OFFICE OF THE SECRETARY OF STATE

LAVONNE GRIFFIN-VALADE SECRETARY OF STATE

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DEPUTY SECRETARY OF STATE
AND TRIBAL LIAISON



ARCHIVES DIVISION

STEPHANIE CLARK DIRECTOR

800 SUMMER STREET NE SALEM, OR 97310 503-373-0701

NOTICE OF PROPOSED RULEMAKING INCLUDING STATEMENT OF NEED & FISCAL IMPACT

CHAPTER 603
DEPARTMENT OF AGRICULTURE

FILED

03/28/2024 8:32 PM ARCHIVES DIVISION SECRETARY OF STATE

FILING CAPTION: Creates hemp vendor license and a late fee for growers who miss the application deadline.

LAST DAY AND TIME TO OFFER COMMENT TO AGENCY: 05/10/2024 5:00 PM

The Agency requests public comment on whether other options should be considered for achieving the rule's substantive goals while reducing negative economic impact of the rule on business.

CONTACT: Sunny Summers

635 Capitol St NE

Filed By:

503-986-4550

Salem, OR 97301

Sunny Summers

rulemaking@oda.oregon.gov

Rules Coordinator

HEARING(S)

Auxiliary aids for persons with disabilities are available upon advance request. Notify the contact listed above.

DATE: 04/24/2024

TIME: 9:00 AM - 10:00 AM

OFFICER: TBD

REMOTE HEARING DETAILS

MEETING URL: Click here to join the meeting

PHONE NUMBER: 503-446-4951 CONFERENCE ID: 246104650520

SPECIAL INSTRUCTIONS: Meeting ID: 246 104 650 520

Passcode: u8AUc4 Dial-in by phone

+1503-446-4951,,925878577#

NEED FOR THE RULE(S)

The Oregon Department of Agriculture (ODA) is proposing the addition of a hemp vendor license fee for a person, including a retailer or wholesaler, that stores, transfers, or sells industrial hemp or hemp items for resale to another person, including to other vendors, wholesalers, or consumers. Vendor does not include a person who only transports industrial hemp or hemp items from another state through Oregon to another state.

A hemp vendor license will play a crucial role in the oversight and regulation of the hemp industry, ensuring transparency, accountability, and consumer safety. Here are several key reasons why a hemp vendor license is important:

1. Regulatory Compliance: A hemp vendor license ensures that businesses involved in storing, transferring, or selling hemp products comply with state regulations. By obtaining a license, vendors commit to maintain specific records

regarding the sale and distribution of hemp items.

- 2. Product Tracking and Traceability: The issuance of a vendor license enables regulatory agencies to track hemp products throughout the supply chain. This traceability is essential for monitoring the movement of hemp items from cultivation to retail, allowing authorities to identify any discrepancies or instances of non-compliance.
- 3. Consumer Protection: By requiring vendors to obtain a license, consumers can have confidence that they are purchasing hemp products from reputable sources. Licensed vendors are more likely to uphold quality standards and comply with regulatory requirements, reducing the risk of fraudulent or unsafe products entering the market.

Overall, a hemp vendor license can play a pivotal role in promoting a well-regulated and transparent hemp industry. By establishing clear guidelines for vendors and ensuring compliance with regulatory standards, licensing helps to protect consumers, and facilitate the responsible growth of the hemp sector.

Additionally, ODA is creating a late fee for grower who miss the May 31st application deadline. This will allow them to still get licensed providing they meet all of the requirements, pay the late fee, and it is prior to July 31st.

DOCUMENTS RELIED UPON, AND WHERE THEY ARE AVAILABLE

Oregon hemp statutes – OLIS website as well as a link from ODA website at https://oda.direct/hemp.

STATEMENT IDENTIFYING HOW ADOPTION OF RULE(S) WILL AFFECT RACIAL EQUITY IN THIS STATE

These rules are not expected to have an effect on racial equity in the state.

FISCAL AND ECONOMIC IMPACT:

The implementation of a hemp vendor license in Oregon holds significant promise for fostering fiscal growth, job creation, and market expansion, thereby enriching the state's economic landscape. However, the efficacy of this initiative hinges upon the Oregon Department of Agriculture's (ODA) ability to enforce compliance among out-of-state companies seeking to operate within the state's hemp market. Failure to ensure adherence to the requirement of a hemp vendor license by such entities could pose a substantial threat to the viability of small hemp companies native to Oregon. Maintaining rigorous oversight and enforcement mechanisms is crucial to safeguarding the interests of local businesses, preserving market equity, and sustaining the positive economic impact anticipated from the introduction of the hemp vendor license.

