Senate Bill 639

Sponsored by Senator FREDERICK

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure as introduced.

Provides for regulation by Oregon Liquor Control Commission of consumption and sale of marijuana items at temporary events, including licensure of premises on which temporary events are held. Creates local option for cities and counties.

Provides for regulation by commission of consumption and sale of marijuana items at cannabis lounges, including licensure of premises where cannabis lounges are located. Creates local option for cities and counties.

Allows for delivery of marijuana items to consumers at specified permanent and temporary residences.

Allows marijuana producers and marijuana processors to offer tours of licensed premises to members of public who are 21 years of age or older.

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

Relating to marijuana; creating new provisions; amending ORS 433.850, 475B.015, 475B.025, 475B.109, 475B.115, 475B.119, 475B.206, 475B.220, 475B.227, 475B.301, 475B.381, 475B.486, 475B.575, 475B.635, 475B.645, 475B.766, 475B.769 and 475B.968; and prescribing an effective date.

Be It Enacted by the People of the State of Oregon:

TEMPORARY EVENT LICENSES

SECTION 1. Sections 2 to 5 of this 2019 Act are added to and made a part of ORS 475B.010 to 475B.545.

SECTION 2. (1) The consumption and sale of marijuana items at a temporary event is subject to regulation by the Oregon Liquor Control Commission.

(2)(a) A person conducting a temporary event for the consumption of marijuana items must hold a temporary event license issued by the commission for the premises at which the temporary event is conducted.

(b) An applicant for a temporary event license under this section must:

(A) Apply for the license in the manner described in ORS 475B.040;

(B) Provide proof that the applicant is 21 years of age or older; and

(C) Submit a plan to the commission, in a form and manner prescribed by the commission, detailing how persons under 21 years of age will be prevented from gaining access to the premises at which the temporary event is to be conducted.

(c) The premises at which an applicant intends to conduct a temporary event may not be located:

(A) In an area that is zoned exclusively for residential use; or

(B) Within 1,000 feet of:

(i) A public elementary or secondary school for which attendance is compulsory under
ORS 339.020; or

(ii) A private or parochial elementary or secondary school, teaching children as described
in ORS 339.030 (1)(a).

(d) An applicant for a temporary event license under this section and the premises at
which the temporary event is to be conducted must meet the requirements of any rule
adopted by the commission under subsection (3) of this section.

(3) The commission shall adopt rules that:

(a) Establish application and licensure fees for a license issued under this section;

(b) Establish the maximum term of a license issued under this section;

(c) Prohibit licenses issued under this section from being continuously issued for a single
location;

(d) Require marijuana items sold on a premises for which a license has been issued under
this section to be sold by a marijuana retailer that holds a license issued under ORS 475B.105;

(e) Allow the consumption of marijuana items in designated areas of a premises for which
a license has been issued under this section;

(f) Require each enclosed portion of a premises for which a license has been issued under
this section where marijuana items are smoked, aerosolized or vaporized to have a venti-
lation system that:

(A) Exhausts smoke, aerosols and vapors from that portion of the premises; and

(B) Is designed and terminated in accordance with state building code standards for the
applicable occupancy classification; and

(g) Require a premises for which a license has been issued under this section to meet any
public health and safety standards and industry best practices established by the commission
by rule.

(4) The commission may not adopt rules that:

(a) Prohibit a person that holds a license issued under this section from adopting policies
that allow persons attending the temporary event to bring marijuana items into the tempo-
rary event; or

(b) Impose public health or safety standards on temporary events if those standards
serve no purpose other than deterring the consumption of marijuana items at a temporary
event.

(5) Fees adopted under subsection (3)(a) of this section:

(a) May not exceed, together with other fees collected under ORS 475B.010 to 475B.545,
the cost of administering ORS 475B.010 to 475B.545; and

(b) Shall be deposited in the Marijuana Control and Regulation Fund established under
ORS 475B.296.

CANNABIS LOUNGES

SECTION 3. (1) The consumption of marijuana items at a cannabis lounge is subject to
regulation by the Oregon Liquor Control Commission.

(2)(a) A person providing for the communal consumption of marijuana items at a public
or private club must hold a cannabis lounge license issued by the commission for the prem-
ises at which the consumption occurs.

