

Senate Bill 964

Sponsored by Senators BURDICK, KRUSE

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**.

Makes changes to Oregon Medical Marijuana Act, including limiting amount of plants that may be grown at addresses where marijuana grow sites are located and requiring registration of marijuana processing sites. Becomes operative March 1, 2016.

Provides for testing of all marijuana items in this state and requires laboratories that conduct testing to be licensed by Oregon Health Authority. Becomes operative March 1, 2016.

Imposes requirements for labeling and packaging of all marijuana items in this state. Becomes operative March 1, 2016.

Allows cities and counties to adopt ordinances prohibiting establishment of marijuana processing sites and medical marijuana dispensaries in jurisdiction of city or county. Provides initiative process by which people of city or county may vote on question of whether marijuana processing sites and medical marijuana dispensaries should be allowed in jurisdiction of city or county.

Declares emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to marijuana; creating new provisions; amending ORS 181.534, 181.537, 475.300, 475.302,
3 475.303, 475.304, 475.306, 475.309, 475.312, 475.314, 475.316, 475.319, 475.320, 475.323, 475.326,
4 475.328, 475.331, 475.334, 475.338, 475.340 and 475.342 and section 2, chapter 79, Oregon Laws
5 2014, and section 5, chapter 1, Oregon Laws 2015; repealing ORS 475.324; and declaring an
6 emergency.

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

OREGON MEDICAL MARIJUANA ACT

(Definitions)

11
12 **SECTION 1.** ORS 475.302 is amended to read:

13 475.302. As used in ORS 475.300 to 475.346:

14 (1) "Attending physician" means a physician licensed under ORS chapter 677 who has primary
15 responsibility for the care and treatment of a person diagnosed with a debilitating medical condition.

16 [(2) "Authority" means the Oregon Health Authority.]

17 (2) "Cannabinoid" means any of the chemical compounds that are the active constituents
18 of marijuana.

19 (3) "Cannabinoid concentrate" means a substance obtained by separating cannabinoids
20 from marijuana by:

21 (a) A mechanical extraction process;

22 (b) A chemical extraction process using a nonhydrocarbon-based solvent, such as vege-
23 table glycerin, vegetable oils, animal fats, isopropyl alcohol or ethanol;

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

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.

1 (d) Any other process identified by the Oregon Health Authority, in consultation with the
 2 Oregon Liquor Control Commission, by rule.

3 (4) “Cannabinoid edible” means food or potable liquid into which a cannabinoid concen-
 4 trate, cannabinoid extract or dried leaves or flowers of marijuana have been incorporated.

5 (5) “Cannabinoid extract” means a substance obtained by separating cannabinoids from
 6 marijuana by:

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

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

11 (c) Any other process identified by the Oregon Health Authority, in consultation with the
 12 Oregon Liquor Control Commission, by rule.

13 [(3)] (6) “Debilitating medical condition” means:

14 (a) Cancer, glaucoma, agitation incident to Alzheimer’s disease, positive status for human
 15 immunodeficiency virus or acquired immune deficiency syndrome, or a side effect related to the
 16 treatment of *[these]* **those** medical conditions;

17 (b) A medical condition or treatment for a medical condition that produces, for a specific pa-
 18 tient, one or more of the following:

19 (A) Cachexia;

20 (B) Severe pain;

21 (C) Severe nausea;

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

23 (E) Persistent muscle spasms, including spasms caused by multiple sclerosis;

24 (c) Post-traumatic stress disorder; or
 25 (d) Any other medical condition or side effect related to the treatment of a medical condition
 26 adopted by the **Oregon Health** Authority by rule or approved by the authority pursuant to a peti-
 27 tion *[submitted]* **filed** under ORS 475.334.

28 [(4)(a)] (7)(a) “Delivery” has the meaning given that term in ORS 475.005.

29 (b) “Delivery” does not include transfer of[:]

30 [(A)] marijuana by a registry identification cardholder to another registry identification
 31 cardholder if no consideration is paid for the transfer[;].

32 [(B) Usable marijuana or immature marijuana plants from a registry identification cardholder, the
 33 designated primary caregiver of a registry identification cardholder or a marijuana grow site to a
 34 medical marijuana facility registered under ORS 475.314; or]

35 [(C) Usable marijuana or immature marijuana plants from a medical marijuana facility registered
 36 under ORS 475.314 to a registry identification cardholder or the designated primary caregiver of a
 37 registry identification cardholder.]

38 [(5)] (8)(a) “Designated primary caregiver” means an individual:

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

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

42 (C) Who is designated as *[such on that]* **the person responsible for managing the well-being**
 43 **of a person who has been diagnosed with a debilitating medical condition on that person’s**
 44 application for a registry identification card or in other written notification **submitted** to the au-
 45 thority.

1 (b) “Designated primary caregiver” does not include *[the]* a person’s attending physician.

2 [(6) “*Marijuana*” has the meaning given that term in ORS 475.005.]

3 (9) “High heat” means a temperature exceeding 180 degrees.

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

5 (11)(a) “*Marijuana*” means the plant Cannabis family Cannabaceae, any part of the plant
6 Cannabis family Cannabaceae and the seeds of the plant Cannabis family Cannabaceae.

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

8 [(7)] (12) “*Marijuana grow site*” means a location registered under ORS 475.304 where marijuana
9 is produced for use by a registry identification cardholder.

10 (13) “*Marijuana processing site*” means a marijuana processing site registered under
11 section 10 of this 2015 Act or a site for which an applicant has submitted an application for
12 registration under section 10 of this 2015 Act.

13 (14) “*Mature marijuana plant*” means a marijuana plant, whether growing or cut and
14 drying, that is not an immature marijuana plant.

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

18 (b) “*Medical cannabinoid product*” does not include:

19 (A) Usable marijuana by itself;

20 (B) A cannabinoid concentrate by itself;

21 (C) A cannabinoid extract by itself; or

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

23 (16) “*Medical marijuana dispensary*” means a medical marijuana dispensary registered
24 under ORS 475.314 or a site for which an applicant has submitted an application for regis-
25 tration under ORS 475.314.

26 [(8)] (17) “*Medical use of marijuana*” means the production, **processing**, possession, delivery[,
27 *distribution*] or administration of marijuana, or **use of** paraphernalia used to administer marijuana,
28 [as necessary for the exclusive benefit of a person] to mitigate the symptoms or effects of [the
29 *person’s*] a debilitating medical condition.

30 [(9) “*Production*” has the meaning given that term in ORS 475.005.]

31 (18) “*Process*” means the compounding or conversion of marijuana into medical
32 cannabinoid products, cannabinoid concentrates or cannabinoid extracts.

33 (19) “*Production*” means:

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

35 (b) Drying marijuana leaves or flowers.

36 [(10)] (20) “*Registry identification card*” means a document issued by the **Oregon Health Au-**
37 **thority under ORS 475.309** that identifies a person authorized to engage in the medical use of
38 marijuana and, if the person has a designated primary caregiver under ORS 475.312, the person’s
39 designated primary caregiver.

40 (21) “*Registry identification cardholder*” means a person to whom a registry identification
41 card has been issued under ORS 475.309.

42 [(11)] (22)(a) “*Usable marijuana*” means the dried leaves and flowers of [the plant Cannabis
43 family Moraceae, and any mixture or preparation thereof, that are appropriate for medical use as al-
44 lowed in ORS 475.300 to 475.346] **marijuana**.

45 (b) “*Usable marijuana*” does not include:

1 (A) The seeds, stalks and roots of [*the plant.*] **marijuana; or**

2 (B) **Waste material that is a by-product of producing marijuana.**

3 [(12)] (23) “Written documentation” means a statement signed by the attending physician of a
 4 person diagnosed with a debilitating medical condition or copies of the person’s relevant medical
 5 records.

6
 7 (Registry Identification Cardholders
 8 and Designated Primary Caregivers)
 9

10 **SECTION 2.** ORS 475.309 is amended to read:

11 475.309. [(1) *Except as provided in ORS 475.316, 475.320 and 475.342, a person engaged in or as-*
 12 *isting in the medical use of marijuana is excepted from the criminal laws of the state for possession,*
 13 *delivery or production of marijuana, aiding and abetting another in the possession, delivery or pro-*
 14 *duction of marijuana or any other criminal offense in which possession, delivery or production of*
 15 *marijuana is an element if the following conditions have been satisfied:]*

16 [(a)(A) *The person holds a registry identification card issued pursuant to this section, has applied*
 17 *for a registry identification card pursuant to subsection (9) of this section, is the designated primary*
 18 *caregiver of the cardholder or applicant, or is the person responsible for a marijuana grow site that*
 19 *is producing marijuana for the cardholder and is registered under ORS 475.304; and]*

20 [(B) *The person who has a debilitating medical condition, the person’s primary caregiver and the*
 21 *person responsible for a marijuana grow site that is producing marijuana for the cardholder and is*
 22 *registered under ORS 475.304 are collectively in possession of, delivering or producing marijuana for*
 23 *medical use in amounts allowed under ORS 475.320; or]*

24 [(b) *The person is responsible for or employed by a medical marijuana facility registered under*
 25 *ORS 475.314 and does not commit any of the acts described in this subsection anywhere other than at*
 26 *the medical marijuana facility.]*

27 [(2) *The Oregon Health Authority shall establish and maintain a program for the issuance of reg-*
 28 *istry identification cards to persons who meet the requirements of this section. Except as provided in*
 29 *subsection (3) of this section, the authority shall issue a registry identification card to any person who*
 30 *pays a fee in the amount established by the authority and provides the following:]*

31 [(a) *Valid, written documentation from the person’s attending physician stating that the person has*
 32 *been diagnosed with a debilitating medical condition and that the medical use of marijuana may miti-*
 33 *gate the symptoms or effects of the person’s debilitating medical condition;]*

34 [(b) *The name, address and date of birth of the person;]*

35 [(c) *The name, address and telephone number of the person’s attending physician;]*

36 [(d) *The name and address of the person’s designated primary caregiver, if the person has desig-*
 37 *nated a primary caregiver at the time of application; and]*

38 [(e) *A written statement that indicates whether the marijuana used by the cardholder will be*
 39 *produced at a location where the cardholder or designated primary caregiver is present or at another*
 40 *location.]*

41 [(3) *The authority shall issue a registry identification card to a person who is under 18 years of*
 42 *age if the person submits the materials required under subsection (2) of this section, and the custodial*
 43 *parent or legal guardian with responsibility for health care decisions for the person under 18 years of*
 44 *age signs a written statement that:]*

45 [(a) *The attending physician of the person under 18 years of age has explained to that person and*

1 *to the custodial parent or legal guardian with responsibility for health care decisions for the person*
2 *under 18 years of age the possible risks and benefits of the medical use of marijuana;]*

3 *[(b) The custodial parent or legal guardian with responsibility for health care decisions for the*
4 *person under 18 years of age consents to the use of marijuana by the person under 18 years of age for*
5 *medical purposes;]*

6 *[(c) The custodial parent or legal guardian with responsibility for health care decisions for the*
7 *person under 18 years of age agrees to serve as the designated primary caregiver for the person under*
8 *18 years of age; and]*

9 *[(d) The custodial parent or legal guardian with responsibility for health care decisions for the*
10 *person under 18 years of age agrees to control the acquisition of marijuana and the dosage and fre-*
11 *quency of use by the person under 18 years of age.]*

12 *[(4) A person applying for a registry identification card pursuant to this section may submit the*
13 *information required in this section to a county health department for transmittal to the authority. A*
14 *county health department that receives the information pursuant to this subsection shall transmit the*
15 *information to the authority within five days of receipt of the information. Information received by a*
16 *county health department pursuant to this subsection shall be confidential and not subject to disclosure,*
17 *except as required to transmit the information to the authority.]*

18 *[(5)(a) The authority shall verify the information contained in an application submitted pursuant*
19 *to this section and shall approve or deny an application within thirty days of receipt of the*
20 *application.]*

21 *[(b) In addition to the authority granted to the authority under ORS 475.316 to deny an application,*
22 *the authority may deny an application for the following reasons:]*

23 *[(A) The applicant did not provide the information required pursuant to this section to establish*
24 *the applicant's debilitating medical condition and to document the applicant's consultation with an at-*
25 *tending physician regarding the medical use of marijuana in connection with such condition, as pro-*
26 *vided in subsections (2) and (3) of this section;]*

27 *[(B) The authority determines that the information provided was falsified; or]*

28 *[(C) The applicant has been prohibited by a court order from obtaining a registry identification*
29 *card.]*

30 *[(c) Denial of a registry identification card shall be considered a final authority action, subject to*
31 *judicial review. Only the person whose application has been denied, or, in the case of a person under*
32 *the age of 18 years of age whose application has been denied, the person's parent or legal guardian,*
33 *shall have standing to contest the authority's action.]*

34 *[(d) Any person whose application has been denied may not reapply for six months from the date*
35 *of the denial, unless so authorized by the authority or a court of competent jurisdiction.]*

36 *[(6)(a) If the authority has verified the information submitted pursuant to subsections (2) and (3)*
37 *of this section and none of the reasons for denial listed in subsection (5)(b) of this section is applicable,*
38 *the authority shall issue a serially numbered registry identification card within five days of verification*
39 *of the information. The registry identification card shall state:]*

40 *[(A) The cardholder's name, address and date of birth;]*

41 *[(B) The date of issuance and expiration date of the registry identification card;]*

42 *[(C) The name and address of the person's designated primary caregiver, if any;]*

43 *[(D) Whether the marijuana used by the cardholder will be produced at a location where the*
44 *cardholder or designated primary caregiver is present or at another location; and]*

45 *[(E) Any other information that the authority may specify by rule.]*

1 ***[(b) When the person to whom the authority has issued a registry identification card pursuant to***
2 ***this section has specified a designated primary caregiver, the authority shall issue an identification***
3 ***card to the designated primary caregiver. The primary caregiver's registry identification card shall***
4 ***contain the information provided in paragraph (a) of this subsection.]***

5 ***[(7)(a) A person who possesses a registry identification card shall:]***

6 ***[(A) Notify the authority of any change in the person's name, address, attending physician or des-***
7 ***ignated primary caregiver.]***

8 ***[(B) If applicable, notify the designated primary caregiver of the cardholder, the person responsible***
9 ***for the marijuana grow site that produces marijuana for the cardholder and any person responsible for***
10 ***a medical marijuana facility that transfers usable marijuana or immature marijuana plants to the***
11 ***cardholder under ORS 475.314 of any change in status including, but not limited to:]***

12 ***[(i) The assignment of another individual as the designated primary caregiver of the cardholder;]***

13 ***[(ii) The assignment of another individual as the person responsible for a marijuana grow site***
14 ***producing marijuana for the cardholder; or]***

15 ***[(iii) The end of the eligibility of the cardholder to hold a valid registry identification card.]***

16 ***[(C) Annually submit to the authority:]***

17 ***[(i) Updated written documentation from the cardholder's attending physician of the person's de-***
18 ***bilating medical condition and that the medical use of marijuana may mitigate the symptoms or effects***
19 ***of the person's debilitating medical condition; and]***

20 ***[(ii) The name of the person's designated primary caregiver if a primary caregiver has been des-***
21 ***ignated for the upcoming year.]***

22 ***[(b) If a person who possesses a registry identification card fails to comply with this subsection,***
23 ***the card shall be deemed expired. If a registry identification card expires, the identification card of any***
24 ***designated primary caregiver of the cardholder shall also expire.]***

25 ***[(8)(a) A person who possesses a registry identification card pursuant to this section and who has***
26 ***been diagnosed by the person's attending physician as no longer having a debilitating medical condi-***
27 ***tion or whose attending physician has determined that the medical use of marijuana is contraindicated***
28 ***for the person's debilitating medical condition shall return the registry identification card and any***
29 ***other associated Oregon Medical Marijuana Program cards to the authority within 30 calendar days***
30 ***of notification of the diagnosis or notification of the contraindication.]***

31 ***[(b) If, due to circumstances beyond the control of the registry identification cardholder, a***
32 ***cardholder is unable to obtain a second medical opinion about the cardholder's continuing eligibility***
33 ***to use medical marijuana before the 30-day period specified in paragraph (a) of this subsection has***
34 ***expired, the authority may grant the cardholder additional time to obtain a second opinion before re-***
35 ***quiring the cardholder to return the registry identification card and any associated cards.]***

36 ***[(9) A person who has applied for a registry identification card pursuant to this section but whose***
37 ***application has not yet been approved or denied, and who is contacted by any law enforcement officer***
38 ***in connection with the person's administration, possession, delivery or production of marijuana for***
39 ***medical use may provide to the law enforcement officer a copy of the written documentation submitted***
40 ***to the authority pursuant to subsection (2) or (3) of this section and proof of the date of mailing or other***
41 ***transmission of the documentation to the authority. This documentation shall have the same legal effect***
42 ***as a registry identification card until such time as the person receives notification that the application***
43 ***has been approved or denied.]***

44 ***[(10)(a) A registry identification cardholder has the primary responsibility of notifying the desig-***
45 ***gnated primary caregiver, the person responsible for the marijuana grow site that produces marijuana***

1 for the cardholder and any person responsible for a medical marijuana facility that transfers usable
 2 marijuana or immature marijuana plants to the cardholder under ORS 475.314 of any change in status
 3 of the cardholder.]

4 [(b) If the authority is notified by the cardholder that a primary caregiver or person responsible
 5 for a marijuana grow site has changed, the authority shall notify the primary caregiver or the person
 6 responsible for the marijuana grow site by mail at the address of record confirming the change in
 7 status and informing the caregiver or person responsible for the marijuana grow site that their card
 8 is no longer valid and must be returned to the authority.]

9 [(11) The authority shall revoke the registry identification card of a cardholder if a court has is-
 10 sued an order that prohibits the cardholder from participating in the medical use of marijuana or
 11 otherwise participating in the Oregon Medical Marijuana Program under ORS 475.300 to 475.346. The
 12 cardholder shall return the registry identification card to the authority within seven calendar days of
 13 notification of the revocation. If the cardholder is a patient, the patient shall return the patient's card
 14 and all other associated Oregon Medical Marijuana Program cards.]