The Oregon Department of Agriculture's decision to implement a late fee for growers who miss the May 31st application deadline signifies a strategic approach to regulatory compliance. This initiative enables growers to still obtain licensing, provided they fulfill all requirements, pay the prescribed late fee, and submit their applications before the extended deadline of July 31st. By introducing this measure, the ODA aims to maintain regulatory integrity while offering flexibility to growers who may encounter unforeseen circumstances. This policy not only ensures adherence to licensing protocols but also underscores the department's commitment to supporting the hemp industry's growth and sustainability in Oregon.

COST OF COMPLIANCE:

- (1) Identify any state agencies, units of local government, and members of the public likely to be economically affected by the rule(s). (2) Effect on Small Businesses: (a) Estimate the number and type of small businesses subject to the rule(s); (b) Describe the expected reporting, recordkeeping and administrative activities and cost required to comply with the rule(s); (c) Estimate the cost of professional services, equipment supplies, labor and increased administration required to comply with the rule(s).
- (1) Identify any state agencies, units of local government, and members of the public likely to be economically affected by the rule(s): ODA, OLCC, and any local government units that might be interested in the vendor license. Anyone not

already licensed by ODA as a hemp grower or handler and that sells hemp or hemp items will be subject to the vendor license. For the grower late fee, it would be any grower who has failed to meet the current May 31st application deadline.

- (2) Effect on small businesses: (a) estimate the number and type of small businesses subject to the rule(s); (b) Describe the expected reporting, recordkeeping and administrative activities and cost required to comply with the rule(s); (c) Estimate the cost of professional services, equipment supplies, labor and increased administration required to comply with the rule(s).
- a) ODA estimates that about 6,000 businesses may need a hemp vendor license and that most if not all would qualify as small businesses. It is unclear how many hemp growers would be subject to the late application fee. Last year there were a total of 187 hemp growers licensed by ODA.
- b) There may be an increased cost of recordkeeping for hemp vendors but the ODA recordkeeping requirements are in line with information that any business owner should be maintaining.
- c) These costs are expected to be minimal.

DESCRIBE HOW SMALL BUSINESSES WERE INVOLVED IN THE DEVELOPMENT OF THESE RULE(S):

ODA held a rules advisory committee meeting in August 2023 and March 2024 to discuss the vendor license. The late fee was discussed at the March meeting. All of the attendees were either small businesses or represented the interests of small businesses.

WAS AN ADMINISTRATIVE RULE ADVISORY COMMITTEE CONSULTED? YES

RULES PROPOSED:

603-048-0010, 603-048-0100, 603-048-0125, 603-048-0175, 603-048-0200, 603-048-0315, 603-048-0400, 603-048-0630, 603-048-0650, 603-048-0700, 603-048-0800, 603-048-1000, 603-048-2310

AMEND: 603-048-0010

RULE SUMMARY: Creates a vendor and vendor site definition.

CHANGES TO RULE:

603-048-0010

Definitions ¶

The following definitions apply to OAR 603-048-0010 through 603-048-2500 unless the context requires otherwise.¶

- (1) "Adult use cannabis item" has the meaning given that term in ORS 475C.009.¶
- (2) "Agricultural hemp seed"-¶
- (a) means Cannabis seed:¶
- (A) That is sold to or intended to be sold to licensed growers for planting; or ¶
- (B) That remains in an unprocessed or partially processed condition that is capable of germination.¶
- (b) does not mean Cannabis seed produced from a marijuana plant.¶
- (3) "Agricultural hemp seed producer" means a person who produces agricultural hemp seed or processes industrial hemp into agricultural hemp seed.¶
- (4) "Cannabis" means the plant species Cannabis sativa and in these rules refers to all forms of the plant regardless of THC content.¶
- (5) "Cannabis Tracking System" or "CTS" means the OLCC's system for tracking the transfer of marijuana items.¶
- (6) "CBD" means cannabidiol, Chemical Abstracts Service Number 13956-29-1.¶
- (7) "Consumption" means ingestion, inhalation or topical application to the skin or hair.¶
- (8) "Conviction" or "convicted" means any plea of guilty or nolo contendere, or any finding of guilt, except when

the finding of guilt is subsequently overturned on appeal, pardoned, or expunged. A conviction is expunged when the conviction is removed from the individual's criminal history record and there are no legal disabilities or restrictions associated with the expunged conviction, other than the fact that the conviction may be used for sentencing purposes for subsequent convictions. In addition, where an individual is allowed to withdraw an original plea of guilty or nolo contendere and enter a plea of guilty and the case is subsequently dismissed, the individual is no longer considered to have a conviction.¶