(b) An applicant for a cannabis lounge license under this section must:
(A) Apply for the license in the manner described in ORS 475B.040; and
(B) Provide proof that the applicant is 21 years of age or older.
(c) The premises at which an applicant intends to operate a cannabis lounge may not be
located:
   (A) In an area that is zoned exclusively for residential use; or
   (B) Within 1,000 feet of:
      (i) A public elementary or secondary school for which attendance is compulsory under
ORS 339.020; or
      (ii) A private or parochial elementary or secondary school, teaching children as described
in ORS 339.030 (1)(a).
(d) An applicant for a cannabis lounge license under this section and the premises at
which the cannabis lounge is to be located must meet the requirements of any rule adopted
by the commission under subsection (3) of this section.
(3) The commission shall adopt rules that:
   (a) Require a person that holds a license issued under this section to renew the license
annually;
   (b) Establish application, licensure and renewal of licensure fees for a license issued un-
der this section;
   (c) Restrict the consumption of marijuana items to designated enclosed areas of a
premises for which a license has been issued under this section;
   (d) Prohibit the production, propagation and processing of marijuana items on a premises
for which a license has been issued under this section;
   (e) Require marijuana items sold on a premises for which a license has been issued under
this section to be sold by a marijuana retailer that holds a license issued under ORS 475B.105;
   (f) Require each portion of a premises for which a license has been issued under this
section where marijuana items are smoked, aerosolized or vaporized to have a ventilation
system that:
      (A) Exhausts smoke, aerosols and vapors from that portion of the premises; and
      (B) Is designed and terminated in accordance with state building code standards for the
applicable occupancy classification; and
   (g) Require a premises for which a license has been issued under this section to meet any
public health and safety standards and industry best practices established by the commission
by rule.
(4) The commission may not adopt rules that:
   (a) Prohibit a person that holds a license issued under this section from adopting policies
that allow patrons to bring marijuana items into a cannabis lounge operated by the person
for their own consumption;
   (b) Impose public health or safety standards on a cannabis lounge if those standards
serve no purpose other than deterring the consumption of marijuana items at the cannabis
lounge; or
   (c) Prohibit the colocation of a cannabis lounge and a marijuana retailer that holds a li-
cense issued under ORS 475B.105.
(5) Fees adopted under subsection (3)(b) of this section:
   (a) May not exceed, together with other fees collected under ORS 475B.010 to 475B.545,
the cost of administering ORS 475B.010 to 475B.545; and
(b) Shall be deposited in the Marijuana Control and Regulation Fund established under ORS 475B.296.

TEMPORARY LOCAL OPTION

SECTION 4. (1) The Oregon Liquor Control Commission may not issue a license under:
(a) Section 2 of this 2019 Act to an applicant applying for a license for a premises that is located within a city or unincorporated area of a county in which the governing body has not adopted an ordinance allowing the establishment of a temporary event under section 2 of this 2019 Act.
(b) Section 3 of this 2019 Act to an applicant applying for a license for a premises that is located within a city or unincorporated area of a county in which the governing body has not adopted an ordinance allowing the establishment of a cannabis lounge under section 3 of this 2019 Act.
(2) If the governing body of a city or county adopts an ordinance described in this section, the governing body must provide the text of the ordinance to the commission in a manner established by the commission.

TOURS

SECTION 5. (1) A marijuana producer that holds a license issued under ORS 475B.070 or a marijuana processor that holds a license issued under ORS 475B.090 may offer tours to the public of the premises for which the license has been issued.
(2) A tour may be offered only to persons who are 21 years of age or older.
(3) A marijuana producer that holds a license issued under ORS 475B.070 or a marijuana processor that holds a license issued under ORS 475B.090 that offers tours under this section may enter into a contract with a marijuana retailer that holds a license issued under ORS 475B.105 to allow the marijuana retailer to sell marijuana items during the tour on the premises of the marijuana producer or the marijuana processor offering the tour.
(4) The Oregon Liquor Control Commission may:
(a) Require a marijuana producer that holds a license issued under ORS 475B.070 or a marijuana processor that holds a license issued under ORS 475B.090 to submit to the commission, in a form and manner prescribed by the commission, a plan that details how the marijuana producer or marijuana processor will:
(A) Prevent persons who are under 21 years of age from entering the premises of the marijuana producer or marijuana processor during a tour; and
(B) Ensure the health and safety of persons taking a tour.
(b) Adopt rules as necessary to carry out the provisions of this section.

EXCEPTIONS TO PUBLIC USE RESTRICTIONS

SECTION 6. ORS 475B.381 is amended to read:
475B.381. (1) (a) Except as provided in paragraph (b) of this subsection, it is unlawful for any person to engage in the use of marijuana items in a public place.
(b) A person 21 years of age or older may engage in the use of marijuana items in des-
Ignated areas of a premises for which a license has been issued under section 2 or 3 of this 2019 Act.

(2) A violation of subsection (1)(a) of this section is a Class B violation.

SECTION 7. ORS 433.850 is amended to read:

433.850. (1) An employer:

(a) Shall provide for employees a place of employment that is free of all smoke, aerosols and vapors containing inhalants; and

(b) May not allow employees to smoke, aerosolize or vaporize inhalants at the place of employment.

SECTION 7. ORS 433.850 is amended to read:

433.850. (1) An employer:

(a) Shall provide for employees a place of employment that is free of all smoke, aerosols and vapors containing inhalants; and

(b) May not allow employees to smoke, aerosolize or vaporize inhalants at the place of employment.

(2) Notwithstanding subsection (1) of this section:

(a) The owner or person in charge of a hotel or motel may designate up to 25 percent of the sleeping rooms of the hotel or motel as rooms in which the smoking, aerosolizing or vaporizing of inhalants is permitted.

(b) Smoking of noncommercial tobacco products for ceremonial purposes is permitted in spaces designated for traditional ceremonies in accordance with the American Indian Religious Freedom Act, 42 U.S.C. 1996.

(c) The smoking of tobacco products is permitted in a smoke shop.

(d) The smoking of cigars is permitted in a cigar bar that generated on-site retail sales of cigars of at least $5,000 for the calendar year ending December 31, 2006.

(e) A performer may smoke or carry a lighted smoking instrument that does not contain tobacco or cannabis, and may aerosolize or vaporize a substance that does not contain nicotine or a cannabinoid, while performing in a scripted stage, motion picture or television production if:

(A) The production is produced by an organization whose primary purpose is producing scripted productions; and

(B) The act of smoking, aerosolizing or vaporizing is an integral part of the production.

(f) The medical use of marijuana is permitted in the place of employment of a licensee of a professional licensing board as described in ORS 475B.919.

