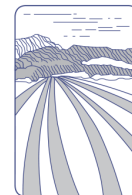




January 4, 2017

The Honorable Kate Brown  
Governor, State of Oregon  
State Capitol Building  
900 Court Street NE, Room 160  
Salem, OR 97301



RE: Implementation of adult use and medical marijuana policy impact on Oregon  
Department of Agriculture resources

Dear Governor Brown,

As you know, it is the responsibility of the Oregon State Board of Agriculture to advise the Oregon Department of Agriculture (ODA) about programs, policies, and issues that affect Oregon agriculture and the citizens of Oregon. We take that duty very seriously. At our most recent board meeting, we received an update on implementation of cannabis policy. Following the update, the board had a lengthy discussion regarding the impact of adult use and medical marijuana policy on ODA resources.

Although the Oregon Liquor Control Commission and Oregon Health Authority are the lead regulatory agencies for implementation of adult use and medical marijuana programs, respectively, ODA also provides regulatory oversight for these programs. ODA regulates pesticide use, food manufacturing and retail food sales, commercial scale licensing, and water quality as it relates to agricultural activities. Marijuana growers, processors, wholesalers, as well as retail/dispensary owners are required to follow these laws and rules in order to legally operate in the state of Oregon.

As implementation of marijuana policy has begun, ODA has experienced an unexpected workload increase in several existing program areas. For example, with the onset of marijuana testing requirements, 44 medical marijuana cases have been referred to the pesticide program since October 1st. This is approximately a twenty percent increase in annual compliance inspections in only three months of regulation. Increasing the number of compliance inspections has also increased the workload for ODA's regulatory laboratory since the lab analyzes environmental samples collected during pesticide investigations.

In program areas where license fees fund program functions, such as food safety and weights and measures, the complexity of licensing and inspecting marijuana businesses is more time consuming than for other comparable licenses. As a result, the current fee schedule does not fully cover the intended cost of these activities, and other programs are subsidizing this work.



To date, ODA has received one full-time other funds position to fulfill the agency's responsibility for implementation of marijuana policy. The primary purpose of this position is to coordinate inter and intra agency cannabis policy to assist the marijuana business community.

As the demands of implementing the state's cannabis policy increase, the board is concerned that the current level of resources will not be adequate for ODA to continue to fulfill its responsibilities to deliver service in cannabis programs while still providing timely, quality service to the entire agricultural community and the citizens of Oregon. Additional resources are needed in order to accommodate the increased workload generated by implementation of the state's cannabis policy.

The board stands ready to assist you and ODA in integrating Oregon's newest agricultural crop into Oregon's already diverse agricultural sector.

Sincerely,

A handwritten signature in black ink, appearing to read "Pete Brentano". The signature is written in a cursive, flowing style.

Pete Brentano, Chair  
Oregon State Board of Agriculture

cc: Senate President Courtney  
Speaker of the House Kotek  
Steve Marks, Director, OLCC  
Lynne Saxton, Director, OHA  
Jeffrey Rhoades, Office of Governor Brown  
Lisa Hanson, Acting Director, ODA