- (9) "Crop" means industrial hemp grown under a single license.¶
- (10) "Cut microgreen" means microgreens that have been cut such that the root is fully removed from the remainder of the plant. The remainder of the plant is the cut microgreen.¶
- (11) "Days" means calendar days unless otherwise specified in rule.¶
- (12) "Department" means the Oregon Department of Agriculture. 2¶
- (13) "Food" means:¶
- (a) Articles used for food or drink, including ice, for human consumption or food for dogs and cats;¶
- (b) Chewing gum;¶
- (c) Dietary supplements; and ¶
- (d) Articles used for components of any such article.¶
- (14) "Grower" means a person, joint venture or cooperative that produces industrial hemp and includes a person growing for research purposes.¶
- (154) "Grow site" means one contiguous lot, parcel, or tract of land used to produce or intended to produce industrial hemp. \P
- (165) "Handler" means a person, joint venture or cooperative that: ¶
- (a) receives industrial hemp for processing into industrial hemp commodities, products, or agricultural hemp seed; \P
- (b) processes industrial hemp commodities or products into hemp items; or ¶
- (c) trims industrial hemp; or ¶
- (d) packages hemp items.¶
- $(17\underline{6})$ "Handling site" means one contiguous lot, parcel, or tract of land used to process or intended to process industrial hemp.¶
- (187) "Harvest" includes cutting of the cannabis plant such that the plant is no longer growing or removing part or all of the plant from the growing medium for the purpose of processing, storing, transfer or sale. Harvest does not include sampling for purposes of testing under OAR 603-048-0600, removal of all or part of the cannabis plant due to mold, pest, disease, or minimal pruning or removal of cannabis plants in the course of normal agricultural practices such as removing male plants.¶
- (198) "Harvest Lot":¶
- (a) Means a quantity of Cannabis of the same variety or strain harvested in a distinct timeframe that is:¶
- (A) Grown in one contiguous production area within a grow site; or ¶
- (B) Grown in a portion or portions of one contiguous production area within a grow site.¶
- (b) Does not include a quantity of cannabis grown in noncontiguous production areas.¶
- (2019) "Harvest Lot Identifier" means a unique numerical identifier that begins with the name of the grow site, then the year of harvest, and then a unique number to identify the harvest lot. If a harvest lot is subsequently split into one or more lots for purposes of testing in OAR 603-048-2300 to 603-048-2480 or for purposes of retesting in accordance with OAR 603-048-0630(3), a unique letter shall be added to the end of the original harvest lot identifier to identify the split lots.¶
- (240) "Hemp" means industrial hemp and these terms are used interchangeably.¶
- $(22\underline{1})$ "Hemp Item" has the meaning provided in OAR 603-048-2310.¶
- (232) "Immature hemp plant" means a cannabis plant that is not flowering.
- (243) "Immature plant lot" means a quantity of immature hemp plants tested, transferred or sold as one unit.¶
- (254) "Immature plant lot identifier" means a unique numerical identifier that begins with the name of the grow site, then the year of production, and then a unique number to identify the immature plant lot. If an immature plant lot is subsequently split into one or more lots for purposes of testing, a unique letter shall be added to the end of the original immature plant lot identifier to identify the split lots.¶
- (265) "Industrial hemp":¶
- (a) Means the plant species Cannabis sativa, and any part of that plant whether growing or not including the seeds thereof, that contain an average total tetrahydrocannabinol concentration that does not exceed 0.3 percent on a dry weight basis.¶
- (b) Includes, but is not limited to:¶
- (A) Industrial hemp that has been minimally preserved, for purposes of transfer or storage including chopping, separating, or drying;-¶
- (B) Microgreens; and ¶