(g) The smoking of marijuana and the aerosolizing or vaporizing of a substance that contains cannabinoids is allowed in designated areas of a premises for which a license has been issued under section 2 or 3 of this 2019 Act.

(3) An employer, except in those places described in subsection (2) of this section, shall post signs that provide notice of the provisions of ORS 433.835 to 433.875.

DELIVERY OF MARIJUANA ITEMS

SECTION 8, ORS 475B.206 is amended to read:

475B.206. (1) Except as provided in ORS 475B.136 and 475B.873, a marijuana producer that holds a license issued under ORS 475B.070, marijuana processor that holds a license issued under ORS 475B.090 or marijuana wholesaler that holds a license issued under ORS 475B.100 may deliver marijuana items only to or on a premises for which a license has been issued under ORS 475B.070, 475B.090, 475B.100 or 475B.105 or section 2 or 3 of this 2019 Act, or to a registry identification cardholder or designated primary caregiver as allowed under ORS 475B.010 to 475B.545.

(2) A licensee to which marijuana items may be delivered under subsection (1) of this section may receive marijuana items only from:

(a) A marijuana producer that holds a license issued under ORS 475B.070, marijuana processor
that holds a license issued under ORS 475B.090, marijuana wholesaler that holds a license issued
under ORS 475B.100 or marijuana retailer that holds a license issued under ORS 475B.105;
(b) A researcher of cannabis that holds a certificate issued under ORS 475B.286 and that
transfers limited amounts of marijuana, usable marijuana, cannabinoid products, cannabinoid con-
centrates and cannabinoid extracts in accordance with procedures adopted under ORS 475B.286
(c) A marijuana grow site registered under ORS 475B.810, marijuana processing site registered
under ORS 475B.840, or a medical marijuana dispensary registered under ORS 475B.858, acting in
accordance with procedures adopted by the Oregon Liquor Control Commission under ORS 475B.167.
(3)(a) Except as provided in sections 2, 3 and 5 of this 2019 Act, the sale of marijuana items
by a marijuana retailer that holds a license issued under ORS 475B.105 must be restricted to the
premises for which the license has been issued, but deliveries may be made by a marijuana retailer
to consumers pursuant to a bona fide order received at the premises prior to delivery.
(b) A delivery of marijuana items under this subsection may be made to a residence,
hotel, inn or other dwelling unit that is made available for short-term or transient occu-
pancy. The premises to which the delivery is made may be located in an area subject to the
jurisdiction of a city or county that prohibits the establishment of one or more entities de-
scribed in ORS 475B.968.
(c) A delivery may not be made to a dormitory or similar residence that is located on the
campus of a private or public institution of higher education.
(4) The commission may by order waive the requirements of subsections (1) and (2) of this sec-
tion to ensure compliance with ORS 475B.010 to 475B.545 or a rule adopted under ORS 475B.010 to
475B.545. An order issued under this subsection does not constitute a waiver of any other require-
ment of ORS 475B.010 to 475B.545 or any other rule adopted under ORS 475B.010 to 475B.545.

CONFORMING AMENDMENTS

SECTION 9, ORS 475B.015 is amended to read:
ORS 475B.015. As used in ORS 475B.010 to 475B.545:
(1) “Cannabinoid” means any of the chemical compounds that are the active constituents of
marijuana.
(2) “Cannabinoid concentrate” means a substance obtained by separating cannabinoids from
marijuana by:
(a) A mechanical extraction process;
(b) A chemical extraction process using a nonhydrocarbon-based solvent, such as water, vege-
table glycerin, vegetable oils, animal fats, isopropyl alcohol or ethanol;
(c) A chemical extraction process using carbon dioxide, provided that the process does not in-
volve the use of high heat or pressure; or
(d) Any other process identified by the Oregon Liquor Control Commission, in consultation with
the Oregon Health Authority, by rule.
(3) “Cannabinoid edible” means food or potable liquid into which a cannabinoid concentrate,
cannabinoid extract or dried marijuana leaves or flowers have been incorporated.
(4) “Cannabinoid extract” means a substance obtained by separating cannabinoids from
marijuana by:
(a) A chemical extraction process using a hydrocarbon-based solvent, such as butane, hexane

[6]
or propane;

(b) A chemical extraction process using carbon dioxide, if the process uses high heat or pressure;

(c) Any other process identified by the commission, in consultation with the authority, by rule.

(5)(a) “Cannabinoid product” means a cannabinoid edible and any other product intended for human consumption or use, including a product intended to be applied to the skin or hair, that contains cannabinoids or dried marijuana leaves or flowers.

(b) “Cannabinoid product” does not include:

(A) Usable marijuana by itself;

(B) A cannabinoid concentrate by itself;

(C) A cannabinoid extract by itself; or

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

(6) “Consumer” means a person who purchases, acquires, owns, holds or uses marijuana items other than for the purpose of resale.

(7) “Deliver” means the actual, constructive or attempted transfer from one person to another of a marijuana item, whether or not there is an agency relationship.

(8) “Designated primary caregiver” has the meaning given that term in ORS 475B.791.

(9)(a) “Financial consideration” means value that is given or received either directly or indirectly through sales, barter, trade, fees, charges, dues, contributions or donations.

(b) “Financial consideration” does not include marijuana, cannabinoid products or cannabinoid concentrates that are delivered within the scope of and in compliance with ORS 475B.301.

(10) “Homegrown” means grown by a person 21 years of age or older for noncommercial purposes.

