**, if the ordinance
9 concerns a medical marijuana dispensary registered under ORS 475B.450 or
10 a marijuana processing site registered under ORS 475B.435; or

11 “(b) To the Oregon Liquor Control Commission, if the ordinance concerns
12 a premises for which a license has been issued under ORS 475B.070, 475B.090,
13 475B.100 or 475B.110.

14 “(4)(a) Upon receiving notice of a prohibition under subsection (3) of this
15 section, the [*authority*] **Oregon Cannabis Commission** shall discontinue
16 registering those entities to which the prohibition applies until the date of
17 the next statewide general election.

18 “(b) Upon receiving notice of a prohibition under subsection (3) of this
19 section, the [*commission*] **Oregon Liquor Control Commission** shall dis-
20 continue licensing those premises to which the prohibition applies until the
21 date of the next statewide general election.

22 “(5)(a) If an allowance is approved at the next statewide general election
23 under subsection (2) of this section, and the allowance concerns an entity
24 described in subsection (1)(a) or (b) of this section, the [*authority*] **Oregon**
25 **Cannabis Commission** shall begin registering the entity to which the al-
26 lowance applies on the first business day of the January immediately fol-
27 lowing the date of the statewide general election.

28 “(b) If an allowance is approved at the next statewide general election
29 under subsection (2) of this section, and the allowance concerns an entity
30 described in subsection (1)(c) to (f) of this section, the [*commission*] **Oregon**

1 **Liquor Control Commission** shall begin licensing the premises to which
2 the allowance applies on the first business day of the January immediately
3 following the date of the next statewide general election.

4 “(6) Notwithstanding any other provisions of law, a city or county that
5 adopts an ordinance under this section that prohibits the establishment of
6 an entity described in subsection (1) of this section may not impose a tax
7 or fee on the production, processing or sale of marijuana or any product into
8 which marijuana has been incorporated.

9 “(7) Notwithstanding subsection (1) of this section, a medical marijuana
10 dispensary is not subject to an ordinance adopted under this section if the
11 medical marijuana dispensary:

12 “(a) Is registered under ORS 475B.450 on or before the date on which the
13 governing body adopts the ordinance; and

14 “(b) Has successfully completed a city or county land use application
15 process.

16 “(8) Notwithstanding subsection (1) of this section, a marijuana process-
17 ing site is not subject to an ordinance adopted under this section if the
18 marijuana processing site:

19 “(a) Is registered under ORS 475B.435 on or before the date on which the
20 governing body adopts the ordinance; and

21 “(b) Has successfully completed a city or county land use application
22 process.

23 **“SECTION 55.** Section 2, chapter 23, Oregon Laws 2016, is amended to
24 read:

25 **“Sec. 2.** The requirement under ORS 475B.063 to obtain a land use com-
26 patibility statement as a condition of receiving a license under ORS 475B.070
27 does not apply to an applicant if:

28 “(1) The applicant is applying for a license at an address where a
29 marijuana grow site registered under ORS 475B.420 is located;

30 “(2) The address is outside of city limits;

1 “(3) At least one person responsible for a marijuana grow site located at
2 the address first registered with the Oregon [*Health Authority*] **Cannabis**
3 **Commission** under ORS 475B.420 before January 1, 2015;

4 “(4) Each person responsible for a marijuana grow site located at the
5 address first registered with the Oregon [*Health Authority*] **Cannabis Com-**
6 **mission** under ORS 475B.420 before February 1, 2016; and

7 “(5) The applicant is applying for a mature marijuana plant grow canopy
8 of:

9 “(a) 5,000 square feet or less, if the marijuana is produced outdoors; or

10 “(b) 1,250 square feet or less, if the marijuana is produced indoors.

11 “**SECTION 56.** Section 13, chapter 23, Oregon Laws 2016, is amended to
12 read:

13 “**Sec. 13.** For the purpose of requesting a state or nationwide criminal
14 records check under ORS 181A.195, the Oregon [*Health Authority*] **Cannabis**
15 **Commission** may require the fingerprints of any individual listed on an
16 application submitted under ORS 475B.435. The powers conferred on the
17 [*authority*] **commission** under this section include the power to require the
18 fingerprints of:

19 “(1) If the applicant is a limited partnership, each partner of the limited
20 partnership;

21 “(2) If the applicant is a limited liability company, each member of the
22 limited liability company;

23 “(3) If the applicant is a corporation, each director and officer of the
24 corporation;

25 “(4) Any individual who holds a financial interest of 10 percent or more
26 in the person applying for the license; and

27 “(5) Any individual who is a partner, member, director or officer of a legal
28 entity with a financial interest in the person applying for the license.