- (C) Agricultural hemp seed.¶
- (c) Does not mean: ¶
- (A) Industrial hemp commodities or products; or ¶
- (B) Marijuana, as that is defined in ORS 475C.009 including but not limited to Cannabis seed produced by a marijuana plant.¶
- (276) Industrial Hemp Commodity or Product:¶
- (a) Means an item processed containing any industrial hemp or containing any chemical compounds derived from industrial hemp, including CBD derived from industrial hemp.¶
- (b) Includes: ¶
- (A) Hemp concentrates or extracts as defined in OAR 603-048-2310;¶
- (B) Hemp edible as defined in OAR 603-048-2310;¶
- (C) Hemp tincture as defined in OAR 603-048-2310;¶
- (D) Hemp topical as defined in OAR 603-048-2310;¶
- (E) Hemp transdermal patch as defined in OAR 603-048-2310;¶
- (F) Industrial hemp processed through retting or other processing such that it is suitable fiber for textiles, rope, paper, hempcrete, or other building or fiber materials;¶
- (G) Industrial hemp seed processed such that it is incapable of germination and processed such that is suitable for human consumption;¶
- (H) Industrial hemp seed pressed or otherwise processed into oil;¶
- (I) Cut microgreens¶
- (c) Does not include:¶
- (A) Industrial hemp that has not been processed in any form;
- (B) Industrial hemp that has been minimally prepared for purposes of transfer or storage including chopping, separating, or drying;¶
- (C) Agricultural hemp seed or any Cannabis seed produced by a marijuana plant.¶
- (287) Industrial hemp for human consumption" has the meaning in OAR 603-048-2310.¶
- (298) "Kief" means the resinous trichomes of hemp that accumulate or fall off when hemp flowers are sifted through a mesh screen or sieve.¶
- (3029) "Key participant" means any person listed on an application for a license and:¶
- (a) If an applicant or key participant is a limited partnership, each general partner in the limited partnership;¶
- (b) If an applicant or key participant is a general partnership, each general partner in the general partnership;¶
- (c) If an applicant or key participant is a manager-managed limited liability company, each manager of the limited liability company as those terms are defined in ORS 63.001;¶
- (d) If an applicant or key participant is a corporation, each person with executive managerial control in a corporation. A person with executive managerial control includes, but is not limited to, any officer of the corporation;¶
- (e) Any individual or legal entity with an ownership interest in the applicant or a key participant;-¶
- (f) If an applicant or key participant is a member-managed limited liability company, any individual or legal entity who holds or controls a direct or indirect interest of 20 percent or more in the applicant. \P
- (g) Any principal investigator of an applicant for a research grower license.¶
- $(34\underline{0})$ "Laboratory" means a laboratory that is licensed by the OLCC under ORS 475C.548 and accredited by the Oregon Health Authority under ORS 475C.560.¶
- $(32\underline{1})$ "License" means a license issued by the Department under ORS 571.281 and these rules.¶
- (332) "Licensed research grower" means a person licensed to produce hemp for research purposes only pursuant to OAR 603-048-0126.¶
- (34<u>3</u>) "Licensee" means a grower, handler, agricultural hemp seed producer, licensed research grower, <u>vendor</u> or other person licensed under ORS 571.281 or these rules.-¶
- (354) "Mature hemp plant" means a cannabis plant that is not an immature hemp plant.¶
- $(36\underline{5})$ "Microgreens" means seedling or small shoots of industrial hemp that have grown less than three inches in height from where the plant emerges from the soil or other growing medium to the tip of the plant greenery. \P (376) "OLCC" means the Oregon Liquor and Cannabis Commission. \P
- (387) "Ownership interest":¶
- (a) Includes any person or legal entity that exercises control over, or is entitled to exercise control over, the business. Control over the business includes but is not limited to the authority to enter a contract or similar obligations on behalf of the business.¶
- (b) Includes any individual or legal entity owning the real or personal property of the proposed licensed site unless the owner of the property has given control over the property to another party via a lease or rental agreement or similar agreement.¶
- (c) Does not include an employee acting under the direction of the owner or other non-executive employees such