(11) “Household” means a housing unit and any place in or around a housing unit at which the occupants of the housing unit are producing, processing, possessing or storing homegrown marijuana, cannabinoid products, cannabinoid concentrates or cannabinoid extracts.

(12) “Housing unit” means a house, an apartment or a mobile home, or a group of rooms or a single room that is occupied as separate living quarters, in which the occupants live and eat separately from any other persons in the building and that has direct access from the outside of the building or through a common hall.

(13) “Immature marijuana plant” means a marijuana plant that is not flowering.

(14) “Licensee” means a person that holds a license issued under ORS 475B.070, 475B.090, 475B.100 or 475B.105 or section 2 or 3 of this 2019 Act.

(15) “Licensee representative” means an owner, director, officer, manager, employee, agent or other representative of a licensee, to the extent that the person acts in a representative capacity.

(16)(a) “Manufacture” means producing, propagating, preparing, compounding, converting or processing a marijuana item, either directly or indirectly, by extracting from substances of natural origin.

(b) “Manufacture” includes any packaging or repackaging of a marijuana item or the labeling or relabeling of a container containing a marijuana item.

(17)(a) “Marijuana” means the plant Cannabis family Cannabaceae, any part of the plant Cannabis family Cannabaceae and marijuana seeds.

(b) “Marijuana” does not include industrial hemp, as defined in ORS 571.300.

(18) “Marijuana flowers” means the flowers of the plant genus Cannabis within the plant family Cannabaceae.
(19) “Marijuana items” means marijuana, cannabinoid products, cannabinoid concentrates and cannabinoid extracts.

(20) “Marijuana leaves” means the leaves of the plant genus Cannabis within the plant family Cannabaceae.

(21) “Marijuana processor” means a person that processes marijuana items in this state.

(22) “Marijuana producer” means a person that produces marijuana in this state.

(23) “Marijuana retailer” means a person that sells marijuana items to a consumer in this state.

(24)(a) “Marijuana seeds” means the seeds of the plant Cannabis family Cannabaceae.

(b) “Marijuana seeds” does not include the seeds of industrial hemp, as defined in ORS 571.300.

(25) “Marijuana wholesaler” means a person that purchases marijuana items in this state for resale to a person other than a consumer.

(26) “Mature marijuana plant” means a marijuana plant that is not an immature marijuana plant.

(27) “Medical grade cannabinoid product, cannabinoid concentrate or cannabinoid extract” means a cannabinoid product, cannabinoid concentrate or cannabinoid extract that has a concentration of tetrahydrocannabinol that is permitted under ORS 475B.625 in a single serving of the cannabinoid product, cannabinoid concentrate or cannabinoid extract for consumers who hold a valid registry identification card issued under ORS 475B.797.

(28) “Medical purpose” means a purpose related to using usable marijuana, cannabinoid products, cannabinoid concentrates or cannabinoid extracts to mitigate the symptoms or effects of a debilitating medical condition, as defined in ORS 475B.791.

(29) “Noncommercial” means not dependent or conditioned upon the provision or receipt of financial consideration.

(30)(a) “Premises” includes the following areas of a location licensed under ORS 475B.010 to 475B.545:

(A) All public and private enclosed areas at the location that are used in the business operated at the location, including offices, kitchens, rest rooms and storerooms;

(B) All areas outside a building that the commission has specifically licensed for the processing, wholesale sale or retail sale of marijuana items; and

(C) For a location that the commission has specifically licensed for the production of marijuana outside a building, that portion of the location used to produce marijuana.

(b) “Premises” does not include a primary residence.

(31)(a) “Processes” means the processing, compounding or conversion of marijuana into cannabinoid products, cannabinoid concentrates or cannabinoid extracts.

(b) “Processes” does not include packaging or labeling.

(32)(a) “Produces” means the manufacture, planting, cultivation, growing or harvesting of marijuana.

(b) “Produces” does not include:

(A) The drying of marijuana by a marijuana processor, if the marijuana processor is not otherwise producing marijuana; or

(B) The cultivation and growing of an immature marijuana plant by a marijuana processor, marijuana wholesaler or marijuana retailer if the marijuana processor, marijuana wholesaler or marijuana retailer purchased or otherwise received the plant from a licensed marijuana producer.

(33) “Propagate” means to grow immature marijuana plants or to breed or produce marijuana seeds.
“Public place” means a place to which the general public has access and includes, but is not limited to, hallways, lobbies and other parts of apartment houses and hotels not constituting rooms or apartments designed for actual residence, and highways, streets, schools, places of amusement, parks, playgrounds and areas used in connection with public passenger transportation.

“Registry identification cardholder” has the meaning given that term in ORS 475B.791.

(36)(a) “Usable marijuana” means the dried leaves and flowers of marijuana.

(b) “Usable marijuana” does not include:

(A) Marijuana seeds;

(B) The stalks and roots of marijuana; or

(C) Waste material that is a by-product of producing or processing marijuana.

SECTION 10. ORS 475B.025 is amended to read:

ORS 475B.025. (1) The Oregon Liquor Control Commission has the duties, functions and powers specified in ORS 475B.010 to 475B.545 and the powers necessary or proper to enable the commission to carry out the commission’s duties, functions and powers under ORS 475B.010 to 475B.545. The jurisdiction, supervision, duties, functions and powers of the commission extend to any person that produces, processes, transports, delivers, sells or purchases a marijuana item in this state. The commission may sue and be sued.

(2) The duties, functions and powers of the commission specified in ORS 475B.010 to 475B.545 include the following:

(a) To regulate the production, processing, transportation, delivery, sale and purchase of marijuana items in accordance with the provisions of ORS 475B.010 to 475B.545.