15 [(12) The authority shall revoke the registration of a medical marijuana facility registered under
 16 ORS 475.314 if a court has issued an order that prohibits the person responsible for the medical
 17 marijuana facility from participating in the Oregon Medical Marijuana Program under ORS 475.300
 18 to 475.346.]

19 [(13) The authority and employees and agents of the authority acting within the course and scope
 20 of their employment are immune from any civil liability that might be incurred or imposed for the
 21 performance of or failure to perform duties required by this section.]

22 **(1) The Oregon Health Authority shall establish a program for the issuance of registry
 23 identification cards to applicants who meet the requirements of this section.**

24 **(2) The authority shall issue a registry identification card to an applicant who is 18 years
 25 of age or older if the applicant pays a fee in an amount established by the authority by rule
 26 and submits to the authority an application containing the following information:**

27 **(a) Written documentation from the applicant's attending physician stating that the at-
 28 tending physician has diagnosed the applicant as having a debilitating medical condition and
 29 that the medical use of marijuana may mitigate the symptoms or effects of the applicant's
 30 debilitating medical condition;**

31 **(b) The name, address and date of birth of the applicant;**

32 **(c) The name, address and telephone number of the applicant's attending physician;**

33 **(d) Proof of residency, as required by the authority by rule;**

34 **(e) The name and address of the applicant's designated primary caregiver, if the applicant
 35 is designating a primary caregiver under ORS 475.312; and**

36 **(f) The information described in ORS 475.304 (2), if the applicant is applying to produce
 37 marijuana or designate another person under ORS 475.304 to produce marijuana.**

38 **(3)(a) The authority shall issue a registry identification card to an applicant who is under
 39 18 years of age if:**

40 **(A) The applicant pays the fee and submits the application described in subsection (2) of
 41 this section; and**

42 **(B) The custodial parent or legal guardian who is responsible for the health care deci-
 43 sions of the applicant signs and submits to the authority a written statement that:**

44 **(i) The applicant's attending physician has explained to the applicant and to the custodial
 45 parent or legal guardian the possible risks and benefits of the medical use of marijuana;**

1 (ii) The custodial parent or legal guardian consents to the medical use of marijuana by
2 the applicant;

3 (iii) The custodial parent or legal guardian agrees to serve as the applicant's designated
4 primary caregiver; and

5 (iv) The custodial parent or legal guardian agrees to control the acquisition, dosage and
6 frequency of the medical use of marijuana by the applicant.

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

9 (4) The authority shall approve or deny an application within 30 days after receiving the
10 application.

11 (5)(a) If the authority approves an application, the authority shall issue a serially num-
12 bered registry identification card to the applicant within five days after approving the appli-
13 cation. The registry identification card must include the following information:

14 (A) The registry identification cardholder's name, address and date of birth;

15 (B) The issuance date and expiration date of the registry identification card;

16 (C) If the registry identification cardholder designated a primary caregiver under ORS
17 475.312, the name and address of the registry identification cardholder's designated primary
18 caregiver; and

19 (D) Any other information required by the authority by rule.

20 (b) If the registry identification cardholder designated a primary caregiver under ORS
21 475.312, the authority shall issue an identification card to the designated primary caregiver.
22 The identification card must contain the information required by paragraph (a) of this sub-
23 section.

24 (6) A registry identification cardholder shall:

25 (a) In a form and manner prescribed by the authority, notify the authority of any change
26 concerning the registry identification cardholder's:

27 (A) Name, address or attending physician;

28 (B) Designated primary caregiver, including the designation of a primary caregiver made
29 at a time other than at the time of applying for or renewing a registry identification card;
30 or

31 (C) Person responsible for a marijuana grow site, including the designation of a person
32 responsible for a marijuana grow site made at a time other than at the time of applying for
33 or renewing a registry identification card.

34 (b) Annually renew the registry identification card by paying a fee in an amount estab-
35 lished by the authority by rule and submitting to the authority an application that contains
36 the following information:

37 (A) Updated written documentation from the registry identification cardholder's attend-
38 ing physician stating that the registry identification cardholder still has a debilitating med-
39 ical condition and that the medical use of marijuana may mitigate the symptoms or effects
40 of the registry identification cardholder's debilitating medical condition;

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

42 (C) If the registry identification cardholder is under 18 years of age, a statement signed
43 by the custodial parent or legal guardian of the registry identification cardholder that meets
44 the requirements of subsection (3) of this section.

45 (7)(a) If the registry identification cardholder's attending physician determines that the

1 registry identification cardholder no longer has a debilitating medical condition or deter-
 2 mines that the medical use of marijuana is contraindicated for the registry identification
 3 cardholder's debilitating medical condition, the registry identification cardholder shall return
 4 the registry identification card to the authority within 30 calendar days after receiving notice
 5 of the determination.

6 (b) If, because of circumstances beyond the control of the registry identification
 7 cardholder, a registry identification cardholder is unable to obtain a second medical opinion
 8 about the registry identification cardholder's continuing eligibility for the medical use of
 9 marijuana before having to return the registry identification card to the authority, the au-
 10 thority may grant the registry identification cardholder additional time to obtain a second
 11 medical opinion.

12 (8)(a) The authority may deny an application for a registry identification card or an ap-
 13 plication to renew a registry identification card, or may suspend or revoke a registry iden-
 14 tification card, if:

15 (A) The applicant or registry identification cardholder does not provide the information
 16 required by this section;

17 (B) The authority determines that the applicant or registry identification cardholder
 18 provided false information; or

19 (C) The authority determines that the applicant or registry identification cardholder vi-
 20 olated a provision of ORS 475.300 to 475.346 or a rule adopted under ORS 475.300 to 475.346.

21 (b) If a registry identification card is revoked, any associated identification card issued
 22 under subsection (5)(b) of this section, or marijuana grow site registration card issued under
 23 ORS 475.304 (6), shall also be revoked.

24 (c) A person whose application is denied, or whose registry identification card is revoked,
 25 under this subsection may not reapply for a registry identification card for six months from
 26 the date of the denial or revocation unless otherwise authorized by the authority.

27 (9)(a) The authority may deny a designation of a primary caregiver made under ORS
 28 475.312, or suspend or revoke an associated identification card issued under subsection (5)(b)
 29 of this section, if the authority determines that the designee or the registry identification
 30 cardholder violated a provision of ORS 475.300 to 475.346 or a rule adopted under ORS 475.300
 31 to 475.346.

32 (b) A person whose designation has been denied, or whose identification card has been
 33 revoked, under this subsection may not be designated as a primary caregiver under ORS
 34 475.312 for six months from the date of the denial or revocation unless otherwise authorized
 35 by the authority.

36 (10) Notwithstanding subsection (2) or (6)(b) of this section, if an applicant for a registry
 37 identification card, or a registry identification cardholder applying for renewal of a registry
 38 identification card, submits to the authority proof of having served in the Armed Forces of
 39 the United States and of having been diagnosed with post-traumatic stress disorder, the au-
 40 thority may not impose a fee that is greater than \$20 for the issuance or renewal of the
 41 registry identification card.

42 **SECTION 3.** ORS 475.312 is amended to read:

43 475.312. (1) If a person who [*possesses a registry identification card issued pursuant to ORS*
 44 *475.309*] is applying for a registry identification card under ORS 475.309, or who is a registry
 45 identification cardholder, chooses to [*have a designated*] designate, or to change the designation

1 **of, a primary caregiver, the person must** *[designate the primary caregiver by including]* **include** the
 2 primary caregiver's name and address:

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

4 *[(b) In the annual updated information required under ORS 475.309; or]*

5 **(b) On the person's application to renew a registry identification card; or**

6 (c) In a *[written,]* **form and manner prescribed by the authority, in a** signed statement *[sub-*
 7 *mitted to]* **notifying** the Oregon Health Authority **of the designation.**

8 (2) A *[person described in this section]* **registry identification cardholder** may have only one
 9 designated primary caregiver at any given time.

10 **(3) If a registry identification cardholder who previously designated a primary caregiver**
 11 **chooses to designate a different primary caregiver, the authority shall notify the previous**
 12 **designee of the new designation and issue an identification card to the newly designated**
 13 **primary caregiver.**

14 **SECTION 4. The amendments to ORS 475.309 and 475.312 by sections 2 and 3 of this 2015**
 15 **Act apply to:**

16 (1) **Applications received by the Oregon Health Authority for a registry identification**
 17 **card on or after the operative date specified in section 78 of this 2015 Act;**

18 (2) **Applications received by the authority to renew a registry identification card on or**
 19 **after the operative date specified in section 78 of this 2015 Act; and**

20 (3) **Registry identification cards updated by the authority on or after the operative date**
 21 **specified in section 78 of this 2015 Act.**

22
 23 **(Medical Marijuana Producers)**
 24

25 **SECTION 5.** ORS 475.304 is amended to read:

26 475.304. *[(1) The Oregon Health Authority shall establish by rule a marijuana grow site registra-*
 27 *tion system to authorize production of marijuana by a registry identification cardholder, a designated*
 28 *primary caregiver who grows marijuana for the cardholder or a person who is responsible for a*
 29 *marijuana grow site. The marijuana grow site registration system adopted must require a registry*
 30 *identification cardholder to submit an application to the authority that includes:]*

31 *[(a) The name of the person responsible for the marijuana grow site;]*

32 *[(b) The address of the marijuana grow site;]*

33 *[(c) The registry identification card number of the registry cardholder for whom the marijuana is*
 34 *being produced; and]*

35 *[(d) Any other information the authority considers necessary.]*

36 *[(2) The authority shall issue a marijuana grow site registration card to a registry identification*
 37 *cardholder who has met the requirements of subsection (1) of this section.]*

38 *[(3) A person who has been issued a marijuana grow site registration card under this section must*
 39 *display the registration card at the marijuana grow site at all times when marijuana is being*
 40 *produced.]*

41 *[(4) A marijuana grow site registration card must be obtained and posted for each registry iden-*
 42 *tification cardholder for whom marijuana is being produced at a marijuana grow site.]*

43 *[(5) All usable marijuana, plants, seedlings and seeds associated with the production of marijuana*
 44 *for a registry identification cardholder by a person responsible for a marijuana grow site are the*
 45 *property of the registry identification cardholder and must be provided to the registry identification*

1 cardholder, or, if the marijuana is usable marijuana or an immature marijuana plant, transferred to
2 a medical marijuana facility registered under ORS 475.314, upon request.]

3 [(6)(a) The authority shall conduct a criminal records check under ORS 181.534 of any person
4 whose name is submitted as a person responsible for a marijuana grow site.]

5 [(b) A person convicted of a Class A or Class B felony under ORS 475.752 to 475.920 for the
6 manufacture or delivery of a controlled substance in Schedule I or Schedule II may not be issued a
7 marijuana grow site registration card or produce marijuana for a registry identification cardholder for
8 five years from the date of conviction.]

9 [(c) A person convicted more than once of a Class A or Class B felony under ORS 475.752 to
10 475.920 for the manufacture or delivery of a controlled substance in Schedule I or Schedule II may not
11 be issued a marijuana grow site registration card or produce marijuana for a registry identification
12 cardholder.]

13 [(7) A registry identification cardholder or the designated primary caregiver of the cardholder may
14 reimburse the person responsible for a marijuana grow site for the costs of supplies and utilities as-
15 sociated with the production of marijuana for the registry identification cardholder. No other costs as-
16 sociated with the production of marijuana for the registry identification cardholder, including the cost
17 of labor, may be reimbursed.]

18 [(8) The authority may adopt rules imposing a fee in an amount established by the authority for
19 registration of a marijuana grow site under this section.]

20 **(1)(a) The Oregon Health Authority shall establish by rule a marijuana grow site regis-**
21 **tration system to track and regulate the production of marijuana by a registry identification**
22 **cardholder or a person designated by the registry identification cardholder to produce**
23 **marijuana for the registry identification cardholder.**

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

26 **(c) Paragraph (b) of this subsection does not apply to a the production of marijuana as**
27 **provided in sections 3 to 70, chapter 1, Oregon Laws 2015, or as otherwise provided for by the**
28 **statutory laws of this state.**

29 **(2) Rules adopted under this section must require an applicant for a registry identifica-**
30 **tion card, or a registry identification cardholder who produces marijuana or who designates**
31 **another person to produce marijuana, to submit an application to the authority containing**
32 **the following information at the time of making an application under ORS 475.309 (2), re-**
33 **newing a registry identification card under ORS 475.309 (6)(b), or notifying the authority of**
34 **a change under ORS 475.309 (6)(a):**

35 **(a) The name of the person responsible for the marijuana grow site;**

36 **(b) Proof that the person responsible for the marijuana grow site has been a resident of**
37 **this state for two or more years and is 21 years of age or older;**

38 **(c) The address of the marijuana grow site; and**

39 **(d) Any other information that the authority considers necessary to track the production**
40 **of marijuana under ORS 475.300 to 475.346.**

41 **(3)(a) The authority shall conduct a criminal records check under ORS 181.534 of any**
42 **person whose name is submitted under this section as the person responsible for a marijuana**
43 **grow site.**

44 **(b) A person convicted of a Class A or Class B felony under ORS 475.752 to 475.920 for**
45 **the manufacture or delivery of a controlled substance in Schedule I or Schedule II may not**

1 act as or be designated a person responsible for a marijuana grow site for five years from
2 the date of conviction.

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

6 (4) Subject to subsection (11) of this section, the authority shall issue a marijuana grow
7 site registration card if the requirements of subsections (2) and (3) of this section are met.

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

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

12 (7)(a) All seeds, immature marijuana plants, mature marijuana plants and usable
13 marijuana associated with the production of marijuana for a registry identification
14 cardholder by a person responsible for a marijuana grow site are the property of the registry
15 identification cardholder.

16 (b) All seeds, immature marijuana plants, mature marijuana plants and usable marijuana
17 associated with the production of marijuana for a registry identification cardholder by a
18 person responsible for a marijuana grow site must be transferred to the registry identifica-
19 tion cardholder upon the request of the registry identification cardholder.

20 (c) All usable marijuana associated with the production of marijuana for a registry
21 identification cardholder by a person responsible for a marijuana grow site must be trans-
22 ferred to a marijuana processing site upon the request of the registry identification
23 cardholder. For purposes of this paragraph, a request to transfer usable marijuana consti-
24 tutes an assignment of the right to possess the usable marijuana.

25 (d) All seeds, immature marijuana plants and usable marijuana associated with the pro-
26 duction of marijuana for a registry identification cardholder by a person responsible for a
27 marijuana grow site must be transferred to a medical marijuana dispensary upon request of
28 the registry identification cardholder. For purposes of this paragraph, a request to transfer
29 seeds, immature marijuana plants or usable marijuana constitutes an assignment of the
30 right to possess the seeds, immature marijuana plants or usable marijuana.

31 (e) Information related to transfers made under this subsection must be submitted to the
32 authority in the manner required by section 6 of this 2015 Act.

33 (8) A registry identification cardholder, or the designated caregiver of a registry iden-
34 tification cardholder, may reimburse a person responsible for a marijuana grow site for all
35 costs associated with the production of marijuana for the registry identification cardholder.

36 (9) The authority may inspect:

37 (a) The marijuana grow site of a person designated to produce marijuana by a registry
38 identification cardholder to ensure compliance with this section and section 6 of this 2015
39 Act and ORS 475.320 and any rule adopted under this section and section 6 of this 2015 Act
40 and ORS 475.320; and

41 (b) The records of the marijuana grow site of a person designated to produce marijuana
42 by a registry identification cardholder to ensure compliance with this section and section 6
43 of this 2015 Act and any rule adopted under this section and section 6 of this 2015 Act.

44 (10) The authority may refuse to register a registry identification cardholder or a
45 designee under this section or may suspend or revoke the registration of a person responsi-

1 ble for a marijuana grow site if the authority determines that the applicant or the person
 2 responsible for a marijuana grow site violated a provision of ORS 475.300 to 475.346, a rule
 3 adopted under ORS 475.300 to 475.346 or an ordinance adopted pursuant to section 2, chapter
 4 79, Oregon Laws 2014.

5 (11) The authority may require a person responsible for a marijuana grow site, prior to
 6 issuing a marijuana grow site registration card under subsection (4) of this section, to pay
 7 a fee reasonably calculated to pay costs incurred under this section and sections 6 and 14
 8 of this 2015 Act.

9 **SECTION 6.** (1) A person designated to produce marijuana by a registry identification
 10 cardholder under ORS 475.304 must submit to the Oregon Health Authority, in a form and
 11 manner established by the authority by rule, the following information related to the pro-
 12 duction of marijuana:

13 (a) The number of mature marijuana plants and immature marijuana plants, the amount
 14 of marijuana leaves and flowers being dried, and the amount of usable marijuana, in the
 15 person's possession;

16 (b) The number of mature marijuana plants and immature marijuana plants, and the
 17 amount of usable marijuana, that the person transfers to each registry identification
 18 cardholder for whom the person produces marijuana;

19 (c) The amount of usable marijuana that the person transfers to each marijuana pro-
 20 cessing site; and

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

23 (2) The authority shall by rule require a person designated to produce marijuana by a
 24 registry identification cardholder under ORS 475.304 to submit the information described in
 25 subsection (1) of this section once each month.

26 (3) In addition to submitting the information as required by subsection (1) of this section,
 27 a person designated to produce marijuana by a registry identification cardholder under ORS
 28 475.304 must keep a record of the information described in subsection (1) of this section for
 29 two years after the date on which the person submits the information to the authority.

30 **SECTION 6a.** (1) Except as provided in subsection (2) of this section, section 6 of this 2015
 31 Act and the amendments to ORS 475.304 by section 5 of this 2015 Act apply to persons who
 32 have registered with the Oregon Health Authority under ORS 475.304 before, on or after the
 33 operative date specified in section 78 of this 2015 Act.