- as farm, field, or shift managers that do not make financial planning decisions and that do not vote or exercise control of the business.¶
- (398) "Planting" or the action "plants" means placing a seed, cutting, or plant in the ground or other media for the purpose of growing, or being in possession of any such seed, cutting, or plant.¶
- (4039) "Principal investigator" means an individual, employed by the applicant or licensee, who is primarily responsible for a hemp research project implemented or intended to be implemented under a research grower license.¶
- (44<u>0</u>) "Process" means the processing, compounding, or conversion of industrial hemp into industrial hemp commodities or products or agricultural hemp seed. It also means further processing, compounding or conversion of industrial hemp commodities or products into hemp items. Process includes the basic preparation of commodities or products, the alteration of a commodity or product into another, and preservation and packaging techniques. Processing does not include minimal preparation of hemp for purposes of transfer or storage including chopping, separating, or drying.¶
- (421) "Production area" means a contiguous area at a grow site where industrial hemp is produced or is intended to be produced and may include a field, greenhouse, or other building.¶
- (432) "Process lot identifier" means a unique numerical identifier that begins with the last seven numbers of the handler's license number or the name of the handler, then the year of processing, and then a unique number to identify the process lot.¶
- (44 $\underline{3}$) "Produce" means the planting, cultivation, growing, or harvesting of industrial hemp. \P (45 $\underline{4}$) "Process lot" means: \P
- (a) Any amount of hemp concentrate or extract of the same type and processed at the same time using the same extraction methods, standard operating procedures and batches from the same or different harvest lots; or \P
- (b) Any amount of hemp cannabinoid products of the same type and processed at the same time using the same ingredients, standard operating procedures and batches from the same or different harvest lots or process lots of cannabinoid concentrate or extract.¶
- (465) "Retest" or "Retesting" means the laboratory process of retesting a retained file sample for THC content after the sample failed initial testing for THC content under OAR 603-048-0600. A retest does not include or permit taking a new sample from the harvest lot. \P
- (476) "Seed lot" means a quantity of cannabis seeds tested, transferred, or sold as one unit.¶
- (487) "Seed lot identifier" means a unique numerical identifier that begins with the name of the grow site, then the year of production, and then a unique number to identify the seed lot identifier. If a seed lot is subsequently split into one or more lots for purposes of testing, a unique letter shall be added to the end of the original seed lot identifier to identify the split lots.¶
- (498) "Tetrahydrocannabinol" or "THC" means tetrahydrocannabinol and has the same meaning as delta-9 THC unless otherwise specified in the rule.¶
- (5049) "These rules" means OAR 603-048-0010 to 603-048-2500.¶
- (5<u>40</u>) "THCA" means (6aR,10aR)-1-hydroxy-6,6,9-trimethyl-3-pentyl-6a,7,8,10a-tetrahydro-6H-benzo[c]chromene-2-carboxylic acid, Chemical Abstracts Service Number 23978-85-.¶
- $(52\underline{1})$ "Total THC" means the sum of the concentration or mass of delta-9-THCA multiplied by 0.877 plus the concentration or mass of delta-9-THC.-¶
- (532) "Trim" or "trimming" means the preparation or manicure of industrial hemp into usable hemp for retail sale.¶
- (53) "Vendor" means a person, including a retailer or wholesaler, that stores, transfers, or sells industrial hemp or hemp items for resale to another person, including to other vendors, wholesalers or consumers. ¶
- (54) "Vendor site" means a location where a vendor stores, transfers, or sells industrial hemp or hemp items.

Statutory/Other Authority: ORS 561.90, ORS 571.260-571.348

RULE SUMMARY: Clarifies general licensing requirements.

CHANGES TO RULE:

603-048-0100

Licensing, generally ¶

- (1) Industrial hemp is an agricultural product subject to regulation by the Department.¶
- (2) Only a licensee may sell, store, receive or transfer industrial hemp, except as provided in ORS 475C.305, ORS 571.266 and this rule.¶
- (a) Laboratories are not required to be licensed with the Department to sample, test, or transfer or store industrial hemp for sampling and testing purposes; and ¶
- (b) Seed testing facilities with a registered seed technologist registered by the Society of Commercial Seed Technologist or certified seed analyst certified by the Association of Official Seed Analysts are not required to be licensed with the Department to sample, test, treat, or transfer or store industrial hemp seed or seedlings for sampling and testing purposes.¶
- (3) Licenses.¶
- (a) Apply only to the individual or legal entity identified on an application that is approved by the Department.¶
- (b) Are a personal privilege and may not be transferred. ¶
- (c) May not be sold or transferred.¶
- (4) For transfers and sales within Oregon, a licensee may only sell or transfer industrial hemp or agricultural hemp seed to:¶
- (a) Another licensee; or ¶
- (b) An OLCC licensee in accordance with ORS 571.336, ORS 571.337, and rules adopted thereunder.¶
- (5) A grower may not transfer or sell a growing mature hemp plant unless it has passed preharvest testing in accordance with OAR 603-048-0600.¶
- (6) 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 sell an industrial hemp product that contains more than 0.3 percent total THC to a consumer unless licensed as a retailer by OLCC.¶
- (7) Licensure and compliance with these rules does not protect a person from possible criminal prosecution under state or federal law or other sanctions by other governmental entities.

Statutory/Other Authority: ORS 561.190, ORS 571.260 - 571.348

RULE SUMMARY: Clarifies grower license requirements.