29 “**SECTION 57.** Section 14, chapter 23, Oregon Laws 2016, is amended to
30 read:

1 “**Sec. 14.** For the purpose of requesting a state or nationwide criminal
2 records check under ORS 181A.195, the Oregon [*Health Authority*] **Cannabis**
3 **Commission** may require the fingerprints of any individual listed on an
4 application submitted under ORS 475B.450. The powers conferred on the
5 [*authority*] **commission** under this section include the power to require the
6 fingerprints of:

7 “(1) If the applicant is a limited partnership, each partner of the limited
8 partnership;

9 “(2) If the applicant is a limited liability company, each member of the
10 limited liability company;

11 “(3) If the applicant is a corporation, each director and officer of the
12 corporation;

13 “(4) Any individual who holds a financial interest of 10 percent or more
14 in the person applying for the license; and

15 “(5) Any individual who is a partner, member, director or officer of a legal
16 entity with a financial interest in the person applying for the license.

17 “**SECTION 58.** Section 20, chapter 23, Oregon Laws 2016, is amended to
18 read:

19 “**Sec. 20.** (1) Notwithstanding ORS 475B.423 (2), a person designated to
20 produce marijuana by a registry identification cardholder may delegate the
21 person’s duty to submit to the Oregon [*Health Authority*] **Cannabis Com-**
22 **mission** the information described in ORS 475B.423 to another person des-
23 igned to produce marijuana by a registry identification cardholder if the
24 marijuana grow sites for which the persons are required to submit the in-
25 formation are located at the same address.

26 “(2) A person to whom the duty described in subsection (1) of this section
27 is delegated must inform the authority of the delegation in a form and
28 manner prescribed by the authority.

29 “(3) In adopting rules prescribing the form and manner in which infor-
30 mation is submitted to the authority under ORS 475B.423, the authority shall

1 adopt rules that lessen the administrative burden on persons to whom the
2 duty described in subsection (1) of this section is delegated.

3 **SECTION 59.** Section 22, chapter 23, Oregon Laws, 2016, is amended to
4 read:

5 **“Sec. 22.** (1) In addition to the powers granted nonprofit corporations
6 under ORS 65.077 and 65.081, a medical marijuana dispensary that is owned
7 by a nonprofit corporation organized under ORS chapter 65 may receive by
8 gift, devise or bequest:

9 “(a) Usable marijuana, immature marijuana plants and seeds from registry
10 identification cardholders, designated primary caregivers, persons responsible
11 for marijuana grow sites, persons who hold a license under ORS 475B.070 and
12 persons who hold a certificate under ORS 475B.235; and

13 “(b) Medical cannabinoid products, cannabinoid concentrates and
14 cannabinoid extracts from persons responsible for marijuana processing sites,
15 persons who hold a license under ORS 475B.090 and persons who hold a
16 certificate under ORS 475B.235.

17 “(2) If a registry identification cardholder’s annual income is at or below
18 the federal poverty guidelines, a medical marijuana dispensary that is owned
19 by a nonprofit corporation organized under ORS chapter 65 shall dispense
20 usable marijuana, immature marijuana plants, seeds, medical cannabinoid
21 products, cannabinoid concentrates and cannabinoid extracts to that registry
22 identification cardholder or the designated primary caregiver of that registry
23 identification cardholder free of charge or at a discounted price.

24 “(3) The Oregon [*Health Authority*] **Cannabis Commission** shall adopt
25 rules necessary to implement this section.

26 **SECTION 60.** Section 25, chapter 24, Oregon Laws 2016, is amended to
27 read:

28 **“Sec. 25.** (1) The Oregon Liquor Control Commission shall adopt by rule
29 procedures by which:

30 “(a) A person responsible for a marijuana grow site registered under ORS

1 475B.420, or, if multiple persons responsible for a marijuana grow site reg-
2 istered under ORS 475B.420 are located at the same address, each person
3 responsible for a marijuana grow site located at the address, may apply for
4 a license under ORS 475B.070 to transition from being registered by the
5 Oregon [*Health Authority*] **Cannabis Commission** to being licensed by the
6 [*commission*] **Oregon Liquor Control Commission**;

7 “(b) A marijuana processing site registered under ORS 475B.435 may apply
8 for a license under ORS 475B.090 to transition from being registered by the
9 [*authority*] **Oregon Cannabis Commission** to being licensed by the [*com-*
10 *mission*] **Oregon Liquor Control Commission**; and

11 “(c) A medical marijuana dispensary registered under ORS 475B.450 may
12 apply for a license under ORS 475B.110 to transition from being registered
13 by the [*authority*] **Oregon Cannabis Commission** to being licensed by the
14 [*commission*] **Oregon Liquor Control Commission**.