34 (2) The amendments to ORS 475.304 by section 5 of this 2015 Act pertaining to the sub-
 35 mission of information necessary to register a person as a person responsible for a
 36 marijuana grow site apply to applications for registry identification cards, applications to
 37 renew registry identification cards, and designations made under ORS 475.304, on or after the
 38 operative date specified in section 78 of this 2015 Act.

39
 40 (Grow Site Possession Limits)

41
 42 **SECTION 7.** ORS 475.320 is amended to read:

43 475.320. [(1)(a) A registry identification cardholder or the designated primary caregiver of the
 44 cardholder may possess up to six mature marijuana plants and 24 ounces of usable marijuana.]

45 [(b) Notwithstanding paragraph (a) of this subsection, if a registry identification cardholder has

1 *been convicted of a Class A or Class B felony under ORS 475.752 to 475.920 for the manufacture or*
2 *delivery of a controlled substance in Schedule I or Schedule II, the registry identification cardholder*
3 *or the designated primary caregiver of the cardholder may possess one ounce of usable marijuana at*
4 *any given time for a period of five years from the date of the conviction.]*

5 *[(2) A person authorized under ORS 475.304 to produce marijuana at a marijuana grow site:]*

6 *[(a) May produce marijuana for and provide marijuana:]*

7 *[(A) To a registry identification cardholder or a cardholder's designated primary caregiver as au-*
8 *thorized under this section; or]*

9 *[(B) If the marijuana is usable marijuana or an immature marijuana plant and the registry iden-*
10 *tification cardholder authorizes the person responsible for the marijuana grow site to transfer the us-*
11 *able marijuana or immature marijuana plant to a medical marijuana facility registered under ORS*
12 *475.314, to the medical marijuana facility.]*

13 *[(b) May possess up to six mature plants and up to 24 ounces of usable marijuana for each*
14 *cardholder or caregiver for whom marijuana is being produced.]*

15 *[(c) May produce marijuana for no more than four registry identification cardholders or designated*
16 *primary caregivers concurrently.]*

17 *[(d) Must obtain and display a marijuana grow site registration card issued under ORS 475.304*
18 *for each registry identification cardholder or designated primary caregiver for whom marijuana is be-*
19 *ing produced.]*

20 *[(e) Must provide all marijuana produced for a registry identification cardholder or designated*
21 *primary caregiver to the cardholder or caregiver at the time the person responsible for a marijuana*
22 *grow site ceases producing marijuana for the cardholder or caregiver.]*

23 *[(f) Must return the marijuana grow site registration card to the registry identification cardholder*
24 *to whom the card was issued when requested to do so by the cardholder or when the person responsible*
25 *for a marijuana grow site ceases producing marijuana for the cardholder or caregiver.]*

26 *[(3) Except as provided in subsections (1) and (2) of this section, a registry identification*
27 *cardholder, the designated primary caregiver of the cardholder and the person responsible for a*
28 *marijuana grow site producing marijuana for the registry identification cardholder may possess a*
29 *combined total of up to six mature plants and 24 ounces of usable marijuana for that registry iden-*
30 *tification cardholder.]*

31 *[(4)(a) A registry identification cardholder and the designated primary caregiver of the cardholder*
32 *may possess a combined total of up to 18 marijuana seedlings or starts as defined by rule of the Oregon*
33 *Health Authority.]*

34 *[(b) A person responsible for a marijuana grow site may possess up to 18 marijuana seedlings or*
35 *starts as defined by rule of the authority for each registry identification cardholder for whom the per-*
36 *son responsible for the marijuana grow site is producing marijuana.]*

37 **(1) Subject to subsection (2) of this section, a registry identification cardholder and the**
38 **designated primary caregiver of the registry identification cardholder may jointly possess six**
39 **or fewer mature marijuana plants.**

40 **(2)(a) A person may be designated to produce marijuana under ORS 475.304 by no more**
41 **than four registry identification cardholders.**

42 **(b) A person who is designated to produce marijuana by a registry identification**
43 **cardholder under ORS 475.304 may produce no more than six mature marijuana plants per**
44 **registry identification cardholder.**

45 **(3) If the address of a person responsible for a marijuana grow site under ORS 475.304 is**

1 located within city limits in an area zoned for residential use:

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

4 (b) Subject to subsection (5) of this section, if each person responsible for a marijuana
5 grow site located at the address first registered with the Oregon Health Authority under
6 ORS 475.304 before January 1, 2015, no more than the amount of mature marijuana plants
7 located at that address on December 31, 2014, in excess of 12 mature marijuana plants, not
8 to exceed 24 mature marijuana plants, may be produced at the address.

9 (4) If the address of a person responsible for a marijuana grow site under ORS 475.304 is
10 located in an area other than an area described in subsection (3) of this section:

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

13 (b) Subject to subsections (5) and (6) of this section, if each person responsible for a
14 marijuana grow site located at the address first registered with the authority under ORS
15 475.304 before January 1, 2015, no more than the amount of mature marijuana plants located
16 at that address on December 31, 2014, in excess of 48 mature marijuana plants, not to exceed
17 96 mature marijuana plants, may be produced at the address.

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

21 (a) No more than 12 mature marijuana plants may be subsequently produced at any ad-
22 dress described in subsection (3) of this section at which the person responsible for that
23 marijuana grow site produces marijuana.

24 (b) No more than 48 mature marijuana plants may be subsequently produced at any ad-
25 dress described in subsection (4) of this section at which the person responsible for that
26 marijuana grow site produces marijuana.

27 (6) If a registry identification cardholder who designated a person to produce marijuana
28 for the registry identification cardholder pursuant to ORS 475.304 terminates the designation,
29 the person responsible for the marijuana grow site whose designation has been terminated
30 may not be designated to produce marijuana by another registry identification cardholder,
31 except that the person may be designated by another registry identification cardholder if no
32 more than 48 mature marijuana plants are produced at the address for the marijuana grow
33 site at which the person produces marijuana.

34 (7) If a law enforcement officer determines that a registry identification cardholder, the
35 designated primary caregiver of a registry identification cardholder, or a person responsible
36 for a marijuana grow site under ORS 475.304 who grows marijuana for a registry identifica-
37 tion cardholder, possesses a number of mature marijuana plants in excess of the quantities
38 specified in this section, the law enforcement officer may confiscate only the excess number
39 of mature marijuana plants.

40 **SECTION 7a.** (1) Except as provided in subsection (2) of this section, a registry identifi-
41 cation cardholder and the designated primary caregiver of the registry identification
42 cardholder may jointly possess no more than 24 ounces of usable marijuana.

43 (2) Subject to subsection (3) of this section, a person designated to produce marijuana
44 by a registry identification cardholder under ORS 475.304 may possess the amount of usable
45 marijuana that the person harvests from the person's mature marijuana plants, provided

1 that the person may not possess usable marijuana in excess of the amount of usable
 2 marijuana in the person's possession as reported to the Oregon Health Authority under
 3 section 6 of this 2015 Act.

4 (3) A person designated to produce marijuana by a registry identification cardholder un-
 5 der ORS 475.304 may not possess usable marijuana in excess of:

6 (a) For a marijuana grow site located outdoors, 12 pounds of usable marijuana per mature
 7 marijuana plant; or

8 (b) For a marijuana grow site located indoors, six pounds of usable marijuana per mature
 9 marijuana plant.

10 **SECTION 8.** The amendments to ORS 475.320 by section 7 of this 2015 Act apply to per-
 11 sons who registered with the Oregon Health Authority under ORS 475.304 before, on or after
 12 the operative date specified in section 78 of this 2015 Act.

13
 14 (Personal Agreements)

15
 16 **SECTION 9.** Notwithstanding ORS 475.304 (7), a person responsible for a marijuana grow
 17 site may enter into an agreement with a registry identification cardholder under which the
 18 registry identification cardholder assigns, to the person responsible for the marijuana grow
 19 site, a portion of the right to possess the seeds, immature marijuana plants and usable
 20 marijuana that are the property of the registry identification cardholder.

21
 22 (Proof of Issuance)

23
 24 **SECTION 9a.** ORS 475.306 is amended to read:

25 475.306. *[(1) A person who possesses a registry identification card issued pursuant to ORS 475.309*
 26 *may engage in, and a designated primary caregiver of such a person may assist in, the medical use*
 27 *of marijuana only as justified to mitigate the symptoms or effects of the person's debilitating medical*
 28 *condition.]*

29 *[(2) A person who is a registry identification cardholder must possess the registry identification*
 30 *card when using or transporting marijuana in a location other than the residence of the cardholder.]*

31 *[(3) The Oregon Health Authority shall define by rule when a marijuana plant is mature and when*
 32 *it is immature. The rule shall provide that a plant that has no flowers and that is less than 12 inches*
 33 *in height and less than 12 inches in diameter is a seedling or a start and is not a mature plant.]*

34 **A person to whom a registry identification card has been issued under ORS 475.309 (5)(a),**
 35 **an identification card has been issued under ORS 475.309 (5)(b), or a marijuana grow site**
 36 **registration card has been issued under ORS 475.304, may not possess marijuana, usable**
 37 **marijuana, medical cannabinoid products, cannabinoid concentrates or cannabinoid extracts**
 38 **in a location other than the address on file with the Oregon Health Authority unless the**
 39 **person is carrying the card.**

40
 41 (Medical Marijuana Processors)

42
 43 **SECTION 10.** (1)(a) The Oregon Health Authority shall establish by rule a marijuana
 44 processing site registration system to track and regulate the processing of marijuana by a
 45 person responsible for a marijuana processing site.

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

3 (c) Paragraph (b) of this section does not apply to the processing of marijuana as pro-
4 vided in sections 3 to 70, chapter 1, Oregon Laws 2015, or as otherwise provided for by the
5 statutory laws of this state.

6 (2) The registration system established under subsection (1) of this section must require
7 an applicant for a marijuana processing site to submit an application to the authority that
8 includes:

9 (a) The name of the individual who owns the marijuana processing site or, if a business
10 entity owns the marijuana processing site, the name of each individual who has a financial
11 interest in the marijuana processing site;

12 (b) The name of the individual or individuals responsible for the marijuana processing
13 site, if different from the name of the individual who owns the marijuana processing site;

14 (c) The address of the marijuana processing site;

15 (d) Proof that each individual responsible for the marijuana processing site has been a
16 resident of this state for two or more years and is 21 years of age or older;

17 (e) Documentation, as required by the authority by rule, that demonstrates the
18 marijuana processing site meets the requirements of subsection (3) of this section; and

19 (f) Any other information that the authority considers necessary.

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

21 (a) May not be located in an area that is zoned for residential use if the marijuana pro-
22 cessing site processes cannabinoid extracts;

23 (b) Must be registered as a business, or have filed an application to register as a busi-
24 ness, with the office of the Secretary of State; and

25 (c) Must meet the requirements of any rule adopted by the authority under subsection
26 (10) of this section.

27 (4)(a) The authority shall conduct a criminal records check under ORS 181.534 for each
28 individual named in an application under subsection (2) of this section.

29 (b) An individual convicted for the manufacture or delivery of a controlled substance in
30 Schedule I or Schedule II may not own or be responsible for a marijuana processing site for
31 five years from the date the individual is convicted.

32 (c) An individual convicted more than once for the manufacture or delivery of a con-
33 trolled substance in Schedule I or Schedule II may not own or be responsible for a marijuana
34 processing site.

35 (5) If a person submits the application required under subsection (2) of this section, if the
36 marijuana processing site identified in the application meets the requirements of this section
37 and any rules adopted under this section and if each individual named in the application
38 passes the criminal records check required under subsection (4) of this section, the authority
39 shall register the marijuana processing site and issue proof of registration. Proof of regis-
40 tration must be displayed on the premises of the marijuana processing site at all times.

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

43 (7) The individual or individuals responsible for a marijuana processing site shall main-
44 tain documentation of each transfer of usable marijuana, medical cannabinoid products,
45 cannabinoid concentrates and cannabinoid extracts.

1 (8) The authority may inspect:

2 (a) The premises of a proposed marijuana processing site or a registered marijuana pro-
3 cessing site to ensure compliance with this section and sections 11 and 12 of this 2015 Act
4 and any rules adopted under this section and sections 11 and 12 of this 2015 Act; and

5 (b) The records of a registered marijuana processing site to ensure compliance with
6 subsection (7) of this section.

7 (9) Subject to the provisions of ORS chapter 183, the authority may refuse to register an
8 applicant under this section or may suspend or revoke the registration of a marijuana pro-
9 cessing site if the authority determines that the applicant, the owner of the marijuana pro-
10 cessing site, a person responsible for the marijuana processing site, or an employee of the
11 marijuana processing site, violated a provision of ORS 475.300 to 475.346, a rule adopted under
12 ORS 475.300 to 475.346 or an ordinance adopted pursuant to section 2, chapter 79, Oregon
13 Laws 2014.

14 (10) The authority shall adopt rules to implement this section, including rules that:

15 (a) Require a registered marijuana processing site to annually renew the registration for
16 that site;

17 (b) Establish fees for registering, and renewing the registration of, a marijuana process-
18 ing site;

19 (c) Require that medical cannabinoid products, cannabinoid concentrates and cannabinoid
20 extracts transferred by a marijuana processing site be tested to ensure the public health and
21 safety; and

22 (d) Impose any other standard on the operation of a marijuana processing site to ensure
23 the public health and safety.

24 **SECTION 11.** (1) A marijuana processing site must meet any public health and safety
25 standards established by the Oregon Health Authority by rule related to:

26 (a) Cannabinoid edibles, if the marijuana processing site processes marijuana into
27 cannabinoid edibles;

28 (b) Cannabinoid concentrates, if the marijuana processing site processes marijuana into
29 cannabinoid concentrates;

30 (c) Cannabinoid extracts, if the marijuana processing site processes marijuana into
31 cannabinoid extracts; or

32 (d) Any other type of medical cannabinoid product identified by the authority by rule, if
33 the marijuana processing site processes marijuana into that type of medical cannabinoid
34 product.

35 (2) The authority shall adopt rules to implement this section.

36 **SECTION 12.** (1) The Oregon Health Authority shall require by rule a marijuana pro-
37 cessing site to submit to the authority for inclusion in the database developed and main-
38 tained pursuant to section 15 of this 2015 Act the following information:

39 (a) The amount of usable marijuana transferred to the marijuana processing site;

40 (b) The amount and type of medical cannabinoid products transferred by the marijuana
41 processing site;

42 (c) The amount and type of cannabinoid concentrates transferred by the marijuana pro-
43 cessing site; and

44 (d) The amount and type of cannabinoid extracts transferred by the marijuana processing
45 site.

1 (2) The authority by rule may require a marijuana processing site to submit to the au-
 2 thority for inclusion in the database developed and maintained pursuant to section 15 of this
 3 2015 Act information that is in addition to the information described in subsection (1) of this
 4 section as the authority considers necessary to fulfill the authority’s duties under section
 5 10 (1) of this 2015 Act.

6 **SECTION 13.** (1) A marijuana processing site may not transfer medical cannabinoid pro-
 7 ducts, cannabinoid concentrates or cannabinoid extracts to a person other than a registry
 8 identification cardholder, a designated primary caregiver or a medical marijuana dispensary.

9 (2) A person other than a marijuana processing site may not transfer medical
 10 cannabinoid products, cannabinoid concentrates or cannabinoid extracts to a medical
 11 marijuana dispensary.

12 **SECTION 14.** Section 10 of this 2015 Act does not apply to a registry identification
 13 cardholder or a person who has been designated as a primary caregiver under ORS 475.312
 14 who processes a medical cannabinoid product or a cannabinoid concentrate for a registry
 15 identification cardholder.

16
 17 (Database)

18
 19 **SECTION 15.** (1) The Oregon Health Authority shall develop and maintain a database of
 20 information related to the production of marijuana by persons designated to produce
 21 marijuana by a registry identification cardholder under ORS 475.304, the processing of
 22 marijuana by a marijuana processing site under section 10 of this 2015 Act and the transfer
 23 of usable marijuana, medical cannabinoid products, cannabinoid concentrates and
 24 cannabinoid extracts by medical marijuana dispensaries under ORS 475.314. At a minimum,
 25 the database must include the information submitted to the authority under sections 6, 12
 26 and 18 of this 2015 Act.

27 (2)(a) Subject to paragraph (c) of this subsection, the authority may provide information
 28 that is stored in the database developed and maintained under this section to a law
 29 enforcement agency.

30 (b) Subject to paragraph (c) of this subsection, the authority may provide information
 31 that is stored in the database developed and maintaining under this section to the regulatory
 32 agencies of a city or county.

33 (c) The authority may not disclose:

34 (A) Any personally identifiable information related to a registry identification cardholder
 35 or a designated primary caregiver that is stored in the database developed and maintained
 36 under this section.

37 (B) Any information related to the amount and type of usable marijuana, medical
 38 cannabinoid products, cannabinoid concentrates and cannabinoid extracts transferred to or
 39 by persons designated to produce marijuana by a registry identification cardholder under
 40 ORS 475.304, marijuana processing sites or medical marijuana dispensaries.