CHANGES TO RULE:

603-048-0125

Grower Licensure

- (1) Only a grower licensed with the Department may produce industrial hemp except as exempted in OAR 603-048-0100. \P
- (2) Industrial hemp may only be produced at grow sites <u>and within production areas</u> included on the grower license except as exempted in OAR 603-048-0100.¶
- (3) A licensed grower may use any propagation method, including planting seeds from, or starts, or the use of clones or cuttings, to produce industrial hemp.¶
- (4) The Department shall make available to licensed growers information that identifies licensed agricultural hemp seed producers from whom growers may purchase agricultural hemp seed.¶
- (5) Each <u>unlicensed grow site or production area identified</u> by the Department <u>that is not included on the grower license</u> is a separate violation of section (2) of this rule.¶
- (6) A licensed grower may trim industrial hemp produced by the grower without a handler license only if the grower:¶
- (a) Trims at the licensed grow site where the industrial hemp was produced;¶
- (b) Submits to the Department prior to beginning any trimming activities a valid land use compatibility statement (LUCS) stating that trimming is permitted signed by the local county or government with jurisdiction over the grow site; and ¶
- (c) Complies with all requirements applicable to handlers for the production of usable hemp. ¶
- (7) A licensed grower may manufacture kief from industrial hemp produced by the grower without a handler license only if the grower:¶
- (a) Manufactures the kief at the licensed grow site where the industrial hemp was produced;¶
- (b) Submits to the Department prior to beginning any trimming activities a valid land use compatibility statement (LUCS) stating that kief manufacture is permitted signed by the local county or government with jurisdiction over the grow site:¶
- (c) Complies with all requirements and restrictions applicable to handlers for the production of hemp products and commodities and all requirements and restrictions OLCC imposes on producers licensed under ORS 475.065 for manufacturing kief in OAR Chapter 845, Division 25; and ¶
- (d) Complies with all applicable testing requirements in OAR 603-048-2300 for kief.¶
- (8) For a grow site that proposes or is licensed to trim or manufacture kief, if the Department receives written notification from the jurisdiction where a proposed grow site or licensed grow site is located that the LUCS is invalid or is no longer valid, the Department may require the applicant or licensee to obtain a new LUCS. If a new LUCS is not submitted, the Department may deny or revoke the license. If the LUCS submitted states that the proposed land use is prohibited in the applicable zone or otherwise fails to demonstrate that the proposed activity is permitted, the Department shall revoke or deny the license.¶
- (9) (a) A grower may only apply pesticides to industrial hemp or hemp items that are included on the Hemp Program's guide list or approved by the Environmental Protection Agency for use on industrial hemp.
- (b) A grower must comply with all applicable laws and rules regulating pesticides.¶

Note: The Hemp Program's guide list for pesticides is available from the Department.

 $Statutory/Other\ Authority: ORS\ 561.190, ORS\ 569.445, ORS\ 571.260\ -\ 571.348, ORS\ 633.511-633.996$

ADOPT: 603-048-0175

RULE SUMMARY: Creates a vendor site license.

CHANGES TO RULE:

603-048-0175

Vendor Site License

(1) Effective July 1, 2024, a vendor must have a license with the Department under these rules for each vendor site prior to storing, transferring, or selling industrial hemp or hemp items except:¶

(a) A license is not required if the person only facilitates the sale or transfer by connecting buyers and sellers and the person does not store the industrial hemp or hemp items at any time.¶

(b) A licensed grower, handler, or agricultural hemp seed producer is not required to be licensed with the Department as a vendor site to store, transfer, or sell industrial hemp or hemp items the licensee produced or processed if the licensee first notifies the Department of the location where the industrial hemp or hemp items are stored, transferred, or sold in the license application or on another form provided by the Department.¶

(c) A license is not required for a vendor site licensed by OLCC under ORS 475C.065, 475C.085, 475C.093, or 475C.097.¶

(d) A license is not required for a person who only transports industrial hemp or hemp items and does not store the industrial hemp or hemp items at any time other than as necessary for transportation or delivery.¶

(2) A vendor site license is effective the day the Department issues the license and expires annually on June 30. Fees are not prorated.¶

(3) A vendor site license applies only to the vendor site identified on the license. A vendor must obtain a separate license for each vendor site. ¶

(4) Each unlicensed vendor site identified by the Department is a separate violation of section (1) of this rule.

Statutory/Other Authority: ORS 571.260-571.348

Statutes/Other Implemented: ORS 571.263, 571.269, 571.281

RULE SUMMARY: Creates a late fee for the hemp grower application until July 31st of the calendar year.