(b) To issue, renew, suspend, revoke or refuse to issue or renew licenses for the production, processing or sale of marijuana items, or other licenses related to the consumption of marijuana items, and to permit, in the commission’s discretion, the transfer of a license between persons.

(c) To adopt, amend or repeal rules as necessary to carry out the intent and provisions of ORS 475B.010 to 475B.545, including rules that the commission considers necessary to protect the public health and safety.

(d) To exercise all powers incidental, convenient or necessary to enable the commission to administer or carry out the provisions of ORS 475B.010 to 475B.545 or any other law of this state that charges the commission with a duty, function or power related to marijuana. Powers described in this paragraph include, but are not limited to:

(A) Issuing subpoenas;

(B) Compelling the attendance of witnesses;

(C) Administering oaths;

(D) Certifying official acts;

(E) Taking depositions as provided by law;

(F) Compelling the production of books, payrolls, accounts, papers, records, documents and testimony; and

(G) Establishing fees in addition to the application, licensing and renewal fees described in ORS 475B.070, 475B.090, 475B.100 and 475B.105 and sections 2 and 3 of this 2019 Act, provided that any fee established by the commission is reasonably calculated not to exceed the cost of the activity for which the fee is charged.

(e) To adopt rules regulating and prohibiting advertising marijuana items in a manner:

(A) That is appealing to minors;

(B) That promotes excessive use;
(C) That promotes illegal activity; or
(D) That otherwise presents a significant risk to public health and safety.
(f) To regulate the use of marijuana items for other purposes as deemed necessary or appropriate by the commission.
(3) Fees collected pursuant to subsection (2)(d)(G) of this section shall be deposited in the Marijuana Control and Regulation Fund established under ORS 475B.296.

SECTION 11. ORS 475B.109, as amended by section 11, chapter 103, Oregon Laws 2018, is amended to read:

475B.109. Notwithstanding ORS 475B.105 (2)(d) or section 2 or 3 of this 2019 Act, a marijuana retailer, a temporary event licensed under section 2 of this 2019 Act or a cannabis lounge licensed under section 3 of this 2019 Act may be located within 1,000 feet of a school if:
(1)(a) The marijuana retailer, temporary event or cannabis lounge is not located within 500 feet of:
(A) A public elementary or secondary school for which attendance is compulsory under ORS 339.020; or
(B) A private or parochial elementary or secondary school, teaching children as described in ORS 339.030 (1)(a); and
(b) The Oregon Liquor Control Commission determines that there is a physical or geographic barrier capable of preventing children from traversing to the premises of the marijuana retailer, temporary event or cannabis lounge; or
(2) The marijuana retailer was established before August 1, 2017, in accordance with a city or county ordinance adopted under section 29b, chapter 83, Oregon Laws 2016.

SECTION 12. ORS 475B.115 is amended to read:

475B.115. If a school described in ORS 475B.105 (2)(d) or section 2 or 3 of this 2019 Act that has not previously been attended by children is established within 1,000 feet of a premises for which a license has been issued under ORS 475B.105 or section 2 or 3 of this 2019 Act, the marijuana retailer, temporary event or cannabis lounge located at that premises may remain at that location unless the Oregon Liquor Control Commission revokes the license of the marijuana retailer, temporary event or cannabis lounge under ORS 475B.256.

SECTION 13. ORS 475B.119 is amended to read:

475B.119. (1) The Oregon Liquor Control Commission may adopt rules establishing the circumstances under which the commission may require a marijuana retailer that holds a license issued under ORS 475B.105 licensee to use an age verification scanner or any other equipment used to verify a person’s age for the purpose of ensuring that the marijuana retailer licensee does not:
(a) Sell marijuana items to a person under 21 years of age;
(b) Allow a person under 21 years of age to use marijuana items on the premises for which the licensee holds a license; or
(c) Allow a person under 21 years of age to enter the premises for which the licensee holds a license.
(2) Information obtained under this section may not be retained after verifying a person’s age and may not be used for any purpose other than verifying a person’s age.

SECTION 14. ORS 475B.227, as amended by section 21, chapter 103, Oregon Laws 2018, is amended to read:

475B.227. (1) For purposes of this section:
(a) “Export” includes placing a marijuana item in any mode of transportation for hire, such as
luggage, mail or parcel delivery, even if the transportation of the marijuana item is intercepted prior
to the marijuana item leaving this state.

(b) “Marijuana item” includes industrial hemp products and commodities that contain more than
0.3 percent tetrahydrocannabinol.

(2) A person may not import marijuana items into this state or export marijuana items from this
state.

(3) Except as provided in subsection (4) of this section, a violation of this section is a Class B
violation.

(4) A violation of this section is a:

(a) Class A misdemeanor, if the importation or exportation:

(A) Is not for consideration and the person [holds a license issued under ORS 475B.070, 475B.090,
475B.100 or 475B.105] is a licensee; or

(B) Concerns an amount of marijuana items that exceeds the applicable maximum amount spec-
ified in ORS 475B.337 (1)(a) to (f).

(b) Class C felony, if the importation or exportation:

(A) Is for consideration and the person [holds a license issued under ORS 475B.070, 475B.090,
475B.100 or 475B.105] is a licensee;

(B) Concerns an amount of marijuana items that exceeds 16 times the applicable maximum
amount specified in ORS 475B.337 (1)(a) to (f); or

(C) Concerns a cannabinoid extract that was not purchased from a marijuana retailer that holds
a license issued under ORS 475B.105.