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

44
 45 (Medical Marijuana Dispensaries)

1 **SECTION 16.** ORS 475.314, as amended by section 5, chapter 79, Oregon Laws 2014, is amended
2 to read:

3 475.314. *[(1) The Oregon Health Authority shall establish by rule a medical marijuana facility*
4 *registration system to authorize the transfer of usable marijuana and immature marijuana plants*
5 *from:]*

6 *[(a) A registry identification cardholder, the designated primary caregiver of a registry identifica-*
7 *tion cardholder, or a person responsible for a marijuana grow site to the medical marijuana facility;*
8 *or]*

9 *[(b) A medical marijuana facility to a registry identification cardholder or the designated primary*
10 *caregiver of a registry identification cardholder.]*

11 **(1)(a) The Oregon Health Authority shall establish by rule a medical marijuana**
12 **dispensary registration system for the purpose of tracking and regulating the transfer of:**

13 **(A) Usable marijuana, immature marijuana plants and seeds from registry identification**
14 **cardholders, designated primary caregivers and persons responsible for marijuana grow sites**
15 **to medical marijuana dispensaries;**

16 **(B) Medical cannabinoid products, cannabinoid concentrates and cannabinoid extracts**
17 **from persons responsible for marijuana processing sites to medical marijuana dispensaries;**
18 **and**

19 **(C) Usable marijuana, immature marijuana plants, seeds, medical cannabinoid products,**
20 **cannabinoid concentrates and cannabinoid extracts from medical marijuana dispensaries to**
21 **registry identification cardholders and designated primary caregivers.**

22 **(b) A person may not operate an establishment for the purpose of providing the services**
23 **described in paragraph (a) of this subsection unless the person is registered under this sec-**
24 **tion.**

25 (2) The registration system established under subsection (1) of this section must require **an ap-**
26 **plicant for** a medical marijuana *[facility]* **dispensary** to submit an application to the authority that
27 includes:

28 **(a) The name of the individual who owns the medical marijuana dispensary or, if a busi-**
29 **ness entity owns the medical marijuana dispensary, the name of each individual who has a**
30 **financial interest in the medical marijuana dispensary;**

31 *[(a)]* **(b) The name of the *[person]* individual or individuals responsible for the medical**
32 **marijuana *[facility]* dispensary, if different from the name of the individual who owns the**
33 **medical marijuana dispensary;**

34 *[(b)]* **(c) The address of the medical marijuana *[facility]* dispensary;**

35 *[(c)]* **(d) Proof that *[the person]* each individual responsible for the medical marijuana *[facility]***
36 **is a resident of Oregon dispensary has been a resident of this state for two or more years and**
37 **is 21 years of age or older;**

38 *[(d)]* **(e) Documentation, as required by the authority by rule, that demonstrates the medical**
39 **marijuana *[facility]* dispensary meets the *[qualifications for a medical marijuana facility as described***
40 **in] requirements of** subsection (3) of this section; and

41 *[(e)]* **(f) Any other information that the authority considers necessary.**

42 (3) To qualify for registration under this section, a medical marijuana *[facility]* **dispensary:**

43 *[(a) Must be located in an area that is zoned for commercial, industrial or mixed use or as agri-*
44 *cultural land;]*

45 **(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 *[a pending]* **an** application to register as a
3 business, with the office of the Secretary of State;

4 *[(d) Must not be located within 1,000 feet of the real property comprising a public or private ele-*
5 *mentary, secondary or career school attended primarily by minors;]*

6 **(d) May not be located within 1,000 feet of:**

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

9 **(B) A private or parochial elementary or secondary school, teaching children as described**
10 **in ORS 339.030 (1)(a);**

11 (e) Must not be located within 1,000 feet of another medical marijuana *[facility]* **dispensary**; and

12 *[(f) Must comport with rules adopted by the authority related to:]*

13 *[(A) Installing a minimum security system, including a video surveillance system, alarm system and*
14 *safe; and]*

15 *[(B) Testing for pesticides, mold and mildew and the processes by which usable marijuana and*
16 *immature marijuana plants that test positive for pesticides, mold or mildew must be returned to the*
17 *registry identification cardholder, the cardholder's designated primary caregiver or the cardholder's*
18 *registered grower.]*

19 **(f) Must meet the requirements of any rule adopted by the authority under subsection**
20 **(10) of this section.**

21 (4)(a) The authority shall conduct a criminal records check under ORS 181.534 *[of a person*
22 *whose name is submitted as the person responsible for a medical marijuana facility]* **for each indi-**
23 **vidual named in an application submitted** under subsection (2) of this section.

24 (b) *[A person]* **An individual** convicted for the manufacture or delivery of a controlled substance
25 in Schedule I or Schedule II may not *[be the person]* **own or be** responsible for a medical marijuana
26 *[facility]* **dispensary** for five years from the date the *[person]* **individual** is convicted.

27 (c) *[A person]* **An individual** convicted more than once for the manufacture or delivery of a
28 controlled substance in Schedule I or Schedule II may not *[be the person]* **own or be** responsible for
29 a medical marijuana *[facility]* **dispensary**.

30 (5) If a person submits the application required under subsection (2) of this section, **if the med-**
31 **ical marijuana** *[facility]* **dispensary** identified in the application meets the *[qualifications for a med-*
32 *ical marijuana facility described in subsection (3) of this section and the person responsible for the*
33 *medical marijuana facility]* **requirements of this section and any rules adopted under this sec-**
34 **tion and if each individual named in the application** passes the criminal records check required
35 under subsection (4) of this section, the authority shall register the medical marijuana *[facility]*
36 **dispensary** and issue *[the person responsible for the medical marijuana facility]* proof of registration.
37 *[The person responsible for the medical marijuana facility shall display the]* Proof of registration
38 **must be displayed** on the premises of the medical marijuana *[facility at all times when usable*
39 *marijuana or immature marijuana plants are being transferred as described in subsection (1) of this*
40 *section]* **dispensary at all times.**

41 **(6) A medical marijuana dispensary that is registered under this section is not required**
42 **to register with the State Board of Pharmacy under ORS 475.125.**

43 *[(6)(a) A registered medical marijuana facility may receive usable marijuana or immature*
44 *marijuana plants only from a registry identification cardholder, designated primary caregiver or person*
45 *responsible for a marijuana grow site if the registered medical marijuana facility obtains authorization,*

1 on a form prescribed by the authority by rule and signed by a registry identification cardholder, to
2 receive the usable marijuana or immature marijuana plants.]

3 [(b) A registered medical marijuana facility shall maintain:]

4 [(A) A copy of each authorization form described in paragraph (a) of this subsection; and]

5 [(B) Documentation of each transfer of usable marijuana or immature marijuana plants.]

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

9 [(7) A medical marijuana facility registered under this section may possess usable marijuana and
10 immature marijuana plants in excess of the limits imposed on registry identification cardholders and
11 designated primary caregivers under ORS 475.320.]

12 [(8)(a) A registered medical marijuana facility may not transfer any tetrahydrocannabinol-infused
13 product that is meant to be swallowed or inhaled, unless the product is packaged in child-resistant
14 safety packaging that meets standards established by the authority by rule.]

15 [(b) A registered medical marijuana facility may not transfer any tetrahydrocannabinol-infused
16 product that is manufactured or packaged in a manner that is attractive to minors, as determined by
17 the authority by rule.]

18 [(9)] **(8)** The authority may inspect:

19 [(a) The premises of an applicant for a medical marijuana facility or a registered medical
20 marijuana facility to ensure compliance with the qualifications for a medical marijuana facility de-
21 scribed in subsection (3) of this section; and]

22 **(a) The premises of a proposed medical marijuana dispensary or a registered medical**
23 **marijuana dispensary to ensure compliance with this section and section 18 of this 2015 Act**
24 **and any rules adopted under this section or section 18 of this 2015 Act; and**

25 (b) The records of a registered medical marijuana [facility] **dispensary** to ensure compliance
26 with subsection [(6)(b)] **(7)** of this section.

27 [(10)(a) A registry identification cardholder or the designated primary caregiver of a registry
28 identification cardholder may reimburse a medical marijuana facility registered under this section for
29 the normal and customary costs of doing business, including costs related to transferring, handling,
30 securing, insuring, testing, packaging and processing usable marijuana and immature marijuana plants
31 and the cost of supplies, utilities and rent or mortgage.]

32 [(b) A medical marijuana facility may reimburse a person responsible for a marijuana grow site
33 under this section for the normal and customary costs of doing business, including costs related to
34 transferring, handling, securing, insuring, testing, packaging and processing usable marijuana and
35 immature marijuana plants and the cost of supplies, utilities and rent or mortgage.]

36 [(11) the authority may revoke the registration of a medical marijuana facility registered under this
37 section for failure to comply with ORS 475.300 to 475.346, rules adopted under ORS 475.300 to 475.346
38 or ordinances adopted pursuant to section 2, chapter 79, Oregon Laws 2014. The authority may release
39 to the public a final order revoking a medical marijuana facility registration.]

40 **(9) Subject to the provisions of ORS chapter 183, the authority may refuse to register an**
41 **applicant under this section or may suspend or revoke the registration of a medical**
42 **marijuana dispensary if the authority determines that the applicant, the owner of the med-**
43 **ical marijuana dispensary, a person responsible for the medical marijuana dispensary, or an**
44 **employee of the medical marijuana dispensary, violated a provision of ORS 475.300 to 475.346,**
45 **a rule adopted under ORS 475.300 to 475.346 or an ordinance adopted pursuant to section 2,**

1 **chapter 79, Oregon Laws 2014.**

2 [(12)] (10) The authority shall adopt rules to implement this section, including rules that:

3 (a) Require a **registered** medical marijuana [*facility registered under this section*] **dispensary** to
4 annually renew [*that registration; and*] **the registration for that dispensary**;

5 (b) Establish fees for registering, and renewing **the** registration [*for*] **of**, a medical marijuana
6 [*facility under this section.*] **dispensary**;

7 (c) **Require that each medical marijuana dispensary install and maintain a minimum se-**
8 **curity system that includes video surveillance, an alarm system and a safe;**

9 (d) **Require that usable marijuana, medical cannabinoid products, cannabinoid concen-**
10 **trates, cannabinoid extracts and immature marijuana plants transferred by a medical**
11 **marijuana dispensary be tested to ensure the public health and safety; and**

12 (e) **Impose any other standard on the operation of a medical marijuana dispensary to**
13 **ensure the public health and safety.**

14 **SECTION 17.** If a school described in ORS 475.314 (3)(d) is established within 1,000 feet
15 of a medical marijuana dispensary, the medical marijuana dispensary may remain at its
16 current location unless the authority revokes the registration of the medical marijuana
17 dispensary.

18 **SECTION 18.** (1) The Oregon Health Authority shall require by rule a medical marijuana
19 dispensary to submit to the authority for inclusion in the database developed and maintained
20 pursuant to section 15 of this 2015 Act the following information:

21 (a) The amount of usable marijuana transferred to and by the medical marijuana
22 dispensary;

23 (b) The amount and type of medical cannabinoid products transferred to and by the
24 medical marijuana dispensary;

25 (c) The amount and type of cannabinoid concentrates transferred to and by the medical
26 marijuana dispensary;

27 (d) The amount and type of cannabinoid extracts transferred to and by the medical
28 marijuana dispensary; and

29 (e) The quantity of immature marijuana plants transferred to and by the medical
30 marijuana dispensary.

31 (2) The authority by rule may require a medical marijuana dispensary to submit to the
32 authority for inclusion in the database developed and maintained pursuant to section 15 of
33 this 2015 Act information that is in addition to the information described in subsection (1)
34 of this section as the authority considers necessary to fulfill the authority's duties under
35 ORS 475.314 (1).

36
37 **(Designation, Assignment and Foreclosure)**

38
39 **SECTION 19.** (1) A person responsible for a marijuana processing site, or a person re-
40 sponsible for a medical marijuana dispensary, may designate that responsibility to another
41 person.

42 (2) If a designation is made under this section, the designee must submit to the Oregon
43 Health Authority proof that the designee meets the requirements and restrictions set forth
44 in:

45 (a) For marijuana processing sites, section 10 (2)(d) and (4) of this 2015 Act; or

1 (b) For medical marijuana dispensaries, ORS 475.314 (2)(d) and (4).

2 (3) The authority may prescribe the form and manner of submitting proof under sub-
3 section (2) of this section.

4 **SECTION 20.** (1) A person responsible for a marijuana processing site, or a person re-
5 sponsible for a medical marijuana dispensary, may assign that responsibility to another per-
6 son.

7 (2) If an assignment is made under this section, the assignee must submit to the Oregon
8 Health Authority proof that the assignee meets the requirements and restrictions set forth
9 in:

10 (a) For marijuana processing sites, section 10 (2)(d) and (4) of this 2015 Act; or

11 (b) For medical marijuana dispensaries, ORS 475.314 (2)(d) and (4).

12 (3) The authority may prescribe the form and manner of submitting proof under sub-
13 section (2) of this section.

14 **SECTION 21.** (1) In the event that a marijuana processing site or a medical marijuana
15 dispensary is foreclosed or otherwise ceases operations as described in ORS chapter 79, a
16 secured party, as defined in ORS 79.0102, may continue operations at the marijuana pro-
17 cessing site or medical marijuana dispensary upon submitting to the Oregon Health Author-
18 ity proof that the secured party or, if the secured party is a business entity, any individual
19 who has a financial interest in the secured party, meets the requirements and restrictions
20 set forth in:

21 (a) For marijuana processing sites, section 10 (2)(d) and (4) of this 2015 Act; or

22 (b) For medical marijuana dispensaries, ORS 475.314 (2)(d) and (4).

23 (2) The authority may prescribe the form and manner of submitting proof under sub-
24 section (1) of this section.

25
26 (Exemptions from Criminal Liability
27 and Affirmative Defense)
28

29 **SECTION 22.** Except as provided in ORS 475.316, a person engaged in or assisting in the
30 medical use of marijuana is exempt from the criminal laws of this state for possession, de-
31 livery or manufacture of marijuana, aiding and abetting another in the possession, delivery
32 or manufacture of marijuana, or any other criminal offense in which possession, delivery or
33 manufacture of marijuana is an element if:

34 (1) The person holds a registry identification card.

35 (2) The person has applied for a registry identification card under ORS 475.309 and the
36 person has proof of written documentation described in ORS 475.309 (2)(a) and proof of the
37 date on which the person submitted the application to the Oregon Health Authority. An ex-
38 emption under this subsection applies only until the authority approves or denies the appli-
39 cation.

40 (3) The person is designated as a primary caregiver under ORS 475.312.

41 (4) The person is responsible for or is employed by a marijuana grow site registered un-
42 der ORS 475.304.

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

44 (6) The person owns, is responsible for, or is employed by, a medical marijuana
45 dispensary.

1 **SECTION 23.** ORS 475.319 is amended to read:

2 475.319. (1) Except as provided in ORS 475.316 [*and 475.342, it is*], **a person has** an affirmative
3 defense to a criminal charge of possession [*or production*], **delivery or manufacture** of marijuana,
4 or any other criminal offense in which possession [*or production*], **delivery or manufacture** of
5 marijuana is an element, [*that*] **if** the person charged with the offense [*is a person who*]:

6 (a) [*Has been*] **Was** diagnosed with a debilitating medical condition within 12 months [*prior to*
7 *arrest and been*] **of the date on which the person was arrested and was** advised by the person's
8 attending physician that the medical use of marijuana may mitigate the symptoms or effects of that
9 debilitating medical condition;

10 (b) Is engaged in the medical use of marijuana; and

11 (c) Possesses [*or produces*], **delivers or manufactures** marijuana only in [*amounts*] **quantities**
12 permitted under ORS 475.320.

13 (2) [*It is not necessary for a person asserting an affirmative defense pursuant to this section to have*
14 *received*] **A person does not need to lawfully possess** a registry identification card [*in order*] to
15 assert the affirmative defense established in this section.

16 (3) [*No*] **A** person engaged in the medical use of marijuana who claims that marijuana provides
17 medically necessary benefits and who is charged with a crime pertaining to [*such*] **the** use of
18 marijuana [*shall be*] **is not** precluded from presenting a defense of choice of evils, as set forth in
19 ORS 161.200, or from presenting evidence supporting the necessity of marijuana for treatment of a
20 specific disease or medical condition, provided that [*the amount of marijuana at issue is no greater*
21 *than permitted under ORS 475.320 and the patient*]:

22 (a) **The person possesses, delivers or manufactures marijuana only as permitted under**
23 **ORS 475.320 (1); and**

24 (b) **The person** has taken a substantial step [*to comply*] **toward complying** with the provisions
25 of ORS 475.300 to 475.346.

26 (4) [*Any*] **A** defendant proposing to use the affirmative defense [*provided for by*] **established in**
27 this section in a criminal action shall, not less than five days before the trial of the cause, file and
28 serve upon the district attorney a written notice of the intention to [*offer such a*] **assert the affir-**
29 **native** defense [*that*]. **The notice must** specifically [*states*] **state** the reasons why the defendant is
30 entitled to assert **the affirmative defense** and the factual basis for [*such*] **the** affirmative defense.
31 If the defendant fails to file and serve [*such*] **the** notice, the defendant is not permitted to assert the
32 affirmative defense at the trial of the cause unless the court [*for good cause*] orders, **for good cause,**
33 otherwise.

34 **SECTION 24.** ORS 475.316 is amended to read:

35 475.316. [*(1) No person authorized to possess, deliver or produce marijuana for medical use pur-*
36 *suant to ORS 475.300 to 475.346 shall be excepted from the criminal laws of this state or shall be*
37 *deemed to have established an affirmative defense to criminal charges of which possession, delivery or*
38 *production of marijuana is an element if the person, in connection with the facts giving rise to such*
39 *charges:*] **A person is not exempt from the criminal laws of this state for possession, delivery**
40 **or manufacture of marijuana, aiding and abetting another in the possession, delivery or**
41 **manufacture of marijuana, or any other criminal offense in which possession, delivery or**
42 **manufacture of marijuana is an element, and the person may not assert the affirmative de-**
43 **fense established in ORS 475.319, if the person, in connection with conduct constituting an**
44 **element of the offense:**

45 [*(a)*] (1) Drives under the influence of marijuana as provided in ORS 813.010;

(Confidentiality)

1
2
3 **SECTION 29.** (1) Any personally identifiable information, as defined in ORS 432.005, other
4 than a name of an individual or an address submitted with an application under ORS 475.314
5 or section 10 of this 2015 Act, that the Oregon Health Authority collects and maintains for
6 purposes of registering a marijuana grow site under ORS 475.304, a marijuana processing site
7 under section 10 of this 2015 Act, or a medical marijuana dispensary under ORS 475.314, is
8 confidential and not subject to public disclosure under ORS 192.410 to 192.505, except that the
9 authority may provide personally identifiable information to a person registered under ORS
10 475.300 to 475.346 if the registrant requests the information and the information is related
11 to a designation made under ORS 475.300 to 475.346.

12 (2) Any personally identifiable information, as defined in ORS 432.005, submitted to the
13 authority under section 6, 12 or 18 of this 2015 Act or pursuant to section 15 of this 2015 Act
14 is confidential and not subject to public disclosure under ORS 192.410 to 192.505.