CHANGES TO RULE:

603-048-0200

Grower Licensure Applications and Review ¶

- (1) Licenses are valid for a one-year term beginning on January 1 of each calendar year. Licenses granted after January 1 are effective on the date issued.-¶
- (a) An applicant must submit, and the Department must receive, a complete application and applicable fees by no later than May 31 of the calendar year <u>for any grower license</u>.¶
- (b) An applicant may submit a grower application late if received by the Department by no later than July 31 and submitted with the late fee for each grow site application identified in OAR 603-048-0700.¶
- (c) An applicant is not subject to the May 31 deadline if the applicant has purchased land with an active grower license. No new production areas or grow sites other than those included in the original license may be added or moved after May 31 or July 31 unless submitted with the late fee identified in OAR 603-048-0700 for each new grow site before July 31. \P
- (2) The Department shall review and act on applications in the order they are received. An individual is not licensed with the Department until the Department has approved the license and notified the applicant of licensure.¶
- (3) To apply for a grower license, an applicant must submit to the Department:¶
- (a) A complete grower license application on a form provided by the Department;¶
- (b) A complete grow site $\frac{1}{1}$ icense application on a form provided by the Department for each $\frac{1}{2}$ grow site; \P
- (c) All applicable fees as described in OAR 603-048-0700; and ¶
- (d) Consent to a criminal records check by fingerprint identification for the applicant or if the applicant is a legal entity, submit a consent for every key participant in the applicant entity in accordance with ORS 181A.195, ORS 181A.200 and OAR chapter 125, division 7 and the Department's directives. To complete the criminal records check, the Department may require additional information, documents, or action including, but not limited to, fingerprint identification, proof of identity, or additional criminal, judicial, or other background information.¶

 (e) An informed consent form prescribed by the Department if the applicant is not the owner of the premises where the grow site will be located. The consent form:¶
- (A) Is valid for only the grower or growers named on the consent form.
- (B) Must be signed by the owner of the premises or the property owner's legal representative for the grow site and must not have been terminated. \P
- (f) Documentation of lawful participation in a pilot program prior to December 20, 2018, if the applicant or any key participant is disqualified due to a felony conviction relating to a controlled substance within the last ten years from the date of application but asserts the convicted individual was growing hemp lawfully under a pilot program authorized by Section 7606 of the Agricultural Act of 2014 before December 20, 2018.¶
- (g) Any other documents or information requested by the Department.¶
- (4) A person seeking to produce or process agricultural hemp seed must separately apply for and obtain an agricultural hemp seed producer license as described in OAR 603-048-0300.¶
- (5) A grower license application must include the following information:
- (a) The name, legal type of applicant (individual, corporation, etc.).¶
- (b) Contact information for the applicant.¶
- (c) For business entities, principal place of business for licensee, Oregon Secretary of State registry number, names of all key participants, employer identification number, and contact information, including phone number and email of all key participants;¶
- (d) A primary contact person who the Department can contact to arrange for onsite inspections or for questions regarding the application or license and contact information (phone number, email) for the primary contact person.¶
- (e) The address of each grow site;¶
- (f) Other information specified by the Department in the application, including but not limited to: ¶
- (A) The intended use of the industrial hemp (flower, seed, and/or fiber); and \(\bar{\Psi} \)
- (B) The intended number of acres or square feet to be cultivated.¶
- (g) Any other information or forms required by the Department.¶
- (h) For each proposed grow site location, a completed grow site application form with the following information: ¶
- (A) The address of the grow site;¶
- (B) Information for each non-contiguous production area, as described in subsection (C) and (D) of this rule.¶

