On page 1 of the printed bill, line 2, after “provisions;” delete the rest of the line and line 3 and insert “amending ORS 475B.139, 475B.630, 475B.813, 475B.831 and 475B.895 and section 5, chapter 613, Oregon Laws 2017; and declaring an emergency.”.

Delete lines 5 through 29 and delete pages 2 through 5 and insert:

“SECTION 1. ORS 475B.139 is amended to read:

“475B.139. (1) To process marijuana for medical purposes, a marijuana processor that holds a license issued under ORS 475B.090 must register with the Oregon Liquor Control Commission under this section.

“(2) The commission shall register a marijuana processor for the purpose of processing marijuana for medical purposes if the marijuana processor:

“(a) Holds a license issued under ORS 475B.090;

“(b) Meets any qualifications adopted by the commission by rule;

“(c) Applies to the commission in a form and manner prescribed by the commission; and

“(d) Pays any fee adopted by the commission by rule.

“(3) A marijuana processor registered under this section may:

“(a) Process marijuana and usable marijuana into medical grade cannabinoid products, cannabinoid concentrates and cannabinoid extracts; and

“(b) Notwithstanding ORS 475B.206, receive marijuana and usable
marijuana from, and for a fee process that marijuana and usable marijuana into cannabinoid products, cannabinoid concentrates and cannabinoid extracts for, a registry identification cardholder or the designated primary caregiver of a registry identification cardholder, provided that the cannabinoid products, cannabinoid concentrates and cannabinoid extracts meet the requirements of ORS 475B.550 to 475B.590 and the concentration standards adopted under ORS 475B.625.

“(4)(a) The commission shall adopt rules necessary to administer this section.

“(b) The rules must provide that any fee adopted by the commission under subsection (2)(d) of this section be in an amount reasonably calculated to not exceed, together with other fees collected under ORS 475B.010 to 475B.545, the cost of administering ORS 475B.010 to 475B.545.

“SECTION 2. ORS 475B.630 is amended to read:

“475B.630. (1) ORS 475B.600 to 475B.655 do not apply to:

“[(1)] (a) A person responsible for a marijuana grow site under ORS 475B.810 if the person is transferring usable marijuana or an immature marijuana plant, as defined in ORS 475B.015, to:

“[(a)] (A) A person who holds a registry identification card under ORS 475B.797 and who designated the person responsible for the marijuana grow site to grow marijuana for the person who holds a registry identification card; or

“[(b)] (B) A person who has been designated as the primary caregiver under ORS 475B.804 of a person who holds a registry identification card under ORS 475B.797, and who designated the person responsible for the marijuana grow site to grow marijuana for the person who holds a registry identification card; or

“[(2)] (b) A person who has been designated as the primary caregiver under ORS 475B.804 of a person who holds a registry identification card under ORS 475B.797 if the person is transferring a marijuana item to the
person who holds a registry identification card.

“(2) The labeling and packaging requirements and standards of ORS 475B.600 to 475B.655 do not apply to a marijuana processor registered under ORS 475B.139 when the marijuana processor receives marijuana and usable marijuana from, and for a fee processes that marijuana and usable marijuana into cannabinoid products, cannabinoid concentrates and cannabinoid extracts for, a registry identification cardholder or the designated primary caregiver of a registry identification cardholder.

“SECTION 3. ORS 475B.813 is amended to read:

“475B.813. (1) For purposes of ORS 475B.785 to 475B.949, [the following forms of evidence shall be sufficient to establish the address where a marijuana grow site is located:]

“[(a) A tax lot number;]

“[(b) An assessor’s map number with a map attached, showing the exact location of the marijuana grow site; or]

“[(c) The exact location of the marijuana grow site using one or more of the following:] if a marijuana grow site has a physical United States Postal Service address, an application filed for a marijuana grow site registration card under ORS 475B.810 must state the physical address. If the grow site does not have a physical United States Postal Service address, the application must state:

“(a) An assessor’s map number with a map showing the exact location of the grow site;

“(b) The name of the city or, if outside of a city, the name of the county in which the grow site is located;

“(c) The zip code for the location; and

“(d) One or more of the following for the location:

“(A) Longitude and latitude coordinates;

“(B) Township coordinates; [or]
“(C) Global positioning system coordinates[.]; or

“(D) The tax lot number.