SECTION 15. ORS 475B.301, as amended by section 21, chapter 116, Oregon Laws 2018, is
amended to read:

475B.301. ORS 475B.025, 475B.030, 475B.033, 475B.035, 475B.040, 475B.045, 475B.050, 475B.055,
475B.060, 475B.063, 475B.065, 475B.068, 475B.070, 475B.085, 475B.090, 475B.100, 475B.105, 475B.115,
475B.119, 475B.136, 475B.139, 475B.144, 475B.146, 475B.154, 475B.156, 475B.163, 475B.173, 475B.177,
475B.206, 475B.211, 475B.216, 475B.224, 475B.232, 475B.236, 475B.241, 475B.246, 475B.256, 475B.261,
475B.266, 475B.276, 475B.281, 475B.286, 475B.296, 475B.461, 475B.474, 475B.479, 475B.486, 475B.491,
475B.501, 475B.506, 475B.514, 475B.518, 475B.521, 475B.523, 475B.526 and 475B.529 and sections 2
and 3 of this 2019 Act do not apply:

(1) To the production or storage of homegrown plants in the genus Cannabis within the plant
family Cannabaceae that are otherwise subject to ORS 475B.010 to 475B.545 at a household by one
or more persons 21 years of age and older, if the total amount of homegrown plants at the household
does not exceed four plants at any time.

(2) To the possession or storage of usable marijuana items at a household by one or more per-
sons 21 years of age or older, if the total amount of usable marijuana at the household does not
exceed eight ounces of usable marijuana at any time.

(3) To the making, processing, possession or storage of cannabinoid products at a household by
one or more persons 21 years of age and older, if the total amount of cannabinoid products at the
household does not exceed 16 ounces in solid form at any time.

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

(6) To the possession of cannabinoid extracts at a household by one or more persons 21 years of age or older, if the cannabinoid extracts were purchased from a marijuana retailer that holds a license under ORS 475B.105, or transferred by a medical marijuana dispensary registered by the Oregon Health Authority under ORS 475B.858, and the total amount of cannabinoid extracts at the household does not exceed one ounce at any time.

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

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

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

(10) To the delivery of not more than 16 ounces of cannabinoid concentrates at a time by a person 21 years of age or older to another person 21 years of age or older for noncommercial purposes.

SECTION 16. ORS 475B.486 is amended to read:

475B.486. (1) For purposes of this section, “reasonable regulations” includes:

(a) Reasonable conditions on the manner in which a marijuana producer that holds a license issued under ORS 475B.070 may produce marijuana or in which a researcher of cannabis that holds a certificate issued under ORS 475B.286 may produce marijuana or propagate immature marijuana plants;

(b) Reasonable conditions on the manner in which a marijuana processor that holds a license issued under ORS 475B.090 may process marijuana or in which a researcher of cannabis that holds a certificate issued under ORS 475B.286 may process marijuana;

(c) Reasonable conditions on the manner in which a marijuana wholesaler that holds a license issued under ORS 475B.100 may sell marijuana at wholesale;

(d) Reasonable conditions on the manner in which a marijuana retailer that holds a license issued under ORS 475B.105 may sell marijuana items;

(e) Reasonable conditions on the manner in which a person that holds a license issued under section 2 or 3 of this 2019 Act may operate;

(f) Reasonable limitations on the hours during which a premises for which a license has been issued under ORS 475B.010 to 475B.545 may operate;

(g) Reasonable requirements related to the public’s access to a premises for which a license or certificate has been issued under ORS 475B.010 to 475B.545; and

(h) Reasonable limitations on where a premises for which a license or certificate may be issued under ORS 475B.010 to 475B.545 may be located.

(2) Notwithstanding ORS 30.935, 215.253 (1) or 633.738, the governing body of a city or county may adopt ordinances that impose reasonable regulations on the operation of businesses located at premises for which a license or certificate has been issued under ORS 475B.010 to 475B.545 if the premises are located in the area subject to the jurisdiction of the city or county, except that the governing body of a city or county may not:

(a) Adopt an ordinance that prohibits a premises for which a license has been issued under ORS 475B.105 or section 2 or 3 of this 2019 Act from being located within a distance that is greater
than 1,000 feet of another premises for which a license has been issued under ORS 475B.105 or section 2 or 3 of this 2019 Act.

(b) Impose a fee in excess of $500 for any process in which the governing body authorizes the establishment of a temporary event for which a license is required under section 2 of this 2019 Act.

(c) Impose a fee in excess of $1,000 for any process in which the governing body authorizes the establishment of a cannabis lounge for which a license is required under section 3 of this 2019 Act.

[(b)] (d) Adopt an ordinance that imposes a setback requirement for an agricultural building used to produce marijuana located on a premises for which a license has been issued under ORS 475B.070 if the agricultural building:

(A) Was constructed on or before July 1, 2015, in compliance with all applicable land use and building code requirements at the time of construction;

(B) Is located at an address where a marijuana grow site first registered with the Oregon Health Authority under ORS 475B.810 on or before January 1, 2015;

(C) Was used to produce marijuana pursuant to the provisions of ORS 475B.785 to 475B.949 on or before January 1, 2015; and

(D) Has four opaque walls and a roof.