15 “(2)(a) In adopting rules under this section, the [*commission*] **Oregon Li-**
16 **quor Control Commission** shall adopt, at a minimum, procedures by which
17 the inventory possessed by a person responsible for a marijuana grow site,
18 a marijuana processing site or a medical marijuana dispensary on the date
19 on which the person responsible for a marijuana grow site, the marijuana
20 processing site or the medical marijuana dispensary is first subject to
21 tracking by the [*commission*] **Oregon Liquor Control Commission** under
22 ORS 475B.150:

23 “(A) May be delivered to a premises for which a license has been issued
24 under ORS 475B.090, 475B.100 or 475B.110; or

25 “(B) May be sold to consumers by marijuana retailers that hold a license
26 under ORS 475B.110.

27 “(b) Procedures adopted under this subsection must require a person re-
28 sponsible for a marijuana grow site registered under ORS 475B.420, or, if
29 multiple persons responsible for a marijuana grow site registered under ORS
30 475B.420 are located at the same address, each person responsible for a

1 marijuana grow site located at the address, to return to an individual to
2 whom a registry identification card has been issued under ORS 475B.415, and
3 for whom the person or persons are producing marijuana, all the marijuana
4 and usable marijuana owned by the individual, except as otherwise allowed
5 under a personal agreement entered into under ORS 475B.425, at the time
6 that the person or the persons receive a license under ORS 475B.070.

7 **“SECTION 61.** Section 30, chapter 24, Oregon Laws 2016, is amended to
8 read:

9 **“Sec. 30.** (1) The governing body of a city or county may repeal an ordi-
10 nance that prohibits the establishment of any one or more of the following
11 in the area subject to the jurisdiction of the city or in the unincorporated
12 area subject to the jurisdiction of the county:

13 “(a) Marijuana processing sites registered under ORS 475B.435;

14 “(b) Medical marijuana dispensaries registered under ORS 475B.450;

15 “(c) Marijuana producers licensed under ORS 475B.070;

16 “(d) Marijuana processors licensed under ORS 475B.090;

17 “(e) Marijuana wholesalers licensed under ORS 475B.100;

18 “(f) Marijuana retailers licensed under ORS 475B.110; or

19 “(g) Any combination of the entities described in this subsection.

20 “(2) If the governing body of a city or county repeals an ordinance under
21 this section, the governing body must provide the text of the ordinance:

22 “(a) To the Oregon [*Health Authority*] **Cannabis Commission**, in a form
23 and manner prescribed by the [*authority*] **Oregon Cannabis Commission**,
24 if the ordinance concerns a medical marijuana dispensary registered under
25 ORS 475B.450 or a marijuana processing site registered under ORS 475B.435;
26 or

27 “(b) To the Oregon Liquor Control Commission, in a form and manner
28 prescribed by the [*commission*] **Oregon Liquor Control Commission**, if the
29 ordinance concerns a premises for which a license has been issued under
30 ORS 475B.070, 475B.090, 475B.100 or 475B.110.

1 **SECTION 62.** Section 33, chapter 24, Oregon Laws 2016, is amended to
2 read:

3 **Sec. 33.** (1) As used in this section, “designated primary caregiver,” “im-
4 mature marijuana plant,” “marijuana,” “medical cannabinoid product” and
5 “registry identification cardholder” have the meanings given those terms in
6 ORS 475B.410.

7 (2) A city or county may not adopt an ordinance, by referral or otherwise,
8 that prohibits or otherwise limits:

9 (a) The privileges described in ORS 475B.245; or

10 (b) The right of a registry identification cardholder and the designated
11 primary caregiver of a registry identification cardholder to:

12 (A) Possess the seeds of marijuana, immature marijuana plants or medical
13 cannabinoid products as described in ORS 475B.400 to 475B.525;

14 (B) Jointly possess up to six mature marijuana plants under ORS 475B.428
15 (1); or

16 (C) Jointly possess [*up to 24 ounces of usable marijuana*] **the amount of**
17 **usable marijuana allowed** under ORS 475B.430 (1).

18 **SECTION 63.** Section 9, chapter 71, Oregon Laws 2016, is amended to
19 read:

20 **Sec. 9.** (1) For purposes of this section, ‘consumption’ means to ingest,
21 inhale or topically apply to the skin or hair.

