

November 5, 2025

Oregon Department of Agriculture Hemp Program 635 Capitol St NE Salem, OR 97301

Attn: DaNette Wernette Attn: Sunny Summers

Sent via email

RE: Questions and Comments on ODA Draft Hemp Program Rules October 2025

Dear DaNette and Sunny,

Please find below a list of questions as well as comments on the October 2025 draft proposed rules.

I appreciate any clarifications you can provide to the questions posed, and thank you in advance for your thoughtful consideration of my comments.

I welcome a call with either or both of you to review these in more detail or to answer any questions you may have.

Respectfully,

Courtney N. Moran, LL.M.

#### **Questions:**

# Page 1 of the draft rules

603-048-0010

- (4) "Cannabis" means the plant species Cannabis sativa and in these rules refers to all forms of the plant regardless of THC content.
  - I know this definition is not proposed to change, just seeking clarification as this term is used in several proposed rule sections as well as current violations sections,:
    - "all forms of the plant"- Does that include commodities? Flower? Or does this mean just plants?
    - Please clarify ODA's intent of scope of this definition as it impacts compliance requirements and violations.

#### Page 7 of the draft rules

603-048-0100

Licensing, generally

- (2)(c) A license is not required to transport or ship hemp or hemp products produced in accordance with 7 USC 1639, et seq. through the state.
  - Confirming the intent of this to comply with 7 USC 1639onote (b)"Transportation of Hemp and Hemp Products."?

    i.e. that a truck driver or other transportation company driving hemp through the state
    - would not need a license? So there is no confusion on the application of the vendor or other license requirements?

#### Page 7 of the draft rules

603-048-0100

Licensing, generally

- (3) Licenses.
- (a) Apply only to the individual or legal entity and location listed on the Department issued License identified on an application that is approved by the Department.
  - What address/location would this be for a grower applicant who submits a grower license application but has not yet licensed his grow site locations with the Department?

# Page 8 of the draft rules 603-048-0100

Licensing, generally

- (76) Restriction on industrial hemp product sales:
- (a) For the purposes of this section, "consumer" means a person who purchases, acquires, owns, holds or uses industrial hemp products other than for the purpose of resale.
- (b) A licensee may not **transfer**, sell, <del>transfer</del>, **or offer for sale** <del>or transfer</del> an industrial hemp product that contains more than 0.3 percent total THC to a consumer unless **the licensee** is licensed as a retailer by OLCC.
- (c) Each unit of sale sold, transferred, sold, or offered for sale is or transfer in violation of this rule is a separate violation.
  - Where is ODA's statutory authority to restrict sales and transfers of hemp products that contain more than 0.3 percent **total** THC to a consumer unless the licensee is licensed as a retailer by OLCC?
  - Is the intent for this to apply only to in state sales to consumers?

# Page 61 of the draft rules

603-048-1500

Retail Sale Requirements; Restrictions

- (5) Restriction on industrial hemp product sales: A person may not sell an industrial hemp product that contains more than 0.3 percent total THC to a consumer unless licensed as a retailer by OLCC.
  - Please see Question Above:
  - Where is ODA's statutory authority to restrict sales and transfers of hemp products that contain more than 0.3 percent **total** THC to a consumer unless the licensee is licensed as a retailer by OLCC?
  - Is the intent for this to apply only to in state sales?

## **Comments:**

Page 11 of the draft rules

603-048-0125

Grower Licensure

(x) (\* I believe this is supposed to be (10))

- What about the 4 Cannabis plants anyone can grow? See ORS 5721.266 This rule does not contemplate that a licensed grower may want to sell 4 hemp plants to a person who wants to grow plants at their home in Oregon.

# Page 17 of the draft rules

603-048-0151

Handler Endorsements

- (2) To request an endorsement, an applicant must submit the documents as described in subsection (3) of this rule with the applicant's <u>an</u> initial handler application or at any time following licensure with a change form.
  - There is an extra "an" before "initial handler"

#### Page 30 of the draft rules

OAR 603-048-0225

(10)(E)(i)Exceeds 3 percent total THC a dry weight basis calculated in accordance with OAR 333-064-0100(4) that is not otherwise permitted by ORS 475A.305 or under a license issued by OLCC under ORS 475C.

- Posed in the Questions above: Definition for Cannabis in 603-048-0010 read "all forms of the plant"- Does that include commodities or work in progress hemp? If no- disregard this comment. If yes:
  - 603-048-0545 allows licensees to have industrial hemp commodities up to 5 percent. Please update this to 5 percent to reflect that allowance for hemp commodities.
  - Note- please see comments below for pages 42/43 on transport limits and pages 58-59 for comment on violations.