15 (3) Any record that the authority keeps or maintains for purposes related to the instal-
16 lation or maintenance of a security system by a medical marijuana dispensary pursuant to
17 rules adopted under ORS 475.314 (10) is confidential and not subject to public disclosure under
18 ORS 192.410 to 192.505.

19 **SECTION 30.** Notwithstanding section 29 of this 2015 Act, if the Oregon Health Authority
20 suspends or revokes the registration of the marijuana grow site of a person designated to
21 produce marijuana by a registry identification cardholder under ORS 475.304, a marijuana
22 processing site or a medical marijuana dispensary, or otherwise takes disciplinary action
23 against the marijuana grow site of a person designated to produce marijuana by a registry
24 identification cardholder, a marijuana processing site or a medical marijuana dispensary, the
25 authority shall provide that information to a law enforcement agency.

(Seeds)

26
27
28 **SECTION 31.** (1) For purposes of ORS 475.300 to 475.346, seeds of the plant Cannabis
29 family Cannabaceae are a propagant of nursery stock as defined in ORS 571.005.

30 (2) Notwithstanding subsection (1) of this section, the production and processing of seeds
31 under ORS 475.300 to 475.346 is not subject to the labeling or other requirements of ORS
32 576.715 to 576.744 or 633.511 to 633.750.
33

(Preemption and Local Government Power)

34
35 **SECTION 32.** (1) Except as expressly authorized by statutory laws of this state, the au-
36 thority to regulate the medical use of marijuana, the production, processing or transfer of
37 marijuana, usable marijuana, medical cannabinoid products, cannabinoid concentrates and
38 cannabinoid extracts under ORS 475.300 to 475.346, and the authority to impose a tax or fee
39 on the production, processing or transfer of marijuana, usable marijuana, medical
40 cannabinoid products, cannabinoid concentrates and cannabinoid extracts under ORS 475.300
41 to 475.346, is vested solely in the Legislative Assembly.
42

43 (2) Except as expressly authorized by statutory laws of this state, a county, city or other
44 municipal corporation or district may not enact ordinances regulating the medical use of
45

1 marijuana, the production, processing or transfer of marijuana, usable marijuana, medical
 2 cannabinoid products, cannabinoid concentrates and cannabinoid extracts under ORS 475.300
 3 to 475.346, or ordinances imposing a tax or fee on the production, processing or transfer of
 4 marijuana, usable marijuana, medical cannabinoid products, cannabinoid concentrates and
 5 cannabinoid extracts under ORS 475.300 to 475.346.

6 **SECTION 33.** Section 2, chapter 79, Oregon Laws 2014, is amended to read:

7 **Sec. 2.** *[Notwithstanding ORS 633.738, the governing body of a city or county may adopt ordi-*
 8 *nances that impose reasonable regulations on the operation of medical marijuana facilities registered,*
 9 *or applying for registration, under ORS 475.314 that are located in the area subject to the jurisdiction*
 10 *of the city or county. For purposes of this section, “reasonable regulations” includes reasonable limi-*
 11 *tations on the hours during which a medical marijuana facility may be operated, reasonable limitations*
 12 *on where a medical marijuana facility may be located within a zone described in ORS 475.314 (3)(a)*
 13 *and reasonable conditions on the manner in which a medical marijuana facility may dispense medical*
 14 *marijuana.]*

15 (1) For purposes of this section, “reasonable regulations” includes:

16 (a) Reasonable limitations on the hours during which the marijuana grow site of a person
 17 designated to produce marijuana by a registry identification cardholder under ORS 475.304,
 18 a marijuana processing site or a medical marijuana dispensary may operate;

19 (b) Reasonable conditions on the manner in which a marijuana processing site or medical
 20 marijuana dispensary may transfer usable marijuana, medical cannabinoid products,
 21 cannabinoid concentrates, cannabinoid extracts, immature marijuana plants and seeds;

22 (c) Reasonable requirements related to the public’s access to the marijuana grow site of
 23 a person designated to produce marijuana by a registry identification cardholder under ORS
 24 475.304, a marijuana processing site or a medical marijuana dispensary; and

25 (d) Reasonable limitations on where the marijuana grow site of a person designated to
 26 produce marijuana by a registry identification cardholder under ORS 475.304, a marijuana
 27 processing site or a medical marijuana dispensary may be located.

28 (2) Notwithstanding ORS 633.738, the governing body of a city or county may adopt ordi-
 29 nances that impose reasonable regulations on the operation of marijuana grow sites of per-
 30 sons designated to produce marijuana by registry identification cardholders, marijuana
 31 processing sites and medical marijuana dispensaries that are located in the area subject to
 32 the jurisdiction of the city or county.

33
 34 (Other Amendments)
 35

36 **SECTION 34.** ORS 475.300 is amended to read:

37 475.300. The people of the State of Oregon *[hereby]* find that:

38 (1) Patients and doctors have found marijuana to be an effective treatment for suffering caused
 39 by debilitating medical conditions[,] and, therefore, marijuana *[should]* **must** be treated like other
 40 medicines;

41 (2) Oregonians suffering from debilitating medical conditions should be allowed to use *[small*
 42 *amounts of]* marijuana without fear of civil or criminal penalties when *[their doctors advise that such*
 43 *use]* **a doctor advises that using marijuana** may provide a medical benefit *[to them]* and when
 44 other reasonable restrictions are met regarding that use;

45 (3) ORS 475.300 to 475.346 are intended to allow Oregonians with debilitating medical conditions

1 who may benefit from the medical use of marijuana to be able to [*discuss freely with their*] **freely**
 2 **discuss with** doctors the possible risks and benefits [*of*] **associated with the medical use of**
 3 marijuana [*use*] and to have the benefit of [*their doctor's*] professional **medical** advice; and

4 (4) ORS 475.300 to 475.346 are intended [*to make only those changes to existing Oregon laws that*
 5 *are necessary*] to protect patients and [*their*] doctors from criminal and civil penalties[,] and are not
 6 intended to change current civil and criminal laws governing the use of marijuana for nonmedical
 7 purposes.

8 **SECTION 35.** ORS 475.303 is amended to read:

9 475.303. (1) There is [*created*] **established within the Oregon Health Authority** the Advisory
 10 Committee on Medical Marijuana [*in the Oregon Health Authority*], consisting of 11 members ap-
 11 pointed by the Director of the Oregon Health Authority.

12 (2) The director shall appoint members of the committee from [*persons who possess registry*
 13 *identification cards, designated primary caregivers of persons who possess registry identification cards*
 14 *and advocates of the Oregon Medical Marijuana Act.*] **persons who are knowledgeable about**
 15 **marijuana or who are registered with the authority under ORS 475.300 to 475.346 and who**
 16 **are advocates for the medical use of marijuana, provided that a majority of the members of**
 17 **the committee are registered with the authority under ORS 475.300 to 475.346 and are advo-**
 18 **cates for the medical use of marijuana.**

19 (3) The committee shall advise the director on the administrative aspects of [*the Oregon Medical*
 20 *Marijuana Program, review current and proposed administrative rules of the program and provide*
 21 *annual input on the fee structure of the program.*] **ORS 475.300 to 475.346, including rules and fees**
 22 **adopted, and proposed for adoption, under ORS 475.300 to 475.346.**

23 (4) The committee shall meet at least four times per year, at times and places specified by the
 24 director.

25 (5) The authority shall provide staff support to the committee.

26 (6) All agencies of state government, as defined in ORS 174.111, are directed to assist the com-
 27 mittee in the performance of its duties and, to the extent permitted by laws relating to
 28 confidentiality, to furnish information and advice that the members of the committee consider nec-
 29 essary to perform their duties.

30 **SECTION 36.** ORS 475.323 is amended to read:

31 475.323. (1) [*Possession of a registry identification card, designated primary caregiver identification*
 32 *card pursuant to ORS 475.309 or proof of registration as a medical marijuana facility under ORS*
 33 *475.314*] **Registration under ORS 475.300 to 475.346 or possession of proof of registration under**
 34 **ORS 475.300 to 475.346** does not [*alone*] constitute probable cause to search the person or property
 35 of the [*cardholder*] **registrant** or otherwise subject the person or property of the [*cardholder*] **reg-**
 36 **istrant** to inspection by [*any governmental*] **a government** agency. However, the Oregon Health
 37 Authority may inspect a [*medical marijuana facility registered under ORS 475.314*] **marijuana grow**
 38 **site registered under ORS 475.304, a marijuana processing site registered under section 10**
 39 **of this 2015 Act, or a medical marijuana dispensary registered under ORS 475.314, at any**
 40 reasonable time to determine whether [*the facility*] **the person responsible for the marijuana grow**
 41 **site, the person responsible for the marijuana processing site, or the person responsible for**
 42 **the medical marijuana dispensary, is in compliance with ORS 475.300 to 475.346 and rules**
 43 **adopted under ORS 475.300 to 475.346.**

44 (2) Any property interest possessed, owned or used in connection with the medical use of
 45 marijuana or acts incidental to the medical use of marijuana that has been seized by state or local

1 law enforcement officers may not be harmed, neglected, injured or destroyed while in the possession
 2 of *[any]* a law enforcement agency~~],~~ **except that** a law enforcement agency has no responsibility
 3 to maintain live marijuana plants lawfully seized. *[No]* Such property interest may **not** be forfeited
 4 under any provision of law providing for the forfeiture of property *[other than as]*, **except pursuant**
 5 **to** a sentence imposed after conviction of a criminal offense. *[Usable]* Marijuana and **equipment or**
 6 paraphernalia used to **produce, process or** administer marijuana that was seized by *[any]* a law
 7 enforcement *[office]* **officer** shall be returned immediately *[upon a determination by]* **if** the district
 8 attorney in whose county the property was seized, or the district attorney's designee, **determines**
 9 that the person from whom the marijuana, **equipment** or paraphernalia *[used to administer*
 10 *marijuana]* was seized is entitled to the protections *[contained in]* **provided by** ORS 475.300 to
 11 475.346. The determination may be evidenced~~,~~ *for example,* by a decision not to prosecute, the dis-
 12 missal of charges or acquittal.

13 **SECTION 37.** ORS 475.326 is amended to read:

14 475.326. *[No attending physician may be subjected to civil penalty or discipline by the Oregon*
 15 *Medical Board for:]* **The Oregon Medical Board may not impose a civil penalty or take other**
 16 **disciplinary action against an attending physician for:**

17 (1) Advising a person *[whom the attending physician has]* diagnosed as having a debilitating
 18 medical condition~~,~~ *or a person who the attending physician knows has been so diagnosed]* by **the**
 19 **attending physician or** another physician licensed under ORS chapter 677~~],~~ about the risks and
 20 benefits *[of]* **associated with the** medical use of marijuana or that the medical use of marijuana
 21 may mitigate the symptoms or effects of the person's debilitating medical condition, provided **that**
 22 the advice is based on the attending physician's personal assessment of the person's medical history
 23 and current medical condition; or

24 (2) Providing the written documentation necessary for issuance **or renewal** of a registry iden-
 25 tification card under ORS 475.309, *[if]* **provided that** the **written** documentation is based on the
 26 attending physician's personal assessment of the *[applicant's]* **person's** medical history and current
 27 medical condition and the attending physician has discussed **with the person** the potential
 28 *[medical]* risks and benefits *[of]* **associated with** the medical use of marijuana *[with the applicant]*.

29 **SECTION 38.** ORS 475.328 is amended to read:

30 475.328. (1) *[No]* **A** professional licensing board may **not** impose a civil penalty or take other
 31 disciplinary action against a licensee based on the licensee's medical use of marijuana *[in accordance*
 32 *with]* **under** the provisions of ORS 475.300 to 475.346 or actions taken by the licensee *[that are*
 33 *necessary to carry out the licensee's role as a designated primary caregiver to a person who possesses*
 34 *a lawful registry identification card]* **pursuant to the licensee's designation as a primary**
 35 **caregiver under ORS 475.312.**

36 (2)(a) A licensed health care professional may administer medical marijuana to a person who
 37 possesses a registry identification card and resides in a licensed health care facility if the adminis-
 38 tration of pharmaceuticals is within the scope of practice of the licensed health care professional.
 39 Administration of medical marijuana under this subsection may not take place in a public place as
 40 defined in ORS 161.015 or in the presence of a person under 18 years of age. If the medical
 41 marijuana administered under this subsection is smoked, adequate ventilation must be provided.

42 (b) Nothing in this subsection requires:

43 (A) A licensed health care professional to administer medical marijuana; or

44 (B) A licensed health care facility to make accommodations for the administration of medical
 45 marijuana.

1 **SECTION 39.** ORS 475.331 is amended to read:

2 475.331. (1)(a) The Oregon Health Authority shall *[create]* **establish** and maintain a list of *[the*
3 *persons to whom the authority has issued registry identification cards, the names of any designated*
4 *primary caregivers, the names of persons responsible for a medical marijuana facility registered under*
5 *ORS 475.314, the addresses of authorized marijuana grow sites and the addresses of registered medical*
6 *marijuana facilities.]*:

7 **(A) The names of persons to whom a registry identification card has been issued under**
8 **ORS 475.309;**

9 **(B) The names of persons designated as primary caregivers under ORS 475.312; and**

10 **(C) The addresses of marijuana grow sites registered under ORS 475.304.**

11 **(b)** Except as provided in subsection (2) of this section, the list *[shall be]* **is** confidential and not
12 subject to public disclosure **under ORS 192.410 to 192.505.**

13 **[(b)] (c)** The authority shall develop a system by which authorized employees of state and local
14 law enforcement agencies may verify *[at all times]* that:

15 **(A)** A person *[is a lawful possessor of]* **lawfully possesses** a registry identification card;

16 **(B)** A person is the designated primary caregiver of a lawful possessor of a registry identifica-
17 tion card; **or**

18 **(C)** A location is *[an authorized]* **a registered** marijuana grow site[;].

19 **[(D)]** *A location is a registered medical marijuana facility; or]*

20 **[(E)]** *A person is the person listed as the person responsible for a registered medical marijuana*
21 *facility.]*

22 (2) Names, **addresses** and other identifying information from the list established **and main-**
23 **tained** pursuant to subsection (1) of this section may be released to:

24 (a) Authorized employees of the authority as necessary to perform official duties of the author-
25 ity.

26 (b) Authorized employees of state or local law enforcement agencies[,] who provide to the au-
27 thority adequate identification, *[such as a badge number or similar authentication of authority,]* **but**
28 only as necessary to verify that:

29 **(A)** A person *[is a lawful possessor of]* **lawfully possesses** a registry identification card;

30 **(B)** A person is the designated primary caregiver of a lawful possessor of a registry identifica-
31 tion card; **or**

32 **(C)** A location is *[an authorized]* **a registered** marijuana grow site[;].

33 **[(D)]** *A location is a registered medical marijuana facility; or]*

34 **[(E)]** *A person is the person listed as the person responsible for a registered medical marijuana*
35 *facility.]*

36 (3) Authorized employees of state or local law enforcement agencies *[that]* **who** obtain identify-
37 ing information *[from the list]* as authorized *[under]* **by** this section may not release or use the in-
38 formation for any purpose other than *[verification]* **to verify** that:

39 (a) A person *[is a lawful possessor of]* **lawfully possesses** a registry identification card;

40 (b) A person is the designated primary caregiver of a lawful possessor of a registry identifica-
41 tion card; **or**

42 (c) A location is *[an authorized]* **a registered** marijuana grow site[;].

43 **[(d)]** *A location is a registered medical marijuana facility; or]*

44 **[(e)]** *A person is the person listed as the person responsible for a registered medical marijuana fa-*
45 *cility.]*

1 (4) In addition to releasing information to authorized employees of state or local law
 2 enforcement agencies for purposes of verifying information under subsection (2)(b) of this
 3 section, the authority may release to authorized employees of state or local law enforcement
 4 agencies the minimum amount of information necessary to enable an employee to determine
 5 whether an individual or location is in compliance with a provision of ORS 475.300 to 475.346
 6 or a rule adopted under ORS 475.300 to 475.346.

7 (5) If the authority determines, after conducting an investigation or receiving a com-
 8 plaint of an alleged violation of a provision of ORS 475.300 to 475.346 or a rule adopted under
 9 ORS 475.300 to 475.346, that a violation of a provision of ORS 475.300 to 475.346 or a rule
 10 adopted under ORS 475.300 to 475.346 has occurred, the authority may provide information
 11 obtained by the authority, except for information related to a registry identification
 12 cardholder's debilitating condition, to authorized employees of state or local law enforcement
 13 agencies, or to another state or local government agency with jurisdiction over the matter.

14 **SECTION 40.** ORS 475.334 is amended to read:

15 475.334. Any person may [*submit a petition to*] **petition** the Oregon Health Authority
 16 [*requesting*] **to request** that a [*particular*] disease or condition be included among the diseases and
 17 conditions that qualify as debilitating medical conditions under ORS [*475.302*] **475.300 to 475.346**.
 18 The authority shall adopt rules establishing [*the manner in which the authority will evaluate petitions*
 19 *submitted under this section*] **the procedure for filing a petition under this section and the**
 20 **manner by which the authority evaluates a request made under this section.** [*Any*] Rules
 21 adopted [*pursuant to*] **under** this section [*shall*] **must** require the authority to approve or deny a
 22 petition within 180 days of [*receipt of*] **receiving** the petition [*by the authority*]. Denial of a petition
 23 [*shall be considered*] **is** a final [*authority*] **agency** action subject to judicial review.

24 **SECTION 41.** ORS 475.338 is amended to read:

25 475.338. (1) The Oregon Health Authority shall adopt [*all*] rules necessary for the implementa-
 26 tion, [*and*] administration **and enforcement** of ORS 475.300 to 475.346.

27 (2) **The authority may adopt rules as the authority considers necessary to protect the**
 28 **public health and safety.**

29 **SECTION 42.** ORS 475.340 is amended to read:

30 475.340. Nothing in ORS 475.300 to 475.346 [*shall be construed to require*] **requires:**

31 (1) A government medical assistance program or private health insurer to reimburse a person
 32 for costs associated with the medical use of marijuana; or

33 (2) An employer to accommodate the medical use of marijuana in [*any*] **the** workplace.