22 “(2) A laboratory licensed by the Oregon Liquor Control Commission un-
23 der ORS 475B.560 and accredited by the Oregon Health Authority pursuant
24 to ORS 475B.565 may test industrial hemp and industrial hemp commodities
25 and products produced or processed by a grower, handler or agricultural
26 hemp seed producer registered under ORS 571.305.

27 “(3) A handler registered under ORS 571.305 may not sell an industrial
28 hemp commodity or product that is intended for human consumption unless
29 the commodity or product is tested by a laboratory described in subsection
30 (2) of this section to ensure that the commodity or product meets the re-

1 quirements adopted by the Oregon Health Authority under ORS 475B.555
2 (1)(a) and (b) [and (2)] for testing marijuana items.

3 “(4) For purposes of this section, the State Department of Agriculture
4 shall adopt rules:

5 “(a) Establishing protocols for the testing of industrial hemp commodities
6 and products; and

7 “(b) Establishing procedures for determining batch sizes and for sampling
8 industrial hemp commodities and products.

9 “**SECTION 64.** Section 2, chapter 83, Oregon Laws 2016, is amended to
10 read:

11 “**Sec. 2.** (1) As used in this section, ‘designated primary caregiver,’
12 ‘marijuana processing site,’ ‘medical marijuana dispensary’ and ‘registry
13 identification cardholder’ have the meanings given those terms in ORS
14 475B.410.

15 “(2) To produce marijuana for medical purposes, a marijuana producer
16 that holds a license under ORS 475B.070 must register with the Oregon Li-
17 quor Control Commission under this section.

18 “(3) The [commission] **Oregon Liquor Control Commission** shall regis-
19 ter a marijuana producer for the purpose of producing marijuana for medical
20 purposes if the marijuana producer:

21 “(a) Holds a license under ORS 475B.070;

22 “(b) Meets any qualifications adopted by the [commission] **Oregon Liquor**
23 **Control Commission** by rule;

24 “(c) Applies to the [commission] **Oregon Liquor Control Commission**
25 in a form and manner prescribed by the [commission] **Oregon Liquor Con-**
26 **trol Commission**; and

27 “(d) Pays any fee adopted by the [commission] **Oregon Liquor Control**
28 **Commission** by rule.

29 “(4)(a) A marijuana producer registered under this section may produce
30 marijuana for a registry identification cardholder, and provide usable

1 marijuana to the registry identification cardholder or to the designated pri-
2 mary caregiver of the registry identification cardholder, if the marijuana
3 producer enters into an agreement with the registry identification cardholder
4 for whom the marijuana producer is producing the marijuana. An agreement
5 entered into under this subsection:

6 “(A) Must be submitted to the [*commission*] **Oregon Liquor Control**
7 **Commission** in a manner prescribed by the [*commission*] **Oregon Liquor**
8 **Control Commission**;

9 “(B) Except as provided in subparagraph (C) of this paragraph, may not
10 allow the marijuana producer to be compensated for producing the marijuana
11 or providing the usable marijuana;

12 “(C) May require a registry identification cardholder, or a designated
13 primary caregiver on behalf of a registry identification cardholder, to reim-
14 burse a marijuana producer for all costs associated with producing
15 marijuana for the registry identification cardholder or providing usable
16 marijuana to the registry identification cardholder or designated primary
17 caregiver;

18 “(D) May not allow the marijuana producer to produce for the registry
19 identification cardholder an amount of mature marijuana plants that exceeds
20 the amount that a registry identification cardholder and a designated pri-
21 mary caregiver may jointly possess under ORS 475B.428;

22 “(E) May not allow the marijuana producer to provide to the registry
23 identification cardholder an amount of usable marijuana that exceeds the
24 amount that a registry identification cardholder and a designated primary
25 caregiver may jointly possess under ORS 475B.430; and

26 “(F) May allow the marijuana producer to keep a portion of the usable
27 marijuana harvested from the marijuana produced for the registry identifi-
28 cation cardholder for the purposes of:

29 “(i) Providing usable marijuana to additional registry identification
30 cardholders or designated primary caregivers; and

1 “(ii) Transferring or selling usable marijuana to marijuana processing
2 sites or medical marijuana dispensaries.

3 “(c) Marijuana produced for a registry identification cardholder, and us-
4 able marijuana transferred or sold to a marijuana processing site or medical
5 marijuana dispensary, pursuant to an agreement entered into under this
6 subsection must be tracked by the system developed and maintained under
7 ORS 475B.150.