SECTION 17. ORS 475B.575 is amended to read:

475B.575. Subject to the applicable provisions of ORS chapter 183, if an applicant or licensee violates a provision of ORS 475B.550 to 475B.590 or a rule adopted under a provision of ORS 475B.550 to 475B.590, the Oregon Liquor Control Commission may refuse to issue or renew, or may suspend or revoke, a license issued under ORS 475B.070, 475B.090, 475B.100 or 475B.105 or section 2 or 3 of this 2019 Act.

SECTION 18. ORS 475B.635 is amended to read:

475B.635. To ensure compliance with ORS 475B.600 to 475B.655 and any rule adopted under ORS 475B.600 to 475B.655, the Oregon Liquor Control Commission may inspect the premises of a person that holds a license under ORS 475B.070, 475B.090, 475B.100 or 475B.105 or section 2 or 3 of this 2019 Act.

SECTION 19. ORS 475B.645 is amended to read:

475B.645. Subject to the applicable provisions of ORS chapter 183, if the applicant or licensee violates a provision of ORS 475B.600 to 475B.655 or a rule adopted under a provision of ORS 475B.600 to 475B.655, the Oregon Liquor Control Commission may refuse to issue or renew, or may suspend or revoke, a license issued under ORS 475B.070, 475B.090, 475B.100 or 475B.105 or section 2 or 3 of this 2019 Act.

SECTION 20. ORS 475B.766 is amended to read:

475B.766. A financial institution that provides financial services customarily provided by financial institutions pursuant to powers granted by ORS 717.200 to 717.320, 717.900 and 717.905, the Bank Act or [by] ORS chapter 723 to the following [a marijuana processing site registered under ORS 475B.840, a medical marijuana dispensary registered under ORS 475B.858, a marijuana producer that holds a license under ORS 475B.070, a marijuana processor that holds a license under ORS 475B.090, a marijuana wholesaler that holds a license under ORS 475B.100, a marijuana retailer that holds a license under ORS 475B.105, a laboratory that holds a license under ORS 475B.560 or a person to whom a permit has been issued under ORS 475B.266] is exempt from any criminal law of this state an element of which may be proven by substantiating that a person provides financial services
customarily provided by financial institutions pursuant to powers granted by ORS 717.200 to 717.320, 717.900 and 717.905, the Bank Act or ORS chapter 723 to a person who possesses, delivers or manufactures marijuana or marijuana derived products:

1. A marijuana processing site registered under ORS 475B.840;
2. A medical marijuana dispensary registered under ORS 475B.858;
3. A marijuana producer that holds a license issued under ORS 475B.070;
4. A marijuana processor that holds a license issued under ORS 475B.090;
5. A marijuana wholesaler that holds a license issued under ORS 475B.100;
6. A marijuana retailer that holds a license issued under ORS 475B.105;
7. A laboratory that holds a license under ORS 475B.560;
8. A person to whom a permit has been issued under ORS 475B.266;
9. A person that holds a temporary event license issued under section 2 of this 2019 Act; or
10. A person that holds a cannabis lounge license issued under section 3 of this 2019 Act.

SECTION 21. ORS 475B.769 is amended to read:

ORS 475B.769. (1) Notwithstanding any law relating to the exemption of information from public disclosure under ORS 475B.010 to 475B.545 or 475B.550 to 475B.590, upon the request of a financial institution, the Oregon Liquor Control Commission shall provide to the financial institution the following information:

(a) Whether a person with whom the financial institution is doing business holds a license under ORS 475B.070, 475B.090, 475B.100, 475B.105 or 475B.560 or section 2 or 3 of this 2019 Act or a permit under ORS 475B.266;
(b) The name of any other business or individual affiliated with the person;
(c) A copy of the application, and any supporting documentation submitted with the application, for a license or a permit submitted by the person;
(d) If applicable, data relating to sales and the volume of product sold by the person;
(e) Whether the person is currently compliant with the provisions of ORS 475B.010 to 475B.545, 475B.550 to 475B.590 and 475B.600 to 475B.655 and rules adopted under ORS 475B.010 to 475B.545, 475B.550 to 475B.590 and 475B.600 to 475B.655;
(f) Any past or pending violation by the person of a provision of ORS 475B.010 to 475B.545, 475B.550 to 475B.590 or 475B.600 to 475B.655 or a rule adopted under ORS 475B.010 to 475B.545, 475B.550 to 475B.590 or 475B.600 to 475B.655; and
(g) Any penalty imposed upon the person for violating a provision of ORS 475B.010 to 475B.545, 475B.550 to 475B.590 or 475B.600 to 475B.655 or a rule adopted under ORS 475B.010 to 475B.545, 475B.550 to 475B.590 or 475B.600 to 475B.655.

(2) Upon receiving a request under subsection (1) of this section, the commission shall provide the requesting financial institution with the requested information.

(3) The commission may charge a financial institution a reasonable fee to cover the administrative costs of providing information under this section.