34 **SECTION 43.** ORS 475.342 is amended to read:

35 475.342. [*Nothing in*] **The provisions of** ORS 475.300 to 475.346 [*shall protect*] **do not protect**
 36 a person from a criminal cause of action based on possession, [*production, or*] delivery **or manu-**
 37 **facture** of marijuana that is not [*authorized by*] **described in** ORS 475.300 to 475.346.

38 TESTING

39
 40
 41 **SECTION 44.** As used in sections 44 to 55 of this 2015 Act:

42 (1) "Cannabinoid" means any of the chemical compounds that are the active constituents
 43 of marijuana.

44 (2) "Cannabinoid concentrate or extract" means a substance obtained by separating
 45 cannabinoids from marijuana by a mechanical, chemical or other process.

1 (3) “Cannabinoid edible” means food or potable liquid into which a cannabinoid concen-
 2 trate or extract or the dried leaves or flowers of marijuana have been incorporated.

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

6 (b) “Cannabinoid product” does not include:

7 (A) Usable marijuana by itself;

8 (B) A cannabinoid concentrate or extract by itself; or

9 (C) Industrial hemp, as defined in ORS 571.300.

10 (5)(a) “Marijuana” means the plant Cannabis family Cannabaceae, any part of the plant
 11 Cannabis family Cannabaceae and the seeds of the plant Cannabis family Cannabaceae.

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

13 (6) “Marijuana item” means marijuana, usable marijuana, a cannabinoid product or a
 14 cannabinoid concentrate or extract.

15 (7) “Processing” means the compounding or conversion of marijuana into cannabinoid
 16 products or cannabinoid concentrates or extracts.

17 (8) “Production” means:

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

19 (b) Drying marijuana leaves and flowers.

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

21 (b) “Usable marijuana” does not include:

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

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

24 **SECTION 45.** (1) Sections 44 to 55 of this 2015 Act and rules adopted under sections 44
 25 to 55 of this 2015 Act shall serve as the basis for establishing the minimum standards for
 26 testing marijuana items in this state as required under ORS 475.300 to 475.346 and section
 27 50, chapter 1, Oregon Laws 2015.

28 (2) Sections 44 to 55 of this 2015 Act do not prevent the Oregon Health Authority or the
 29 Oregon Liquor Control Commission from establishing additional minimum standards for
 30 testing marijuana items, or from establishing minimum standards for producing or process-
 31 ing marijuana items, if the authority or commission is otherwise authorized under the stat-
 32 utory laws of this state to establish those standards.

33 **SECTION 46.** (1) The Oregon Health Authority shall require all marijuana items trans-
 34 ferred by a medical marijuana dispensary registered under ORS 475.314, and the Oregon Li-
 35 quor Control Commission shall require all marijuana items sold by a marijuana retailer that
 36 holds a license under section 22, chapter 1, Oregon Laws 2015, to be tested to ensure the
 37 public health and safety.

38 (2)(a) In adopting rules to implement sections 44 to 55 of this 2015 Act, the authority may
 39 require:

40 (A) A person responsible for a marijuana grow site under ORS 475.304, a marijuana pro-
 41 ducer that holds a license under section 19, chapter 1, Oregon Laws 2015, or a marijuana
 42 wholesaler that holds a license under section 21, chapter 1, Oregon Laws 2015, to test usable
 43 marijuana before selling or transferring the usable marijuana; and

44 (B) A marijuana processing site registered under section 10 of this 2015 Act, a marijuana
 45 processor that holds a license under section 20, chapter 1, Oregon Laws 2015, or a marijuana

1 wholesaler that holds a license under section 21, chapter 1, Oregon Laws 2015, to test
2 cannabinoid products or cannabinoid concentrates or extracts before selling or transferring
3 the cannabinoid products or cannabinoid concentrates or extracts.

4 (b) In adopting rules to implement sections 44 to 55 of this 2015 Act, the authority may
5 not require a marijuana item to be tested more than once unless the marijuana item is
6 processed into a different type of marijuana item.

7 (3) The testing of marijuana items as required by this section must be conducted by a
8 laboratory licensed by the authority under section 47 of this 2015 Act and accredited by the
9 authority as described in section 48 of this 2015 Act.

10 **SECTION 47.** (1) A laboratory that conducts testing of marijuana items as required by
11 section 46 of this 2015 Act must have a license to operate at the premises at which the
12 marijuana items are tested.

13 (2) For purposes of this section, the Oregon Health Authority shall adopt rules estab-
14 lishing:

15 (a) Qualifications to be licensed under this section, including that an applicant for
16 licensure under this section must be accredited by the authority as described in section 48
17 of this 2015 Act;

18 (b) Processes for applying for and renewing a license under this section; and

19 (c) Fees for applying for, receiving and renewing a license under this section.

20 (3) A license issued under this section must be renewed annually.

21 (4) Fees adopted under subsection (2)(c) of this section must be reasonably calculated to
22 pay the expenses incurred by the commission under sections 44 to 55 of this 2015 Act.

23 (5) Fee moneys collected under this section shall be deposited in the Oregon Health Au-
24 thority Fund established under ORS 413.101 and are continuously appropriated to the au-
25 thority for the purpose of carrying out the duties, functions and powers of the authority
26 under sections 44 to 55 of this 2015 Act.

27 **SECTION 48.** (1) A laboratory that conducts testing of marijuana items as required by
28 section 46 of this 2015 Act must be accredited under ORS 438.605 to 438.620 and meet other
29 qualifications as established by the Oregon Health Authority under this section.

30 (2) In addition to other qualifications required pursuant to ORS 438.605 to 438.620, the
31 authority shall require an applicant for accreditation under ORS 438.605 to 438.620 for pur-
32 poses related to the testing of marijuana items to:

33 (a) Complete an online application;

34 (b) Undergo an onsite inspection; and

35 (c) Meet other applicable requirements, specifications and guidelines for testing
36 marijuana items, as determined to be appropriate by the authority by rule.

37 (3) In establishing fees under ORS 438.620 for laboratories that test marijuana items, the
38 authority shall establish fees that are reasonably calculated to pay the expenses incurred by
39 the authority under this section and ORS 438.605 to 439.620 in accrediting laboratories that
40 test marijuana items.

41 **SECTION 49.** (1) The Oregon Health Authority, in consultation with the Oregon Liquor
42 Control Commission and the State Department of Agriculture, shall adopt rules establishing
43 minimum standards for testing marijuana items. At a minimum, rules adopted under this
44 section shall:

45 (a) Establish procedures for tracking usable marijuana, cannabinoid products and

1 cannabinoid concentrates or extracts to be tested;

2 (b) Establish procedures for determining batch sizes and for sampling usable marijuana,
3 cannabinoid products and cannabinoid concentrates or extracts;

4 (c) Establish procedures for documenting and reporting test results;

5 (d) Establish procedures for disposing of samples of usable marijuana, cannabinoid pro-
6 ducts and cannabinoid concentrates or extracts that have been tested;

7 (e) Establish procedures for testing usable marijuana, cannabinoid products and
8 cannabinoid concentrates or extracts for tetrahydrocannabinol and cannabidiol concen-
9 tration;

10 (f) Establish procedures for testing usable marijuana for microbiological contaminants,
11 pesticides and other contaminants as the authority determines is necessary to protect the
12 public health and safety;

13 (g) Establish procedures for testing cannabinoid concentrates or extracts made by sepa-
14 rating cannabinoids from marijuana by an extraction process other than the extraction pro-
15 cess described in paragraph (h) of this subsection for microbiological contaminants,
16 pesticides and other contaminants as the authority determines is necessary to protect the
17 public health and safety;

18 (h) Establish procedures for testing cannabinoid concentrates or extracts made by sepa-
19 rating cannabinoids from marijuana by a chemical extraction process using a hydrocarbon-
20 based solvent for residual solvents, chemical contaminants, pesticides and other
21 contaminants as the authority determines is necessary to protect the public health and
22 safety;

23 (i) Require cannabinoid edibles to be tested in accordance with any applicable law of this
24 state, or any applicable rule adopted under a law of this state, related to the production and
25 processing of food products or commodities; and

26 (j) Require cannabinoid products that are meant to be applied to the surfaces of the skin
27 to be tested for residual solvents as the authority determines is necessary to protect the
28 public health and safety.

29 (2) The authority may establish additional procedures for testing usable marijuana,
30 cannabinoid products and cannabinoid concentrates and extracts as the authority determines
31 is necessary to protect the public health and safety.

32 (3) In adopting rules under subsections (1) and (2) of this section, the authority:

33 (a) May establish different minimum standards for different varieties of usable marijuana
34 and different types of cannabinoid products and cannabinoid concentrates or extracts;

35 (b) May establish different procedures for persons registered under ORS 475.300 to 475.346
36 and persons licensed under sections 3 to 70, chapter 1, Oregon Laws 2015;

37 (c) Shall consider the cost of a potential procedure and the feasibility that a person reg-
38 istered under ORS 475.300 to 475.346 or a person licensed under sections 3 to 70, chapter 1,
39 Oregon Laws 2015, will be able to pay for the procedure; and

40 (d) May not adopt rules that are more restrictive than is necessary to protect the public
41 health and safety.

42 **SECTION 50.** Sections 44 to 55 of this 2015 Act do not apply to a person responsible for
43 a marijuana grow site under ORS 475.304, or a person who has been designated as a primary
44 caregiver under ORS 475.312, who transfers marijuana, usable marijuana, a cannabinoid
45 product or a cannabinoid concentrate or extract to a person who holds a registry identifica-

1 tion card issued under ORS 475.309 or a person who has been designated as a primary
2 caregiver.

3 **SECTION 51.** (1) The Oregon Health Authority may inspect premises licensed under sec-
4 tion 47 of this 2015 Act to ensure compliance with sections 44 to 55 of this 2015 Act and rules
5 adopted under sections 44 to 55 of this 2015 Act.

6 (2) The authority may enter into an agreement with the Oregon Liquor Control Com-
7 mission for the purpose of conducting investigations under this section. If the authority en-
8 ters into an agreement with the commission under this section, the commission shall have
9 the power to conduct investigations under sections 44 to 55 of this 2015 Act in the same
10 manner that the commission is authorized to conduct investigations under sections 3 to 70,
11 chapter 1, Oregon Laws 2015, with respect to premises for which persons hold a license under
12 section 19, 20, 21 or 22, chapter 1, Oregon Laws 2015.

13 **SECTION 52.** Subject to the provisions of ORS chapter 183, the authority may refuse to
14 issue or renew, or may suspend or revoke, a license issued under section 47 of this 2015 Act,
15 for violation of:

16 (1) A provision of sections 44 to 55 of this 2015 Act or a rule adopted under sections 44
17 to 55 of this 2015 Act;

18 (2) A provision of ORS 475.300 to 475.346 or a rule adopted under ORS 475.300 to 475.346;
19 or

20 (3) A provision of sections 3 to 70, chapter 1, Oregon Laws 2015, or a rule adopted under
21 a provision of sections 3 to 70, chapter 1, Oregon Laws 2015.

22 **SECTION 53.** (1) In addition to any other liability or penalty provided by law, the Oregon
23 Health Authority may impose for each violation of a provision of sections 44 to 55 of this 2015
24 Act, or a rule adopted under a provision of sections 44 to 55 of this 2015 Act, a civil penalty
25 that does not exceed \$500 for each day that the violation occurs.

26 (2) The authority shall impose civil penalties under this section in the manner provided
27 by ORS 183.745.

28 (3) Moneys collected under this section shall be deposited in the Oregon Health Authority
29 Fund established under ORS 413.101 and are continuously appropriated to the authority for
30 the purpose of carrying out the duties, functions and powers of the authority under sections
31 44 to 55 of this 2015 Act.

32 **SECTION 54.** Subject to the applicable provisions of ORS chapter 183:

33 (1) The Oregon Health Authority may refuse to register a person under ORS 475.304 or
34 475.314, may suspend activities conducted by a registrant pursuant to ORS 475.304 or 475.314,
35 or may remove a registrant from a registry kept pursuant to ORS 475.304 or 475.314, if the
36 person violates section 46 of this 2015 Act or a rule adopted under section 46 of this 2015 Act.

37 (2) The Oregon Liquor Control Commission may refuse to issue or renew, or may suspend
38 or revoke, a license issued under section 19, 20, 21 or 22, chapter 1, Oregon Laws 2015, if the
39 applicant or licensee violates section 46 of this 2015 Act or a rule adopted under section 46
40 of this 2015 Act.

41 **SECTION 55.** A person who holds a license under section 47 of this 2015 Act, and an
42 employee or other person who performs work for a person who holds a license under section
43 47 of this 2015 Act, are exempt from the criminal laws of this state for possession, delivery
44 or manufacture of marijuana, aiding and abetting another in the possession, delivery or
45 manufacture of marijuana, or any other criminal offense in which possession, delivery or

1 manufacture of marijuana is an element.

2
3 **PACKAGING AND LABELING**

4
5 **SECTION 56.** As used in sections 56 to 63 of this 2015 Act:

6 (1) “Cannabinoid” means any of the chemical compounds that are the active constituents
7 of marijuana.

8 (2) “Cannabinoid concentrate or extract” means a substance obtained by separating
9 cannabinoids from marijuana by a mechanical, chemical or other process.

10 (3) “Cannabinoid edible” means food or potable liquid into which a cannabinoid concen-
11 trate or extract or the dried leaves or flowers of marijuana have been incorporated.

12 (4)(a) “Cannabinoid product” means a cannabinoid edible or any other product intended
13 for human consumption or use, including a product intended to be applied to a person’s skin
14 or hair, that contains cannabinoids or the dried leaves or flowers of marijuana.

15 (b) “Cannabinoid product” does not include:

16 (A) Usable marijuana by itself;

17 (B) A cannabinoid concentrate or extract by itself; or

18 (C) Industrial hemp, as defined in ORS 571.300.

19 (5)(a) “Marijuana” means the plant Cannabis family Cannabaceae, any part of the plant
20 Cannabis family Cannabaceae and the seeds of the plant Cannabis family Cannabaceae.

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

22 (6) “Marijuana item” means marijuana, usable marijuana, a cannabinoid product or a
23 cannabinoid concentrate or extract.

24 (7) “Processing” means the compounding or conversion of marijuana into cannabinoid
25 products or cannabinoid concentrates or extracts.

26 (8) “Production” means:

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

28 (b) Drying marijuana leaves and flowers.

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

30 (b) “Usable marijuana” does not include:

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

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

33 **SECTION 57.** (1) Sections 56 to 63 of this 2015 Act and rules adopted under sections 56
34 to 63 of this 2015 Act shall serve as the basis for establishing the minimum standards for
35 packaging and labeling usable marijuana, cannabinoid products and cannabinoid concentrates
36 or extracts in this state as required under ORS 475.300 to 475.346 and section 50, chapter 1,
37 Oregon Laws 2015.

38 (2) Sections 56 to 63 of this 2015 Act do not prevent the Oregon Health Authority or the
39 Oregon Liquor Control Commission from establishing additional minimum standards for
40 packaging and labeling usable marijuana, cannabinoid products and cannabinoid concentrates
41 or extracts, or from establishing minimum standards for producing or processing marijuana
42 items, if the authority or commission is otherwise authorized under the statutory laws of
43 this state to establish those standards.

44 **SECTION 58.** The Oregon Health Authority shall require all usable marijuana,
45 cannabinoid products and cannabinoid concentrates or extracts transferred by a medical

1 marijuana dispensary registered under ORS 475.314, and the Oregon Liquor Control Com-
 2 mission shall require all usable marijuana, cannabinoid products and cannabinoid concen-
 3 trates or extracts sold by a marijuana retailer that holds a license under section 22, chapter
 4 1, Oregon Laws 2015, to be packaged and labeled in a manner that ensures the public health
 5 and safety. Packaging and labeling usable marijuana, cannabinoid products and cannabinoid
 6 concentrates or extracts as required by this section must be done in accordance with section
 7 59 of this 2015 Act.

8 **SECTION 59.** (1) The Oregon Health Authority, in consultation with the Oregon Liquor
 9 Control Commission and the State Department of Agriculture, shall adopt rules establishing
 10 minimum standards for packaging and labeling usable marijuana, cannabinoid products and
 11 cannabinoid concentrates or extracts. At a minimum, rules adopted under this section shall:

12 (a) Ensure that usable marijuana, cannabinoid edibles, cannabinoid concentrates or ex-
 13 tracts and other cannabinoid products, as determined necessary by the authority, are pack-
 14 aged in child-resistant safety packaging;

15 (b) Ensure that usable marijuana, cannabinoid edibles, cannabinoid concentrates or ex-
 16 tracts and other cannabinoid products, as determined necessary by the authority, are not
 17 marketed in a manner that is untruthful or misleading, or that otherwise creates a signif-
 18 icant risk to public health and safety;

19 (c) Ensure that cannabinoid edibles and other cannabinoid products, as determined nec-
 20 essary by the authority, are not packaged or presented in a manner that is attractive to
 21 minors;

22 (d) Ensure that cannabinoid edibles and other cannabinoid products, as determined nec-
 23 essary by the authority, are not marketed in a manner that is attractive to minors;

24 (e) Ensure that cannabinoid edibles, cannabinoid concentrates or extracts and other
 25 cannabinoid products, as determined necessary by the authority, are labeled to include in-
 26 formation related to the potency of the cannabinoid edible, cannabinoid concentrate or ex-
 27 tract or other cannabinoid product; and

28 (f) Ensure that cannabinoid edibles are labeled in accordance with any state or federal
 29 law, rule or regulation prescribing a labeling requirement for the same type of food product
 30 or potable liquid when the food product or potable liquid does not contain marijuana or
 31 cannabinoids.