8 “(d)(A) Upon request by the **Oregon Liquor Control Commission**, the
9 Oregon [*Health Authority*] **Cannabis Commission** shall provide the **Oregon**
10 **Liquor Control Commission**, notwithstanding any laws relating to the
11 confidentiality of information under ORS 475B.460 and 475B.462, with the
12 registration information of:

13 “(i) A registry identification cardholder who enters into an agreement
14 under this subsection; or

15 “(ii) A registry identification cardholder, designated primary caregiver,
16 marijuana processing site or medical marijuana dispensary that receives us-
17 able marijuana pursuant to an agreement entered into under this subsection.

18 “(B) Registration information received by the [*commission*] **Oregon Li-**
19 **quor Control Commission** under this paragraph that is confidential and
20 not subject to public disclosure under ORS 475B.460 and 475B.462 remains
21 confidential and not subject to public disclosure after being provided to the
22 [*commission*] **Oregon Liquor Control Commission**.

23 “(e) Marijuana produced pursuant to an agreement entered into under
24 this subsection is not subject to rules restricting the size of mature
25 marijuana plant grow canopies adopted by the [*commission*] **Oregon Liquor**
26 **Control Commission** under ORS 475B.075.

27 “(5)(a) The [*commission*] **Oregon Liquor Control Commission** shall
28 adopt rules necessary to administer this section, including rules:

29 “(A) For the equitable conversion of a number of mature marijuana plants
30 to a size of mature marijuana plant grow canopy;

1 “(B) Limiting the amount of marijuana that may be produced under sec-
2 tion (4) of this section;

3 “(C) Limiting the amount of usable marijuana that may be provided,
4 transferred or sold under subsection (4)(a)(F) of this section;

5 “(D) Limiting the number of registry identification cardholders for whom
6 a marijuana producer registered under this section may produce marijuana;
7 and

8 “(E) Prohibiting a registry identification cardholder from entering into
9 more than one agreement with a marijuana producer registered under this
10 section.

11 “(b) The rules must provide that any fee adopted by the [*commission*]
12 **Oregon Liquor Control Commission** under subsection (3)(d) of this section
13 be in an amount reasonably calculated to not exceed, together with other
14 fees collected under ORS 475B.010 to 475B.395, the cost of administering ORS
15 475B.010 to 475B.395.

16 “**SECTION 65.** Section 6, chapter 83, Oregon Laws 2016, is amended to
17 read:

18 “**Sec. 6.** Notwithstanding the provisions of ORS 475B.400 to 475B.525,
19 rules adopted by the Oregon [*Health Authority*] **Cannabis Commission** un-
20 der ORS 475B.400 to 475B.525 must allow for the provision, transfer and sale
21 of usable marijuana as described in section 2, **chapter 83, Oregon Laws**
22 **2016** [*of this 2016 Act*].

23 “**SECTION 66.** Section 29, chapter 83, Oregon Laws, 2016, is amended to
24 read:

25 “**Sec. 29.** (1) Notwithstanding ORS 475B.450 (3)(d), a city or county may
26 adopt an ordinance allowing a medical marijuana dispensary to be located
27 within 500 feet of a public elementary or secondary school for which at-
28 tendance is compulsory under ORS 339.020, or a private or parochial ele-
29 mentary or secondary school teaching children as described in ORS 339.030
30 (1)(a), if the county or city determines that a physical or geographic barrier

1 capable of preventing children from traversing to the school separates the
2 medical marijuana dispensary from the school.

3 “(2) A city or county that adopts an ordinance under this section must
4 inform the Oregon [*Health Authority*] **Cannabis Commission**, in a form and
5 manner prescribed by the [*authority*] **commission**, of the content and effec-
6 tive date of the ordinance.

7 “**SECTION 67.** Section 4, chapter 97, Oregon Laws 2016, is amended to
8 read:

9 “**Sec. 4.** (1) Notwithstanding any law relating to the exemption of infor-
10 mation from public disclosure under ORS 475B.400 to 475B.525, upon the re-
11 quest of a financial institution, the Oregon [*Health Authority*] **Cannabis**
12 **Commission** shall provide to the financial institution the following infor-
13 mation:

14 “(a) Whether a person with whom the financial institution is doing busi-
15 ness is registered under ORS 475B.435 or 475B.450;

16 “(b) The name of any other business or individual affiliated with the
17 person;

18 “(c) A copy of the application, and any supporting documentation sub-
19 mitted with that application, for registration submitted by the person;