#### Page 42/43 of the draft rules

#### 603-048-0545

- This Rule is missing from this package. The authority for this rule, ORS 571.306, was updated in <u>HB 4121</u>, section 8 (2024) and is yet to be updated in rule.
- This Rules provides for licensees within the boundaries of this state to transport or receive commodities up to 5 percent THC; yet the violations and new proposed rule in OAR 603-048-0225 (page 28 draft rules, see above) creates limitations for cannabis at 3 percent THC. Licensees advocated very hard to protect their processing and licensee-to-licensee transport of commodities at 5 percent, which I trust they would like to maintain. It could be helpful to update the other rules to reflect the 5 percent allowance for commodities at licensed handling sites and between licensees within the boundaries of this state.
- Note- please see question above and comments for page 30 and pages 58-59 on the scope of the definition of "Cannabis".

# Page 53 of the draft rules

603-048-0640

Cannabis Waste and Cannabis Disposal

- 1) For the purposes of this rule, "cannabis waste" includes cannabis grown at the grower's licensed grow site or under a grower's license that the licensee determines has lost its market value due to mold, pest, disease, or that the licensee otherwise does not intend to store, process, transfer, or sell. **This includes removal of male plants.** "Cannabis waste" does not include minimal amounts of cannabis pruned or removed from cannabis plants in the course of normal agricultural practices such as removing male plants.
  - RAC comments echoed. Growers growing for floral purposes need to be able to pull males whenever they see them as they see them.

#### Page 56 of the draft rules

603-048-0800

Enforcement and Civil Penalty for Industrial Hemp Law Violation

(4)(b)(C) Any cannabis at the proposed or licensed grow site or handling site exceeds 0.3 percent total THC and is not otherwise permitted by ORS 475C.305 or under a license issued under ORS 475C.

- This is unreasonable given most true hemp flower will test between 0.4% to 1% total THC after drying and trimming. Our import/export laws (ORS 475c.229) even contemplate this protecting compliant hemp up to 1% total THC.
- Further, our Work In Progress rules protect commodities up to 5% THC.
- Please update to include the allowances in ORS 571.306/OAR 603-048-0545 and ORS 475c.229

## \*Pages 58-59 of the draft rules

603-048-1000 (4)(J); T)

- Posed in the Questions above: Definition for Cannabis in 603-048-0010 read "all forms of the plant" Does that include commodities or work in progress hemp? If no- disregard this comment. If yes:
  - As explained above, the 3 percent limit, depending on the scope of the definition of "Cannabis" does not align with the remainder of the rules and the agreement made years ago to allow Handlers to have commodity work in progress material on site and/or for transfer between licensees up to 5 percent.
  - The designation in the violations has created confusion and potentially been conflict since drafted if "all forms of" Cannabis includes commodities. If yes, these need updating to 5 percent THC. This can be clarified that the 5 percent applies to commodities/work in progress material and a 3 percent total THC limit for floral or plant material.

# Pages 75-81 of the draft rules

603-048-3220,3230,3240, 3250, 3260, 3265, 3280

- These all appear to be brand new rules for hemp copied over from OLCC cannabis rules, but the bolding of the draft document makes it look as if these are just updates to existing hemp program rules. Please ensure if these rules are included for public comment it is clear that these are <u>all new</u> for the hemp program so stakeholders are clear about these additions and proposed requirements.

#### Page 76 of the draft rules

603-048-...3230

Handler Policies and Procedures

- (1) Instructions for making each **hemp** cannabinoid concentrate, extract, or product.
  - Context of the changes through the rest of this rule indicate "cannabinoid" is also intended to be removed from (1).

Overall, the concerns expressed during the Hemp Commodity Commission meeting this morning (11/5/25) reflect concerns I continue to hear from licensees. The regulations and new enforcement are leading businesses to look to moving operations out of state.

Serious concerns remain over the high costs of testing and the inequity of the costs for using in state labs versus out of state labs, in addition to having to conduct testing in state for products being sold out of state and not being able to 1)use out of state labs 2) having to adhere not only to Oregon testing requirements but also to the consumer's state's testing rules.

Additionally, licensees are very concerned that ODA is attempting to restrict out of state sales through the rules and engage in new enforcement of products and hemp items at 0.3% total THC. Clarification ODA is not attempting to do this would help, and if ODA is attempting to do this, please provide us with the statutory authority ODA has to do this.

Thank you for your consideration of these comments.