32 (2) In adopting rules under subsection (1) of this section, the authority:

33 (a) May establish different minimum standards for different varieties of usable marijuana
 34 and for different types of cannabinoid products and cannabinoid concentrates or extracts;

35 (b) May establish different minimum standards for persons registered under ORS 475.300
 36 to 475.346 and persons licensed under sections 3 to 70, chapter 1, Oregon Laws 2015;

37 (c) Shall consider the cost of a potential requirement and the feasibility that a person
 38 registered under ORS 475.300 to 475.346 or a person licensed under sections 3 to 70, chapter
 39 1, Oregon Laws 2015, can afford to comply with the requirement; and

40 (d) May not adopt rules that are more restrictive than is necessary to protect the public
 41 health and safety.

42 **SECTION 60.** Sections 56 to 63 of this 2015 Act do not apply to a person responsible for
 43 a marijuana grow site under ORS 475.304, or a person who has been designated as a primary
 44 caregiver under ORS 475.312, who transfers usable marijuana, a cannabinoid product or a
 45 cannabinoid concentrate or extract to a person who holds a registry identification card is-

1 sued under ORS 475.309 or a person who has been designated as a primary caregiver.

2 **SECTION 61.** (1) The Oregon Health Authority may inspect the premises of a medical
3 marijuana dispensary registered under ORS 475.314, or the premises of a person who holds
4 a license under section 19, 20, 21 or 22, chapter 1, Oregon Laws 2015, to ensure compliance
5 with sections 56 to 63 of this 2015 Act and any rule adopted under sections 56 to 63 of this
6 2015 Act.

7 (2) The authority may enter into an agreement with the Oregon Liquor Control Com-
8 mission for the purpose of conducting investigations under this section. If the authority en-
9 ters into an agreement with the commission under this section, the commission shall have
10 the power to conduct investigations under sections 56 to 63 of this 2015 Act in the same
11 manner that the commission is authorized to conduct investigations under sections 3 to 70,
12 chapter 1, Oregon Laws 2015, with respect to premises for which persons hold a license under
13 section 19, 20, 21 or 22, chapter 1, Oregon Laws 2015.

14 **SECTION 62.** Subject to the applicable provisions of ORS chapter 183:

15 (1) The Oregon Health Authority may refuse to register a person under ORS 475.304 or
16 475.314, may suspend activities conducted by a registrant pursuant to ORS 475.304 or 475.314,
17 or may remove a registrant from a registry kept pursuant to ORS 475.304 or 475.314, if the
18 person violates any provision of sections 56 to 63 of this 2015 Act or any rule adopted under
19 sections 56 to 63 of this 2015 Act.

20 (2) The Oregon Liquor Control Commission may refuse to issue or renew, or may suspend
21 or revoke, a license issued under section 19, 20, 21 or 22, chapter 1, Oregon Laws 2015, if the
22 applicant or licensee violates a provision of sections 56 to 63 of this 2015 Act or any rule
23 adopted under sections 56 to 63 of this 2015 Act.

24 **SECTION 63.** (1) In addition to any other liability or penalty provided by law, the Oregon
25 Health Authority may impose for each violation of a provision of sections 56 to 63 of this 2015
26 Act, or a rule adopted under a provision of sections 56 to 63 of this 2015 Act, a civil penalty
27 that does not exceed \$500 for each day that the violation occurs.

28 (2) The authority shall impose civil penalties under this subsection in the manner pro-
29 vided by ORS 183.745.

30 (3) Moneys collected under this section shall be deposited in the Oregon Health Authority
31 Fund established under ORS 413.101 and are continuously appropriated to the authority for
32 the purpose of carrying out the duties, functions and powers of the authority under sections
33 56 to 63 of this 2015 Act.

34 **SECTION 64.** The rules of the Oregon Health Authority adopted under ORS 475.314 (8)
35 as that statute was in effect before the operative date specified in section 78 of this 2015 Act
36 continue in effect until superseded or repealed by rules of the authority adopted under sec-
37 tion 59 of this 2015 Act.

38 CONFORMING AMENDMENTS

39
40
41 **SECTION 65.** ORS 181.534 is amended to read:

42 181.534. (1) As used in this section:

43 (a) "Authorized agency" means state government as defined in ORS 174.111 and the Oregon
44 State Bar. "Authorized agency" does not include:

45 (A) The Oregon State Lottery Commission or the Oregon State Lottery; or

1 (B) A criminal justice agency, as defined in ORS 181.010, that is authorized by federal law to
2 receive fingerprint-based criminal records checks from the Federal Bureau of Investigation.

3 (b) "Subject individual" means a person from whom an authorized agency may require finger-
4 prints pursuant to statute for the purpose of enabling the authorized agency to request a state or
5 nationwide criminal records check.

6 (2) An authorized agency may request that the Department of State Police conduct a criminal
7 records check on a subject individual for non-criminal justice purposes. If a nationwide criminal
8 records check of a subject individual is necessary, the authorized agency may request that the De-
9 partment of State Police conduct the check, including fingerprint identification, through the Federal
10 Bureau of Investigation.

11 (3) The Department of State Police shall provide the results of a criminal records check con-
12 ducted pursuant to subsection (2) of this section to the authorized agency requesting the check.

13 (4) The Federal Bureau of Investigation shall return or destroy the fingerprint cards used to
14 conduct the criminal records check and may not keep any record of the fingerprints. If the federal
15 bureau policy authorizing return or destruction of the fingerprint cards is changed, the Department
16 of State Police shall cease to send the cards to the federal bureau but shall continue to process the
17 information through other available resources.

18 (5) If the Federal Bureau of Investigation returns the fingerprint cards to the Department of
19 State Police, the department shall destroy the fingerprint cards and shall retain no facsimiles or
20 other material from which a fingerprint can be reproduced.

21 (6) If only a state criminal records check is conducted, the Department of State Police shall
22 destroy the fingerprint cards after the criminal records check is completed and the results of the
23 criminal records check provided to the authorized agency and shall retain no facsimiles or other
24 material from which a fingerprint can be reproduced.

25 (7) An authorized agency may conduct criminal records checks on subject individuals through
26 the Law Enforcement Data System maintained by the Department of State Police in accordance with
27 rules adopted, and procedures established, by the Department of State Police.

28 (8) An authorized agency and the Department of State Police shall permit a subject individual
29 for whom a fingerprint-based criminal records check was conducted to inspect the individual's own
30 state and national criminal offender records and, if requested by the subject individual, provide the
31 individual with a copy of the individual's own state and national criminal offender records.

32 (9) Each authorized agency, in consultation with the Department of State Police, shall adopt
33 rules to implement this section and other statutes relating to criminal offender information obtained
34 through fingerprint-based criminal records checks. The rules shall include but need not be limited
35 to:

36 (a) Identifying applicable categories of subject individuals as specified by the Oregon Depart-
37 ment of Administrative Services under ORS 181.547 who are subject to criminal records checks by
38 the authorized agency.

39 (b) Identifying applicable information that may be required from a subject individual to permit
40 a criminal records check as specified by the Oregon Department of Administrative Services under
41 ORS 181.547.

42 (c) Specifying which programs or services are subject to this section.

43 (d) If the authorized agency uses criminal records checks for agency employment purposes:

44 (A) Determining when and under what conditions a subject individual may be hired on a pre-
45 liminary basis pending a criminal records check; and

1 (B) Defining the conditions under which a subject individual may participate in training, orien-
2 tation and work activities pending completion of a criminal records check.

3 (e) Establishing fees in an amount not to exceed the actual cost of acquiring and furnishing
4 criminal offender information.

5 (10) The Department of State Police shall verify that an authorized agency has adopted the rules
6 required by subsection (9) of this section.

7 (11)(a) Except as otherwise provided in ORS 181.612, 342.143, 342.223, 443.735 and [475.304]
8 **475.300 to 475.346** and paragraph (b) of this subsection, an authorized agency, using the rules
9 adopted by the authorized agency under subsection (9) of this section and the rules adopted by the
10 Oregon Department of Administrative Services under ORS 181.547, shall determine whether a sub-
11 ject individual is fit to hold a position, provide services, be employed or be granted a license, cer-
12 tification, registration or permit, based on the criminal records check obtained pursuant to this
13 section, on any false statements made by the individual regarding the criminal history of the indi-
14 vidual and on any refusal to submit or consent to a criminal records check including fingerprint
15 identification. If a subject individual is determined to be unfit, then the individual may not hold the
16 position, provide services, be employed or be granted a license, certification, registration or permit.

17 (b) An individual prohibited from receiving public funds for employment under ORS 443.004 (3)
18 is not entitled to a determination of fitness as a subject individual under paragraph (a) of this sub-
19 section.

20 (c)(A) Subject to subparagraph (B) of this paragraph, an authorized agency making a fitness de-
21 termination of an individual under this subsection may request results of a previously made fitness
22 determination from an authorized agency that has already made a fitness determination for the in-
23 dividual. An authorized agency that receives a request under this paragraph shall provide the re-
24 quested information.

25 (B) An authorized agency may make a request under this paragraph only for individuals:

26 (i) Who are applying to hold a position, provide services, be employed or be granted a license,
27 certification, registration or permit;

28 (ii) Who are in a category of individuals as specified by the Oregon Department of Administra-
29 tive Services under ORS 181.547; and

30 (iii) For whom a fitness determination has already been made.

31 (12) Except as otherwise provided in ORS 181.612, in making the fitness determination under
32 subsection (11) of this section, the authorized agency shall consider:

33 (a) The nature of the crime;

34 (b) The facts that support the conviction or pending indictment or that indicate the making of
35 the false statement;

36 (c) The relevancy, if any, of the crime or the false statement to the specific requirements of the
37 subject individual's present or proposed position, services, employment, license, certification or reg-
38 istration; and

39 (d) Intervening circumstances relevant to the responsibilities and circumstances of the position,
40 services, employment, license, certification, registration or permit. Intervening circumstances in-
41 clude but are not limited to:

42 (A) The passage of time since the commission of the crime;

43 (B) The age of the subject individual at the time of the crime;

44 (C) The likelihood of a repetition of offenses or of the commission of another crime;

45 (D) The subsequent commission of another relevant crime;

1 (E) Whether the conviction was set aside and the legal effect of setting aside the conviction; and

2 (F) A recommendation of an employer.

3 (13) An authorized agency and an employee of an authorized agency acting within the course
4 and scope of employment are immune from any civil liability that might otherwise be incurred or
5 imposed for determining, pursuant to subsection (11) of this section, that a subject individual is fit
6 or not fit to hold a position, provide services, be employed or be granted a license, certification,
7 registration or permit. An authorized agency and an employee of an authorized agency acting within
8 the course and scope of employment who in good faith comply with this section are not liable for
9 employment-related decisions based on determinations made under subsection (11) of this section.
10 An authorized agency or an employee of an authorized agency acting within the course and scope
11 of employment is not liable for defamation or invasion of privacy in connection with the lawful dis-
12 semination of information lawfully obtained under this section.

13 (14)(a) Each authorized agency shall establish by rule a contested case process by which a sub-
14 ject individual may appeal the determination that the individual is fit or not fit to hold a position,
15 provide services, be employed or be granted a license, certification, registration or permit on the
16 basis of information obtained as the result of a criminal records check conducted pursuant to this
17 section. Challenges to the accuracy or completeness of information provided by the Department of
18 State Police, the Federal Bureau of Investigation and agencies reporting information to the De-
19 partment of State Police or Federal Bureau of Investigation must be made through the Department
20 of State Police, Federal Bureau of Investigation or reporting agency and not through the contested
21 case process required by this paragraph.

22 (b) A subject individual who is employed by an authorized agency and who is determined not to
23 be fit for a position on the basis of information obtained as the result of a criminal records check
24 conducted pursuant to this section may appeal the determination through the contested case process
25 adopted under this subsection or applicable personnel rules, policies and collective bargaining pro-
26 visions. An individual's decision to appeal a determination through personnel rules, policies and
27 collective bargaining provisions is an election of remedies as to the rights of the individual with
28 respect to the fitness determination and is a waiver of the contested case process.

29 (c) An individual prohibited from receiving public funds for employment under ORS 443.004 (3)
30 is not entitled to appeal a determination under paragraph (a) or (b) of this subsection.

31 (15) Criminal offender information is confidential. Authorized agencies and the Department of
32 State Police shall adopt rules to restrict dissemination of information received under this section to
33 persons with a demonstrated and legitimate need to know the information.

34 (16) If a subject individual refuses to consent to the criminal records check or refuses to be
35 fingerprinted, the authorized agency shall deny the employment of the individual, or revoke or deny
36 any applicable position, authority to provide services, license, certification, registration or permit.

37 (17) If an authorized agency requires a criminal records check of employees, prospective em-
38 ployees, contractors, vendors or volunteers or applicants for a license, certification, registration or
39 permit, the application forms of the authorized agency must contain a notice that the person is
40 subject to fingerprinting and a criminal records check.

41 **SECTION 66.** ORS 181.537 is amended to read:

42 181.537. (1) As used in this section:

43 (a) "Care" means the provision of care, treatment, education, training, instruction, supervision,
44 placement services, recreation or support to children, the elderly or persons with disabilities.

45 (b) "Native American tribe" has the meaning given that term in ORS 181.538 (4).

1 (c) "Qualified entity" means a community mental health program, a community developmental
2 disabilities program, a local health department, the government of a Native American tribe or an
3 agency of a Native American tribe responsible for child welfare or an individual or business or or-
4 ganization, whether public, private, for-profit, nonprofit or voluntary, that provides care, including
5 a business or organization that licenses, certifies or registers others to provide care.

6 (2) For the purpose of requesting a state or nationwide criminal records check under ORS
7 181.534, the Department of Human Services, the Oregon Health Authority and the Employment De-
8 partment may require the fingerprints of a person:

9 (a) Who is employed by or is applying for employment with either department or the authority;

10 (b) Who provides or seeks to provide services to either department or the authority as a con-
11 tractor, subcontractor, vendor or volunteer who:

12 (A) May have contact with recipients of care;

13 (B) Has access to personal information about employees of either department or the authority,
14 recipients of care from either department or the authority or members of the public, including Social
15 Security numbers, dates of birth, driver license numbers, medical information, personal financial in-
16 formation or criminal background information;

17 (C) Has access to information the disclosure of which is prohibited by state or federal laws,
18 rules or regulations, or information that is defined as confidential under state or federal laws, rules
19 or regulations;

20 (D) Has access to property held in trust or to private property in the temporary custody of the
21 state;

22 (E) Has payroll or fiscal functions or responsibility for:

23 (i) Receiving, receipting or depositing money or negotiable instruments;

24 (ii) Billing, collections, setting up financial accounts or other financial transactions; or

25 (iii) Purchasing or selling property;

26 (F) Provides security, design or construction services for government buildings, grounds or fa-
27 cilities;

28 (G) Has access to critical infrastructure or secure facilities information; or

29 (H) Is providing information technology services and has control over or access to information
30 technology systems;

31 (c) For the purposes of licensing, certifying, registering or otherwise regulating or administering
32 programs, persons or qualified entities that provide care;

33 (d) For the purposes of employment decisions by or for qualified entities that are regulated or
34 otherwise subject to oversight by the Department of Human Services or the Oregon Health Au-
35 thority and that provide care;

36 (e) For the purposes of employment decisions made by a mass transit district or transportation
37 district for qualified entities that, under contracts with the district or the Oregon Health Authority,
38 employ persons to operate motor vehicles for the transportation of medical assistance program cli-
39 ents; or

40 (f) For the purposes of licensure, certification or registration of foster homes by the government
41 of a Native American tribe or an agency of a Native American tribe responsible for child welfare.

42 (3) The Department of Human Services and the Oregon Health Authority may conduct criminal
43 records checks on a person through the Law Enforcement Data System maintained by the Depart-
44 ment of State Police, if deemed necessary by the Department of Human Services or the Oregon
45 Health Authority to protect children, elderly persons, persons with disabilities or other vulnerable

1 persons.

2 (4) The Department of Human Services and the Oregon Health Authority may furnish to quali-
3 fied entities, in accordance with the rules of the Department of Human Services or the Oregon
4 Health Authority and the rules of the Department of State Police, information received from the
5 Law Enforcement Data System. However, any criminal offender records and information furnished
6 to the Department of Human Services or the Oregon Health Authority by the Federal Bureau of
7 Investigation through the Department of State Police may not be disseminated to qualified entities.

8 (5)(a) Except as otherwise provided in ORS 443.735 and [~~475.304~~] ~~475.300 to 475.346~~, a qualified
9 entity, using rules adopted by the Department of Human Services or the Oregon Health Authority
10 under ORS 181.534 (9) and rules adopted by the Oregon Department of Administrative Services un-
11 der ORS 181.547, shall determine under this section whether a person is fit to hold a position, pro-
12 vide services, be employed or, if the qualified entity has authority to make such a determination,
13 be licensed, certified or registered, based on the criminal records check obtained pursuant to ORS
14 181.534, any false statements made by the person regarding the criminal history of the person and
15 any refusal to submit or consent to a criminal records check including fingerprint identification. If
16 a person is determined to be unfit, then that person may not hold the position, provide services or
17 be employed, licensed, certified or registered.

18 (b) A person prohibited from receiving public funds for employment under ORS 443.004 (3) is not
19 entitled to a determination of fitness under paragraph (a) of this subsection.

20 (6) In making the fitness determination under subsection (5) of this section, the qualified entity
21 shall consider:

22 (a) The nature of the crime;

23 (b) The facts that support the conviction or pending indictment or indicate the making of the
24 false statement;

25 (c) The relevancy, if any, of the crime or the false statement to the specific requirements of the
26 person's present or proposed position, services, employment, license, certification or registration;
27 and

28 (d) Intervening circumstances relevant to the responsibilities and circumstances of the position,
29 services, employment, license, certification or registration. Intervening circumstances include but
30 are not limited to the passage of time since the commission of the crime, the age of the person at
31 the time of the crime, the likelihood of a repetition of offenses, the subsequent commission of an-
32 other relevant crime and a recommendation of an employer.

33 (7) The Department of Human Services, the Oregon Health Authority and the Employment De-
34 partment may make fitness determinations based on criminal offender records and information fur-
35 nished by the Federal Bureau of Investigation through the Department of State Police only as
36 described in ORS 181.534.