20 “(d) Data relating to the volume of product transferred by the person;

21 “(e) Whether the person is currently compliant with the provisions of
22 ORS 475B.400 to 475B.525, 475B.550 to 475B.590 and 475B.600 to 475B.655 and
23 rules adopted under ORS 475B.400 to 475B.525, 475B.550 to 475B.590 and
24 475B.600 to 475B.655;

25 “(f) Any past or pending violation by the person of a provision of ORS
26 475B.400 to 475B.525, 475B.550 to 475B.590 or 475B.600 to 475B.655 or a rule
27 adopted under ORS 475B.400 to 475B.525, 475B.550 to 475B.590 or 475B.600 to
28 475B.655; and

29 “(g) Any penalty imposed upon the person for violating a provision of
30 ORS 475B.400 to 475B.525, 475B.550 to 475B.590 or 475B.600 to 475B.655 or a

1 rule adopted under ORS 475B.400 to 475B.525, 475B.550 to 475B.590 or
2 475B.600 to 475B.655.

3 “(2) Upon receiving a request under subsection (1) of this section, the
4 [*authority*] **commission** shall provide the requesting financial institution
5 with the requested information.

6 “(3) The [*authority*] **commission** may charge a financial institution a
7 reasonable fee to cover the administrative costs of providing information
8 under this section.

9 **“SECTION 68.** ORS 475B.245, as amended by section 27, chapter 23,
10 Oregon Laws 2016, section 36, chapter 24, Oregon Laws 2016, and section 13,
11 chapter 83, Oregon Laws 2016, is amended to read:

12 “475B.245. ORS 475B.025, 475B.030, 475B.033, 475B.035, 475B.040, 475B.045,
13 475B.050, 475B.055, 475B.060, 475B.063, 475B.065, 475B.068, 475B.070, 475B.075,
14 475B.090, 475B.100, 475B.110, 475B.115, 475B.125, 475B.130, 475B.135, 475B.140,
15 475B.145, 475B.150, 475B.160, 475B.165, 475B.170, 475B.180, 475B.190, 475B.195,
16 475B.200, 475B.205, 475B.210, 475B.215, 475B.218, 475B.230, 475B.233, 475B.235,
17 475B.240, 475B.325, 475B.330, 475B.335, 475B.340, 475B.345, 475B.350, 475B.353,
18 475B.355, 475B.358, 475B.360, 475B.365, 475B.370 and 475B.373 and sections 2,
19 3, 4 and 5, chapter 83, Oregon Laws 2016, do not apply:

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

24 “(2) To the possession or storage of usable marijuana items at a household
25 by one or more persons 21 years of age or older, if the total amount of usable
26 marijuana at the household does not exceed eight ounces of usable marijuana
27 at any time.

28 “(3) To the making, processing, possession or storage of cannabinoid pro-
29 ducts at a household by one or more persons 21 years of age and older, if the
30 total amount of cannabinoid products at the household does not exceed 16

1 ounces in solid form at any time.

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

6 “(5) To the making, processing, possession or storage of cannabinoid
7 concentrates at a household by one or more persons 21 years of age or older,
8 if the total amount of cannabinoid concentrates at the household does not
9 exceed 16 ounces at any time.

10 “(6) To the possession of cannabinoid extracts at a household by one or
11 more persons 21 years of age or older, if the cannabinoid extracts were pur-
12 chased from a marijuana retailer that holds a license under ORS 475B.110,
13 or transferred by a medical marijuana dispensary registered by the Oregon
14 [*Health Authority*] **Cannabis Commission** under ORS 475B.450, and the
15 total amount of cannabinoid extracts at the household does not exceed one
16 ounce at any time.

17 “(7) To the delivery of not more than one ounce of usable marijuana at
18 a time by a person 21 years of age or older to another person 21 years of age
19 or older for noncommercial purposes.

20 “(8) To the delivery of not more than 16 ounces of cannabinoid products
21 in solid form at a time by a person 21 years of age or older to another person
22 21 years of age or older for noncommercial purposes.

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

26 “(10) To the delivery of not more than 16 ounces of cannabinoid concen-
27 trates at a time by a person 21 years of age or older to another person 21
28 years of age or older for noncommercial purposes.

29 **“SECTION 69.** Section 22, chapter 83, Oregon Laws 2016, is amended to
30 read:

1 “**Sec. 22.** (1) As used in this section:

2 “(a) ‘Marijuana’ has the meaning given that term in ORS 475B.015.