“(2) For purposes of ORS 475B.810, the Oregon Health Authority shall accept the forms of evidence described in subsection (1) of this section for the purpose of establishing the address where a marijuana grow site is located.

“SECTION 4. ORS 475B.831 is amended to read:

“475B.831. (1)(a) A registry identification cardholder and the designated primary caregiver of the registry identification cardholder may jointly possess:

“(A) Six or fewer mature marijuana plants; and

“(B) Twelve or fewer immature marijuana plants.

“(b)(A) Unless an address is the marijuana grow site [of] where a person designated to produce marijuana by a registry identification cardholder is registered with the Oregon Health Authority under ORS 475B.810, the address where a registry identification cardholder or the primary caregiver of a registry identification cardholder produces marijuana may be used to produce not more than:

“(i) Six or fewer mature marijuana plants per registry identification cardholder, up to 12 mature marijuana plants; and

“(ii) Twelve or fewer immature marijuana plants per registry identification cardholder, up to 24 immature marijuana plants.

“(B) Except as provided in subparagraph (C) of this paragraph, an address that is subject to this paragraph may not be used to produce marijuana plants pursuant to ORS 475B.301.

“(C) Subject to subparagraph (D) of this paragraph, an address that is subject to this paragraph may be used to produce marijuana plants pursuant to ORS 475B.301 if a person other than a registry identification cardholder who is using the address to produce marijuana plants pursuant to ORS 475B.785 to 475B.949 resides at the address.
“(D) An address that is subject to this paragraph may not be used to produce more than 12 total mature marijuana plants.

“(2)(a) A person may be designated to produce marijuana under ORS 475B.810 by no more than [four] eight registry identification cardholders.

“[(b) A person who is designated to produce marijuana by a registry identification cardholder may produce no more than six mature marijuana plants and no more than 12 immature marijuana plants that are 24 inches or more in height for a registry identification cardholder who designates the person to produce marijuana.]

“(b) A person responsible for a marijuana grow site may produce for a registry identification cardholder who designates the person to produce marijuana no more than:

“(A) Six mature marijuana plants;

“(B) 24 immature marijuana plants that are 24 inches or more in height; and

“(C) The amount, established by the Oregon Health Authority by rule, of immature marijuana plants that are less than 24 inches in height.

“(3) If the address of a [person responsible for a marijuana grow site registered under ORS 475B.810 is located within city limits in an area zoned for residential use:

“(a) Except as provided in paragraph (b) of this subsection, no more than the following amounts of marijuana plants may be produced at the address:

“(A) 12 mature marijuana plants [and no more than];

“(B) [24] 48 immature marijuana plants that are 24 inches or more in height [may be produced at the address; or]; and

“(C) The amount, established by the authority by rule, of immature marijuana plants that are less than 24 inches in height; or

“(b) Subject to subsection (5) of this section, if each person responsible
for a marijuana grow site located at the address first registered with the
[Oregon Health] authority under ORS 475B.810 before January 1, 2015[:],
“(A) no more than the following amounts of marijuana plants may
be produced at the address:
“(A) The amount of mature marijuana plants located at that address on
December 31, 2014, in excess of 12 mature marijuana plants, not to exceed
24 mature marijuana plants[, may be produced at the address; and];
“(B) [No more than 48] 96 immature marijuana plants that are 24 inches
or more in height [may be produced at the address.]; and
“(C) The amount, established by the authority by rule, of immature
marijuana plants that are less than 24 inches in height.
“(4) If the address of a [person responsible for a] marijuana grow site
registered under ORS 475B.810 is located in an area other than an area de-
scribed in subsection (3) of this section:
“(a) Except as provided in paragraph (b) of this subsection, no more than
the following amounts of marijuana plants may be produced at the
address:
“(A) 48 mature marijuana plants [and no more than 96];
“(B) 192 immature marijuana plants that are 24 inches or more in height
[may be produced at the address; or]; and
“(C) The amount, established by the authority by rule, of immature
marijuana plants that are less than 24 inches in height; or
“(b) Subject to subsections (5) and (6) of this section, if each person re-
sponsible for a marijuana grow site located at the address first registered
with the authority under ORS 475B.810 before January 1, 2015[:],
“(A) no more than the following amounts of marijuana plants may
be produced at the address:
“(A) The amount of mature marijuana plants located at that address on
December 31, 2014, in excess of 48 mature marijuana plants, not to exceed
96 mature marijuana plants[, may be produced at the address; and];
“(B) [No more than 192] 384 immature marijuana plants that are 24 inches or more in height [may be produced at the address.]; and

“(C) The amount, established by the authority by rule, of immature marijuana plants that are less than 24 inches in height.