37 (8) A qualified entity and an employee of a qualified entity acting within the course and scope
38 of employment are immune from any civil liability that might otherwise be incurred or imposed for
39 determining pursuant to subsection (5) of this section that a person is fit or not fit to hold a position,
40 provide services or be employed, licensed, certified or registered. A qualified entity, employee of a
41 qualified entity acting within the course and scope of employment and an employer or employer's
42 agent who in good faith comply with this section and the decision of the qualified entity or employee
43 of the qualified entity acting within the course and scope of employment are not liable for the fail-
44 ure to hire a prospective employee or the decision to discharge an employee on the basis of the
45 qualified entity's decision. An employee of the state acting within the course and scope of employ-

1 ment is not liable for defamation or invasion of privacy in connection with the lawful dissemination
2 of information lawfully obtained under this section.

3 (9) The Department of Human Services and the Oregon Health Authority, subject to rules
4 adopted by the Oregon Department of Administrative Services under ORS 181.547, shall develop
5 systems that maintain information regarding criminal records checks in order to minimize the ad-
6 ministrative burden imposed by this section and ORS 181.534. Records maintained under this sub-
7 section are confidential and may not be disseminated except for the purposes of this section and in
8 accordance with the rules of the Department of Human Services, the Oregon Health Authority and
9 the Department of State Police. Nothing in this subsection permits the Department of Human Ser-
10 vices to retain fingerprint cards obtained pursuant to this section.

11 (10) In addition to the rules required by ORS 181.534, the Department of Human Services and
12 the Oregon Health Authority, in consultation with the Department of State Police, shall adopt rules:

13 (a) Specifying which qualified entities are subject to this section;

14 (b) Specifying which qualified entities may request criminal offender information;

15 (c) Specifying which qualified entities are responsible for deciding, subject to rules adopted by
16 the Oregon Department of Administrative Services under ORS 181.547, whether a subject individual
17 is not fit for a position, service, license, certification, registration or employment; and

18 (d) Specifying when a qualified entity, in lieu of conducting a completely new criminal records
19 check, may proceed to make a fitness determination under subsection (5) of this section using the
20 information maintained by the Department of Human Services and the Oregon Health Authority
21 pursuant to subsection (9) of this section.

22 (11) If a person refuses to consent to the criminal records check or refuses to be fingerprinted,
23 the qualified entity shall deny or terminate the employment of the person, or revoke or deny any
24 applicable position, authority to provide services, employment, license, certification or registration.

25 (12) If the qualified entity requires a criminal records check of employees or other persons, the
26 application forms of the qualified entity must contain a notice that employment is subject to fin-
27 gerprinting and a criminal records check.

28 **SECTION 67.** Section 5, chapter 1, Oregon Laws 2015, is amended to read:

29 **Sec. 5.** As used in sections 3 to 70, **chapter 1, Oregon Laws 2015** [*of this Act*]:

30 (1) "Authority" means the Oregon Health Authority.

31 (2) "Commission" means the Oregon Liquor Control Commission.

32 (3) "Consumer" means a person who purchases, acquires, owns, holds[,] or uses marijuana items
33 other than for the purpose of resale.

34 (4) "Department" means the State Department of Agriculture.

35 (5)(a) [*"Financial consideration," except as provided in paragraph (b) of this subsection,*] "**Finan-**
36 **cial consideration**" means value that is given or received directly or indirectly through sales,
37 barter, trade, fees, charges, dues, contributions or donations.

38 (b) "Financial consideration" does not mean any of the following:

39 (A) Homegrown marijuana made by another person.

40 (B) Homemade marijuana products made by another person.

41 (6) "Homegrown" or "homemade" means grown or made by a person 21 years of age or older for
42 noncommercial purposes.

43 (7) "Household" means a housing unit[,] and [*includes*] any place in or around the housing unit
44 at which the occupants of the housing unit are producing, processing, keeping[,] or storing
45 homegrown marijuana or homemade marijuana products.

1 (8) "Housing unit" means a house, an apartment[,] **or** a mobile home, **or** a group of rooms[,] or
2 a single room that is occupied as separate living quarters, in which the occupants live and eat
3 separately from any other persons in the building and [*which have*] **that has** direct access from the
4 outside of the building or through a common hall.

5 (9) "Immature marijuana plant" means a marijuana plant with no observable flowers or buds.

6 (10) "Licensee" means any person holding a license issued under **sections 3 to 70, chapter 1,**
7 **Oregon Laws 2015** [*this Act*], or any person holding a license or permit issued under any [*regulation*
8 *promulgated*] **rule adopted** under **section 7 (2)(e), chapter 1, Oregon Laws 2015** [*paragraph (e) of*
9 *subsection (2) of section 7 of this Act*].

10 (11) "Licensee representative" means an owner, director, officer, manager, employee, agent[,] or
11 other representative of a licensee, to the extent [*such*] **the** person acts in [*such*] **a** representative
12 capacity.

13 (12)(a) "Marijuana" means all parts of the plant Cannabis family Moraceae, whether growing
14 or not, other than marijuana extracts.

15 (b) "Marijuana" does not include industrial hemp, as defined in ORS 571.300, or industrial hemp
16 commodities or products.

17 (13) "Marijuana extract" means a product obtained by separating resins from marijuana by sol-
18 vent extraction, using solvents other than vegetable glycerin, such as butane, hexane, isopropyl al-
19 cohol, ethanol[,] and carbon dioxide.

20 (14)(a) "Marijuana flowers" means the flowers of the plant Cannabis family Moraceae.

21 (b) "Marijuana flowers" does not include any part of the plant other than the flowers.

22 (15) "Marijuana items" means marijuana, marijuana products[,] and marijuana extracts.

23 (16)(a) "Marijuana leaves" means the leaves of the plant Cannabis family Moraceae.

24 (b) "Marijuana leaves" does not include any part of the plant other than the leaves.

25 (17) "Marijuana processor" means a person who processes marijuana items in this state.

26 (18) "Marijuana producer" means a person who produces marijuana in this state.

27 (19)(a) "Marijuana products" means products that contain marijuana or marijuana extracts and
28 are intended for human consumption.

29 (b) "Marijuana products" does not mean:

30 (A) Marijuana, by itself; or

31 (B) A marijuana extract, by itself.

32 (20) "Marijuana retailer" means a person who sells marijuana items to a consumer in this state.

33 (21) "Marijuana wholesaler" means a person who purchases marijuana items in this state for
34 resale to a person other than a consumer in this state.

35 (22) "Mature marijuana plant" means any marijuana plant that is not an immature marijuana
36 plant.

37 (23) "Noncommercial" means not dependent or conditioned upon the provision or receipt of fi-
38 nancial consideration.

39 (24) "Person" means any natural person, corporation, professional corporation, nonprofit corpo-
40 ration, cooperative corporation, profit or nonprofit unincorporated association, business trust, lim-
41 ited liability company, general or limited partnership, joint venture[,] or any other legal entity.

42 (25) "Premises" or "licensed premises" means a location licensed under sections 3 to 70, **chap-**
43 **ter 1, Oregon Laws 2015**, [*of this Act*] and includes:

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

1 (b) All areas outside [of] a building that the Oregon Liquor Control Commission has specifically
 2 licensed for the production, processing, wholesale sale[,] or retail sale of marijuana items; and

3 (c) For a location that the commission has specifically licensed for the production of marijuana
 4 outside [of] a building, the entire lot or parcel, as defined in ORS 92.010, that the licensee owns,
 5 leases[,] or has a right to occupy.

6 (26)(a) “Processes” means:

7 (A) The processing, compounding[,] or conversion of marijuana into marijuana products or
 8 marijuana extracts; **or**

9 (B) The processing, compounding[,] or conversion of marijuana, either directly or indirectly by
 10 extraction from substances of natural origin, or independently by means of chemical synthesis, or
 11 by a combination of extraction and chemical synthesis[;].

12 [(C) *The packaging or repackaging of marijuana items; or*]

13 [(D) *The labeling or relabeling of any package or container of marijuana items.*]

14 (b) “Processes” does not include[:]

15 [(A)] the drying of marijuana by a marijuana producer, if the marijuana producer is not other-
 16 wise processing marijuana[; *or*].

17 [(B) *The packaging and labeling of marijuana by a marijuana producer in preparation for delivery*
 18 *to a marijuana processor.*]

19 (27)(a) “Produces” means the manufacture, planting, cultivation, growing[,] or harvesting of
 20 marijuana.

21 (b) “Produces” does not include:

22 (A) The drying of marijuana by a marijuana processor, if the marijuana processor is not other-
 23 wise producing marijuana; or

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

27 (28) “Public place” means a place to which the general public has access and includes, but is
 28 not limited to, hallways, lobbies and other parts of apartment houses and hotels not constituting
 29 rooms or apartments designed for actual residence, and highways, streets, schools, places of
 30 amusement, parks, playgrounds and [*premises*] **areas** used in connection with public passenger
 31 transportation.

32 (29) “Usable marijuana” means dried marijuana flowers and dried marijuana leaves, and any
 33 mixture or preparation [*thereof*] **of the flowers or leaves.**

34
 35 **TEMPORARY RESIDENCY PROVISION**
 36 **EFFECTIVE UPON PASSAGE**
 37

38 **SECTION 68.** (1) **The Oregon Health Authority, in addition to the information required**
 39 **under ORS 475.304 for registering as a marijuana grow site or renewing a marijuana grow**
 40 **site registration, and in addition to information required under ORS 475.314 for registering**
 41 **as a medical marijuana dispensary or renewing a medical marijuana dispensary registration,**
 42 **shall require all applications for registering or renewing registration under ORS 475.304 and**
 43 **475.314 to contain proof that any person whose name is included in the application has been**
 44 **a resident of this state for:**

45 (a) **Except as provided in paragraph (b) of this subsection, two or more years; or**

1 (b) Subject to subsection (2) of this section, and notwithstanding any residency require-
 2 ments under ORS 475.304 or 465.314, if the person first registered with the authority on or
 3 before January 1, 2015, one year.

4 (2) For purposes of subsection (1)(b) of this section, the authority may not require proof
 5 of residency for any person whose name is included in the application for renewing a
 6 marijuana grow site registration or renewing a medical marijuana dispensary registration
 7 until January 1, 2016.

8
 9 LOCAL OPTION
 10 EFFECTIVE ON PASSAGE
 11

12 **SECTION 69.** Sections 70 to 73 of this 2015 Act are added to and made a part of ORS
 13 475.300 to 475.346.

14 **SECTION 70.** (1) Subject to subsection (2) of this section, the governing body of a city
 15 or county may adopt ordinances that prohibit the establishment of medical marijuana
 16 dispensaries or marijuana processing sites in the area subject to the jurisdiction of the city
 17 or county.

18 (2) The governing body of a city or county must adopt an ordinance under this section
 19 no later than 180 days after the effective date of this 2015 Act.

20 **SECTION 71.** (1) The governing body of a city or county, when a petition is filed as pro-
 21 vided in this section, shall order an election on the question of whether the operation of
 22 medical marijuana dispensaries or marijuana processing sites, or both, shall be prohibited in
 23 the city or county.

24 (2) Except as provided in subsections (3), (4) and (5) of this section, the requirements for
 25 preparing, circulating and filing a petition under this section:

26 (a) In the case of a city, shall be as provided for an initiative petition under ORS 250.265
 27 to 250.346.

28 (b) In the case of a county, shall be as provided for an initiative petition under ORS
 29 250.165 to 250.235.

30 (3) A petition prepared, circulated and filed under subsection (2) of this section:

31 (a) Must be filed not less than 60 days before the day of the election; and

32 (b) Must be signed by not less than four percent of the electors registered in the city or
 33 county.

34 (4) If ORS 250.155 makes ORS 250.165 to 250.235 inapplicable to a county or if ORS 250.255
 35 makes ORS 250.265 to 250.346 inapplicable to a city, the requirements for preparing, circu-
 36 lating and filing a petition under this section shall be as provided for an initiative petition
 37 under the county or city charter or an ordinance adopted under the county or city charter.

38 (5) No signature is valid unless signed within 180 days before the petition is filed.

39 (6) An election held pursuant to this section shall be held at the time of the next state-
 40 wide general election.

41 (7) An election held pursuant to this section shall be conducted under ORS chapters 246
 42 to 260.

43 (8) The filing of a petition under subsection (2) of this section does not suspend any city
 44 or county ordinance prohibiting or allowing medical marijuana dispensaries or marijuana
 45 processing sites, or both. In each city or county that returns a majority vote to prohibit or

1 allow the operation of medical marijuana dispensaries or marijuana processing sites, or both,
2 the ordinance shall take effect January 1 following the date of the statewide general election.

3 (9) An ordinance prohibiting the operation of medical marijuana dispensaries or
4 marijuana processing sites under this section does not apply to:

5 (a) A medical marijuana dispensary if the medical marijuana dispensary:

6 (A) Is registered under ORS 475.314 on or before the date on which the ordinance takes
7 effect; and

8 (B) Is in compliance with applicable ordinances of a city or county or is a land use ap-
9 plicant whose land use application is deemed complete by a city or county and in compliance
10 with applicable ordinances of a city or county; or

11 (b) A marijuana processing site if the marijuana processing site:

12 (A) Is registered under section 10 of this 2015 Act on or before the date on which the
13 ordinance takes effect; and

14 (B) Is in compliance with applicable ordinances of a city or county or is a land use ap-
15 plicant whose land use application is deemed complete by a city or county and in compliance
16 with applicable ordinances of a city or county.

17 SECTION 72. (1) Notwithstanding section 70 of this 2015 Act, a medical marijuana
18 dispensary is not subject to an ordinance adopted under section 70 of this 2015 Act if the
19 medical marijuana dispensary:

20 (a) Is registered under ORS 475.314 on or before May 1, 2015; and

21 (b)(A) Is in compliance with, or, if the medical marijuana dispensary is not making
22 transfers as described in ORS 475.314 (1) on or before May 1, 2015, will be in compliance with,
23 applicable ordinances of a city or county; or

24 (B) Is a land use applicant whose land use application is deemed complete by a city or
25 county and in compliance with applicable ordinances of a city or county.

26 (2) Notwithstanding section 70 of this 2015 Act, a medical marijuana dispensary is not
27 subject to an ordinance adopted under section 70 of this 2015 Act if the medical marijuana
28 dispensary:

29 (a) Applies to be registered under ORS 475.314 on or before July 1, 2015; and

30 (b) Is in compliance with applicable ordinances of a city or county or is a land use ap-
31 plicant whose land use application is deemed complete by a city or county and in compliance
32 with applicable ordinances of a city or county.

33 (3) This section does not apply to a medical marijuana dispensary if the Oregon Health
34 Authority revokes the registration of the medical marijuana dispensary.

35 SECTION 73. (1) Notwithstanding section 70 of this 2015 Act, a marijuana processing site
36 is not subject to an ordinance adopted under section 70 of this 2015 Act if the person re-
37 sponsible for the marijuana processing site, or a person applying to be the person responsible
38 for the marijuana processing site:

39 (a) Is registered under ORS 475.300 to 475.346 on or before the operative date specified
40 in section 78 of this 2015 Act;

41 (b) Is processing usable marijuana as described in section 10 (1) of this 2015 Act on or
42 before the operative date specified in section 78 of this 2015 Act; and

43 (c) Is in compliance with applicable ordinances of a city or county or is a land use ap-
44 plicant whose land use application is deemed complete by a city or county and in compliance
45 with applicable ordinances of a city or county.

1 (2) This section does not apply to a marijuana processing site if the Oregon Health Au-
2 thority revokes the registration of the marijuana processing site.

3
4 **TEMPORARY DEFINITION**

5
6 **SECTION 74.** For purposes of sections 70, 71 and 72 of this 2015 Act, a “medical marijuana
7 dispensary” is a “medical marijuana facility” as described in ORS 475.314 as that statute was
8 in effect before the operative date specified in section 78 of this 2015 Act.

9
10 **SERIES PLACEMENT**

11
12 **SECTION 75.** Sections 6, 7a, 9, 10 to 15, 17 to 22 and 25 to 32 of this 2015 Act are added
13 to and made a part of ORS 475.300 to 475.346.

14
15 **REPEALS**

16
17 **SECTION 76.** ORS 475.324 is repealed.

18 **SECTION 77.** Section 68 of this 2015 Act is repealed on January 1, 2019.

19
20 **OPERATIVE DATE**

21
22 **SECTION 78.** (1) Sections 6, 7a, 9, 10 to 15, 17 to 22, 25 to 32, 44 to 64 and 73 of this 2015
23 Act and the amendments to statutes and session law by sections 1 to 3, 5, 7, 9a, 16, 23, 24,
24 33 to 43 and 65 to 67 of this 2015 Act and the repeal of ORS 475.324 by section 76 of this 2015
25 Act become operative on March 1, 2016.

26 (2) The Oregon Health Authority, the Oregon Liquor Control Commission and the State
27 Department of Agriculture may take any action before the operative date specified in sub-
28 section (1) of this section that is necessary to enable the authority and the commission to
29 exercise, on and after the operative date specified in subsection (1) of this section, all the
30 duties, powers and functions conferred on the authority, commission and department by
31 sections 6, 7a, 9, 10 to 15, 17 to 22, 25 to 32, 44 to 64 and 73 of this 2015 Act and the amend-
32 ments to statutes and session law by sections 1 to 3, 5, 7, 9a, 16, 23, 24, 33 to 43 and 65 to
33 67 of this 2015 Act.

34
35 **UNIT CAPTIONS**

36
37 **SECTION 79.** The unit captions used in this 2015 Act are provided only for the conven-
38 ience of the reader and do not become part of the statutory law of this state or express any
39 legislative intent in the enactment of this 2015 Act.

40
41 **EMERGENCY CLAUSE**

42
43 **SECTION 80.** This 2015 Act being necessary for the immediate preservation of the public
44 peace, health and safety, an emergency is declared to exist, and this 2015 Act takes effect
45 on its passage.