3 “(b) ‘Marijuana grow site’ has the meaning given that term in ORS
4 475B.410.

5 “(c) ‘Marijuana producer’ has the meaning given that term in ORS
6 475B.015.

7 “(d) ‘Premises’ has the meaning given that term in ORS 475B.015.

8 “(e) ‘Produce’ has the meaning given that term in ORS 475B.015.

9 “(f) ‘Registry identification cardholder’ has the meaning given that term
10 in ORS 475B.410.

11 “(2) For each person responsible for a marijuana grow site located at an
12 address, the amount of mature marijuana plants produced at that address on
13 [*the effective date of this 2016 Act*] **March 29, 2016**, may continue to be
14 produced at the address, regardless of whether the amount of mature
15 marijuana plants is in excess of the limits imposed under ORS 475B.428, if
16 an applicant for licensure under ORS 475B.070 files notice under subsection
17 (3) of this section and if:

18 “(a) A completed application has been filed with the Oregon Liquor Con-
19 trol Commission under ORS 475B.040 on or before April 1, 2016, to produce
20 marijuana on the premises that is located at the address, and the applicant
21 has paid in full the application fee adopted by the commission under ORS
22 475B.070; or

23 “(b) Under the circumstance that the commission discontinues licensing
24 the premises of marijuana producers pursuant to ORS 475B.800 (4)(b), a
25 completed application has been filed with the commission under ORS
26 475B.040 on or before April 1, 2016, to produce marijuana on the premises
27 that is located at the address, except for the requirement that a land use
28 compatibility statement be obtained as described in ORS 475B.063, and the
29 applicant has paid in full the application fee adopted by the commission
30 under ORS 475B.070.

1 “(3) To continue to produce mature marijuana plants in excess of the
2 limits imposed under ORS 475B.428 as described in subsection (2) of this
3 section, an applicant must file with the Oregon [*Health Authority*] **Cannabis**
4 **Commission**, in a form and manner prescribed by the authority, notice that
5 contains the following information:

6 “(a) The name and signature of each person responsible for a marijuana
7 grow site located at the address, attesting that each person responsible for
8 a marijuana grow site located at the address consents to the intent to hold
9 a license under ORS 475B.070;

10 “(b) The name of each registry identification cardholder for whom
11 marijuana is produced at the address;

12 “(c) Proof that the applicant has sent, by certified mail with return re-
13 ceipt requested to each registry identification cardholder for whom
14 marijuana is produced at the address, notice:

15 “(A) Of the registry identification cardholder’s possessory rights under
16 ORS 475B.420 (7); and

17 “(B) That the registry identification cardholder’s possessory rights under
18 ORS 475B.420 (7) terminate on the date that the applicant receives a license
19 under ORS 475B.070 to produce marijuana on the premises that is located
20 at the address; and

21 “(d) A statement that the applicant has filed a completed application with
22 the commission under ORS 475B.040, as described in subsection (2)(a) or (b)
23 of this section, to produce marijuana on the premises that is located at the
24 address.

25 “(4) On the date that an applicant receives a license under ORS 475B.070
26 to produce marijuana at an address, the possessory right to all seeds, imma-
27 ture marijuana plants, mature marijuana plants and usable marijuana in the
28 applicant’s possession transfer from each registry identification cardholder
29 for whom marijuana is being produced at the address to the applicant, pro-
30 vided that the applicant provides just compensation to any registry identifi-

1 cation cardholder who requests to be paid for the seeds, immature marijuana
2 plants, mature marijuana plants and usable marijuana being transferred from
3 the registry identification cardholder to the applicant. Provision of just
4 compensation as required by this subsection can be part of an agreement
5 entered into under section 2 (4), **chapter 83, Oregon Laws 2016** [*of this 2016*
6 *Act*].

7 “(5) Upon receiving notice under subsection (3) of this section, the au-
8 thority shall:

9 “(a) Forward the notice to the commission; and

10 “(b) Suspend issuing marijuana grow site registration cards under ORS
11 475B.420 to any proposed marijuana grow site that would be located at the
12 premises for which licensure is sought.

13 “(6) Upon receiving a notice from the authority under subsection (5) of
14 this section, the commission shall provide the authority with information
15 verifying that the applicant has met the conditions set forth in subsection
16 (2)(a) or (b) of this section.