“(5) If the authority suspends or revokes the registration of a person responsible for a marijuana grow site that is located at an address described in subsection (3)(b) or (4)(b) of this section:

“(a) No more than 12 mature marijuana plants and no more than 24 immature marijuana plants that are 24 inches or more in height may be subsequently produced at any address described in subsection (3) of this section at which the person responsible for that marijuana grow site produces marijuana.

“(b) No more than 48 mature marijuana plants and no more than 96 immature marijuana plants that are 24 or more inches in height may be subsequently produced at any address described in Subsection (4) of this section at which the person responsible for that marijuana grow site produces marijuana.

“(5)(a) If the authority suspends or revokes the registration of a person responsible for a marijuana grow site that is located at an address described in subsection (3)(b) of this section, no more than the following amounts of marijuana plants may subsequently be produced at any address described in subsection (3) of this section at which the person responsible for the marijuana grow site produces marijuana:

“(A) 12 mature marijuana plants;

“(B) 48 immature marijuana plants that are 24 inches or more in height; and

“(C) The amount, established by the authority by rule, of immature marijuana plants that are less than 24 inches in height.

“(b) If the authority suspends or revokes the registration of a person responsible for a marijuana grow site that is located at an address
described in subsection (4)(b) of this section, no more than the following amounts of marijuana plants may subsequently be produced at any address described in subsection (4) of this section at which the person responsible for the marijuana grow site produces marijuana:

“(A) 48 mature marijuana plants;

“(B) 192 immature marijuana plants that are 24 inches or more in height; and

“(C) The amount, established by the authority by rule, of immature marijuana plants that are less than 24 inches in height.

“(6) If a registry identification cardholder who designated a person to produce marijuana for the registry identification cardholder pursuant to ORS 475B.810 terminates the designation, the person responsible for the marijuana grow site whose designation has been terminated may not be designated to produce marijuana by another registry identification cardholder, except that the person may be designated by another registry identification cardholder if no more than 48 mature marijuana plants and no more than [96] 192 immature marijuana plants that are 24 or more inches in height are produced at the address for the marijuana grow site at which the person produces marijuana.

“(7) Subject to the limits described in subsections (2) to (6) of this section, if multiple persons responsible for a marijuana grow site under ORS 475B.810 are located at the same address, the persons designated to produce marijuana by registry identification cardholders who are located at that address may collectively produce marijuana plants for any number of registry identification cardholders who designate the persons to produce marijuana.

“(8) If a law enforcement officer determines that there is a number of marijuana plants at an address in excess of the quantities specified in this section, or that an address is being used to produce a number of marijuana plants in excess of the quantities specified in subsection (1)(b) of this section, the law enforcement officer may confiscate only the excess number of
marijuana plants.

"SECTION 5. ORS 475B.895 is amended to read:

"475B.895. (1) The Oregon Health Authority shall enter into an agreement with the Oregon Liquor Control Commission under which the commission shall use the system developed and maintained under ORS 475B.177 to track:

(a) The propagation of immature marijuana plants and the production of marijuana by marijuana grow sites;
(b) The processing of marijuana into medical cannabinoid products, cannabinoid concentrates and cannabinoid extracts that are transferred to a medical marijuana dispensary;
(c) The transfer of usable marijuana, immature marijuana plants, medical cannabinoid products, cannabinoid concentrates and cannabinoid extracts by a marijuana grow site or a medical marijuana dispensary to a registry identification cardholder or the designated primary caregiver of a registry identification cardholder; and
(d) The transfer of usable marijuana, immature marijuana plants, medical cannabinoid products, cannabinoid concentrates and cannabinoid extracts between marijuana grow sites, marijuana processing sites and medical marijuana dispensaries.