SECTION 22. ORS 475B.968 is amended to read:

ORS 475B.968. (1) The governing body of a city or county may adopt ordinances to be referred to the electors of the city or county as described in subsection (2) of this section that prohibit or allow the establishment of any one or more of the following in the area subject to the jurisdiction of the city or in the unincorporated area subject to the jurisdiction of the county:
(a) Marijuana processing sites registered under ORS 475B.840;
(b) Medical marijuana dispensaries registered under ORS 475B.858;
(c) Marijuana producers that hold a license issued under ORS 475B.070;
(d) Marijuana processors that hold a license issued under ORS 475B.090;
(e) Marijuana wholesalers that hold a license issued under ORS 475B.100;
(f) Marijuana retailers that hold a license issued under ORS 475B.105;
(g) Marijuana producers that hold a license issued under ORS 475B.070 and that the Oregon Liquor Control Commission has designated as an exclusively medical licensee under ORS 475B.122;
(h) Marijuana processors that hold a license issued under ORS 475B.090 and that the commission has designated as an exclusively medical licensee under ORS 475B.127;
(i) Marijuana wholesalers that hold a license issued under ORS 475B.100 and that the commission has designated as an exclusively medical licensee under ORS 475B.129;
(j) Marijuana retailers that hold a license issued under ORS 475B.105 and that the commission has designated as an exclusively medical licensee under ORS 475B.131; [or]
(k) Persons that hold a license issued under section 2 of this 2019 Act;
(L) Persons that hold a license issued under section 3 of this 2019 Act; or
[(kl)] (m) Any combination of the entities described in this subsection.

(2) If the governing body of a city or county adopts an ordinance under this section, the governing body shall submit the measure of the ordinance to the electors of the city or county for approval at the next statewide general election.

(3) If the governing body of a city or county adopts an ordinance under this section, the governing body must provide the text of the ordinance:
   (a) To the Oregon Health Authority, in a form and manner prescribed by the authority, if the ordinance concerns a medical marijuana dispensary registered under ORS 475B.858 or a marijuana processing site registered under ORS 475B.840; or
   (b) To the commission, if the ordinance concerns a premises for which a license has been issued under ORS 475B.010 to 475B.545.

(4)(a) Upon receiving notice of a prohibition under subsection (3) of this section, the authority shall discontinue registering those entities to which the prohibition applies until the date of the next statewide general election.
   (b) Upon receiving notice of a prohibition under subsection (3) of this section, the commission shall discontinue licensing those premises to which the prohibition applies until the date of the next statewide general election.

(5)(a) If an allowance is approved at the next statewide general election under subsection (2) of this section, and the allowance concerns an entity described in subsection (1)(a) or (b) of this section, the authority shall begin registering the entity to which the allowance applies on the first business day of the January immediately following the date of the statewide general election.
   (b) If an allowance is approved at the next statewide general election under subsection (2) of this section, and the allowance concerns an entity described in subsection (1)(c) to [(ji)] (L) of this section, the commission shall begin licensing the premises to which the allowance applies on the first business day of the January immediately following the date of the next statewide general election.

(6) If the electors of a city or county approve an ordinance prohibiting or allowing an establishment described in subsection (1)(a), (b) or (g) to [(ji)] (L) of this section, the governing body of the city or county may amend the ordinance, without referring the amendment to the electors of the
city or county, to prohibit or allow any other establishment described in subsection (1)(a), (b) or (g) to [(j)] (L) of this section.

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

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

(a) Is registered under ORS 475B.858 on or before the date on which the governing body adopts the ordinance; and

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

(9) Notwithstanding subsection (1) of this section, a marijuana processing site is not subject to an ordinance adopted under this section if the marijuana processing site:

(a) Is registered under ORS 475B.840 on or before the date on which the governing body adopts the ordinance; and

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

SECTION 23. ORS 475B.220 is amended to read:

475B.220. (1) As used in this section, “information that may be used to identify a consumer” means information that may be acquired through the production of a piece of identification as described in ORS 475B.216, whether the information is contained in a piece of identification described in ORS 475B.216 or in a different document or record.

(2) A consumer may not be required to procure for the purpose of acquiring or purchasing a marijuana item a piece of identification other than:

(a) A piece of identification described in ORS 475B.216; and

(b) If the consumer is a registry identification cardholder, as defined in ORS 475B.791, a registry identification card, as defined in ORS 475B.791.

(3) A marijuana retailer may not record and retain any information that may be used to identify a consumer, except as necessary to make deliveries to consumers pursuant to ORS 475B.206 (3), as required by any rules adopted under ORS 475B.206 (3).

(4) A marijuana retailer may not transfer any information that may be used to identify a consumer to any other person.

(5)(a) Notwithstanding subsection (3) of this section, a marijuana retailer may record and retain the name and contact information of a consumer for the purpose of notifying the consumer of services that the marijuana retailer provides or of discounts, coupons and other marketing information if:

(A) The marijuana retailer asks the consumer whether the marijuana retailer may record and retain the information; and

(B) The consumer consents to the recording and retention of the information.

(b) This subsection does not authorize a marijuana retailer to transfer information that may be used to identify a consumer.

(6) This section does not apply to deidentified information the documentation and transfer of which is required by the Department of Revenue for purposes of ORS 475B.707.

CAPTIONS
SECTION 24. The unit captions used in this 2019 Act are provided only for the convenience of the reader and do not become part of the statutory law of this state or express any legislative intent in the enactment of this 2019 Act.

OPERATIVE AND EFFECTIVE DATES


(2) The Oregon Liquor Control Commission may take any action before the operative date specified in subsection (1) of this section that is necessary to enable 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 commission by sections 2 to 5 of this 2019 Act and the amendments to ORS 433.850, 475B.015, 475B.025, 475B.109, 475B.115, 475B.119, 475B.206, 475B.220, 475B.227, 475B.301, 475B.381, 475B.486, 475B.575, 475B.635, 475B.645, 475B.766, 475B.769 and 475B.968 by sections 6 to 23 of this 2019 Act.

SECTION 26. This 2019 Act takes effect on the 91st day after the date on which the 2019 regular session of the Eightieth Legislative Assembly adjourns sine die.