17 “(7) The commission and the authority shall enter into an agreement for
18 the purpose of sharing information necessary to implement and administer
19 this section. As part of the agreement, the authority shall provide to the
20 commission, notwithstanding any laws relating to the confidentiality of in-
21 formation under ORS 475B.460 and 475B.462, the registration information of
22 a person responsible for a marijuana grow site, or of a registry identification
23 cardholder, whose name is submitted as part of the notice required by sub-
24 section (3) of this section. Information received by the commission under this
25 subsection that is confidential and not subject to public disclosure under
26 ORS 475B.460 and 475B.462 remains confidential and not subject to public
27 disclosure after being provided to the commission.

28 “**SECTION 70.** Section 26, chapter 83, Oregon Laws 2016, is amended to
29 read:

30 “**Sec. 26.** (1) For the persons responsible for each marijuana grow site

1 located at an address to continue to produce the number of mature marijuana
2 plants described in ORS 475B.428 (3)(b) or (4)(b), each person responsible for
3 a marijuana grow site located at the address shall send a notice to the
4 Oregon [*Health Authority*] **Cannabis Commission**, in a form and manner
5 prescribed by the authority, stating:

6 “(a) That the person responsible for the marijuana grow site was first
7 registered with the authority under ORS 475B.420 before January 1, 2015, to
8 produce mature marijuana plants at that address; and

9 “(b) The number of registry identification cardholders for whom the per-
10 son responsible for the marijuana grow site was producing mature marijuana
11 plants at that address on December 31, 2014.

12 “(2) The authority may use any means necessary to verify information
13 received by the authority under subsection (1) of this section.

14 “(3) Notwithstanding the limits imposed on the production of mature
15 marijuana plants in ORS 475B.428 (3), an amount of mature marijuana plants
16 in excess of 12 mature marijuana plants, not to exceed 24 mature marijuana
17 plants, may be produced at the address until the earlier of the following:

18 “(a) The date on which the authority makes a determination that the ad-
19 dress meets or does not meet the criteria for producing that amount of ma-
20 ture marijuana plants as set forth in subsection (5) of this section; or

21 “(b) May 1, 2016.

22 “(4) Notwithstanding the limits imposed on the production of mature
23 marijuana plants in ORS 475B.428 (4), an amount of mature marijuana plants
24 in excess of 48 mature marijuana plants, not to exceed 96 mature marijuana
25 plants, may be produced at the address until the earlier of the following:

26 “(a) The date on which the authority makes a determination that the ad-
27 dress meets or does not meet the criteria for producing that amount of ma-
28 ture marijuana plants as set forth in subsection (5) of this section; or

29 “(b) May 1, 2016.

30 “(5) A person responsible for a marijuana grow site who was not first

1 registered with the authority under ORS 475B.420 before January 1, 2015, and
2 who was not registered at a marijuana grow site on December 31, 2014, may
3 not be registered to produce mature marijuana plants in amounts set forth
4 in ORS 475B.428 (3)(b) or (4)(b).

5

6

“REPEAL

7

8 **“SECTION 71. ORS 475B.520 is repealed.**

9

10

“OPERATIVE DATES

11

12 **“SECTION 72. (1) Sections 2, 4 to 9 and 12 to 14a of this 2017 Act,**
13 **the amendments to statutes and session law by sections 15 to 70 of this**
14 **2017 Act and the repeal of ORS 475B.520 by section 71 of this 2017 Act**
15 **become operative on January 1, 2018.**

16 **“(2) The Governor, the Oregon Health Authority and the Oregon**
17 **Cannabis Commission may adopt rules and take any other actions be-**
18 **fore the operative date specified in subsection (1) of this section that**
19 **are necessary to enable the Governor, the Oregon Health Authority**
20 **or the Oregon Cannabis Commission to exercise, on or after the oper-**
21 **ative date specified in subsection (1) of this section, all of the duties,**
22 **functions and powers conferred on the Governor, the Oregon Health**
23 **Authority or the Oregon Cannabis Commission by sections 2, 4 to 9**
24 **and 12 to 14a of this 2017 Act, the amendments to statutes and session**
25 **law by sections 15 to 70 of this 2017 Act and the repeal of ORS 475B.520**
26 **by section 71 of this 2017 Act.**

27

28

“UNIT CAPTIONS

29

30 **“SECTION 73. The unit captions used in this 2017 Act are provided**

1 only for the convenience of the reader and do not become part of the
2 statutory law of this state or express any legislative intent in the
3 enactment of this 2017 Act.

4

5

“EMERGENCY CLAUSE

6

7 **“SECTION 74. This 2017 Act being necessary for the immediate**
8 **preservation of the public peace, health and safety, an emergency is**
9 **declared to exist, and this 2017 Act takes effect on its passage.”.**

10