(2) Marijuana grow sites, marijuana processing sites, medical marijuana dispensaries and any other person that processes marijuana into medical cannabinoid products and cannabinoid concentrates for the purpose of transferring the medical cannabinoid products and cannabinoid concentrates to a medical marijuana dispensary are subject to tracking under this section.

(3) On and after the date on which a marijuana grow site becomes subject to tracking under this section, the person is exempt from the requirements of ORS 475B.816 and the provisions of ORS 475B.810 that relate to ORS 475B.816.

(4) On and after the date on which a marijuana processing site becomes subject to tracking under this section, the marijuana processing site is ex-
empt from the requirements of ORS 475B.846 and the provisions of ORS 475B.840 that relate to ORS 475B.846.

“(5) On and after the date on which a medical marijuana dispensary becomes subject to tracking under this section, the medical marijuana dispensary is exempt from the requirements of ORS 475B.867 and the provisions of ORS 475B.858 that relate to ORS 475B.867.

“(6) The commission may conduct inspections and investigations of alleged violations of ORS 475B.785 to 475B.949 about which the commission obtains knowledge as a result of performing the commission’s duties under this section. Notwithstanding ORS 475B.299, the commission may use regulatory specialists, as defined in ORS 471.001, to conduct the inspections and investigations, including inspections and investigations of marijuana grow sites located at a primary residence.

“(7) Notwithstanding ORS 475B.759, before making any other distribution from the Oregon Marijuana Account established under ORS 475B.759, the Department of Revenue shall first distribute moneys quarterly from the account to the commission for deposit in the Marijuana Control and Regulation Fund established under ORS 475B.296 for purposes of paying administrative, inspection and investigatory costs incurred by the commission under this section, provided that the amount of distributed moneys does not exceed $1.25 million per quarter. For purposes of estimating the amount of moneys necessary to pay costs incurred under this section, the commission shall establish a formulary based on expected costs for each marijuana grow site, marijuana processing site or medical marijuana dispensary that is tracked under this section. The commission shall provide to the Department of Revenue and the Legislative Fiscal Officer before each quarter the estimated amount of moneys necessary to pay costs expected to be incurred under this section and the formulary.

“(8) When imposing a fee on a person responsible for a marijuana grow site, marijuana processing site or medical marijuana dispensary under ORS
475B.810, 475B.840 or 475B.858, the authority shall impose an additional fee that is reasonably calculated to pay costs incurred under this section other than costs paid pursuant to subsection (7) of this section. As part of the agreement entered into under subsection (1) of this section, the authority shall transfer fee moneys collected pursuant to this subsection to the commission for deposit in the Marijuana Control and Regulation Fund established under ORS 475B.296. Moneys collected pursuant to this subsection and deposited in the Marijuana Control and Regulation Fund are continuously appropriated to the commission for purposes of this section.

“(9) The authority and the commission may adopt rules as necessary to administer this section.

“(10) This section does not apply to a marijuana grow site located at an address where:

“(a) A registry identification cardholder produces marijuana and no more than 12 mature marijuana plants and 24 immature marijuana plants are produced [at the address.];

“(b) No more than two persons are registered under ORS 475B.810 to produce marijuana; or

“(c) The address is used to produce marijuana for no more than two registry identification cardholders.

“SECTION 6. Section 5, chapter 613, Oregon Laws 2017, is amended to read:

“Sec. 5. Section 4 [of this 2017 Act], chapter 613, Oregon Laws 2017, is repealed on [July 1] December 31, 2018.

“SECTION 7. (1) The amendments to ORS 475B.139 and 475B.630 by sections 1 and 2 of this 2018 Act apply to marijuana products transferred on or after the effective date of this 2018 Act.

“(2) The amendments to ORS 475B.813 by section 3 of this 2018 Act apply to applications submitted on or after the effective date of this 2018 Act.
“(3) The amendments to ORS 475B.831 by section 4 of this 2018 Act apply to marijuana plants produced on or after the effective date of this 2018 Act.


“(2) The Oregon Health Authority and the Oregon Liquor Control Commission may take any action before the operative date specified in subsection (1) of this section that is necessary for the authority or the commission to exercise, on and after the operative date specified in subsection (1) of this section, all of the duties, functions and powers conferred on the authority and the commission by the amendments to ORS 475B.895 by section 5 of this 2018 Act.

“SECTION 9. This 2018 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2018 Act takes effect on its passage.”.