- (C) If in the production area is a field: ¶
- (i) The global positioning system (GPS) coordinates provided in decimal of degrees and taken at the approximate center of the growing field; \P
- (ii) The number of square feet or acres of each cultivated field; and ¶
- (iii) A map of the grow site showing clear boundaries of the production area;¶
- (D) If in the production areas is a greenhouse or other building:¶
- (i) The global positioning system (GPS) coordinates provided in decimal of degrees and taken at the approximate center of the greenhouse or other building; \P
- (ii) The approximate dimension or square feet of the greenhouse or other building; and ¶
- (iii) A map of the grow site showing clear boundaries of each production area.¶
- (6) (a) To add a grow site or <u>a production</u> area to an existing <u>grower</u> license during the licensed calendar year, the licensed grower must:¶
- (A) For additions submitted by May 31 of the license year, submit a complete grow site <u>application</u> form or change form and change fee identified in OAR 333-048-0700 to the Department.¶
- (B) For additions submitted after May 31 but no later than July 31, submit a complete grow site <u>application</u> form or change form and a late fee identified in OAR 333-048-0700 for each grow site <u>application</u>.¶
- (b) A grower may request that the Department remove a grow site or productions area at any time without a fee. The Department may approve or deny the request. Grow sites and production areas may not be moved or relocated.¶
- (c) A grow site or production area may not be added after July 31. ¶
- (7) Renewal Application.¶
- (a) A person with a current valid license may apply for a renewal license by submitting a complete renewal application on a form provided by the Department. The renewal application must include:¶
- (A) Updated contact information for the applicant and all key participants;¶
- (B) A consent to criminal records check as described in Section (3) for any licensee or key participant who has not passed a criminal records check with the Department in the previous two licensing years;¶
- (C) Complete grow site forms described in section (5) of this rule for any new proposed grow sites; and ¶
- (D) Any other information required by the Department.¶
- (b) The Department must receive the complete renewal application and all applicable fees described in OAR 603-048-0700 by no later than December 1 of the current license year.¶
- (\underline{eb}) All application requirements for an initial license apply to a renewal application except as specifically identified in this rule. \P
- (\underline{dc}) The Department shall deny an applicant for a renewal if the applicant fails to report the information required in OAR 603-048-0400(7).¶
- (8) In addition to the requirements in sections (3) to (7), all applicants must acknowledge and agree that:¶
- (a) Any information provided to the Department may be publicly disclosed and may be provided to law enforcement agencies without notice to the applicant or licensee;¶
- (b) The Department, or its designee, may enter any field, facility or greenhouse used for the production or handling of industrial hemp or agricultural hemp seed and may take samples of industrial hemp or agricultural hemp seed as necessary for the administration of the Department's laws.¶
- (c) All fees lawfully due to the Department will be timely paid.¶
- (d) The information provided is true and correct and that applicant's signature is an attestation of that fact.¶
- (9) The Department, in its discretion, may require an inspection of the grow site prior to licensure. The inspection may include sampling for THC testing. \P
- (10) Incomplete Applications.¶
- (a) If an applicant does not provide all information or documentation required by rule or pay the applicable fee, the Department shall reject the application as incomplete.¶
- (b) If an application is illegible or is substantially incomplete, the Department may summarily reject the application as incomplete. If an applicant fails to provide all information or documentation required, the Department may notify the applicant of the missing information or documentation and allow the applicant 15 days to submit the missing information or documentation. If the applicant fails to timely submit all the missing information or documentation, the Department shall reject the application as incomplete.¶
- (c) The Department may verify the information submitted, verify any accompanying documentation submitted with an application, or request additional information, documentation, or attestation from the applicant to ensure compliance with ORS 571.260 to ORS 571.348. If an applicant fails to timely submit information, documentation, criminal history check, or attestation requested by the Department, the Department shall reject the application as incomplete.¶
- (d) An applicant whose application is rejected as incomplete may reapply until May 31 of the calendar year or July 31 with the late fee identified in OAR 603-048-0700. If the individual reapplies by May 31 of the calendar year or

July 31 with the late fee identified in OAR 603-048-0700, the application fee may be applied to a new application. An applicant who reapplies after May 31 shall be denied unless they apply by July 31 and submit the late fee identified in OAR 603-048-0700.¶

- (11) Denial.¶
- (a) The Department must deny an initial or renewal application if:¶
- (A) The applicant fails to satisfy any of the requirements for initial licensure.¶
- (B) The applicant or any key participant has been convicted of a felony relating to a controlled substance within the last ten years from the date of application unless the conviction also occurred before December 20, 2018, the convicted individual was growing hemp lawfully under a pilot program authorized by Section 7606 of the Agricultural Act of 2014 before December 20, 2018, and documentation of the participation is submitted with the application.¶
- (C) The applicant or any key participant plants an industrial hemp crop or commits a violation of ORS 571.260 to ORS 571.348 prior to applying for a grower license unless: \P
- (i) the applicant disposes the industrial hemp crop in accordance with OAR 603-048-0640 within 14 days of the Department's notification to the applicant, unless the Department grants an extension in writing; and \P
- (ii) the Department determines the violation is resolved.¶
- (D) Required to deny under OAR 603-048-0126.¶
- (E) The applicant or any key participant materially falsifies any information or documentation submitted in or with an application.¶
- (F) The proposed grow site is at the same location as a licensed researcher grower grow site. ¶
- (b) The Department may deny an initial or renewal application if:¶
- (A) The applicant or any key participant violated or has a history of noncompliance with:
- (i) A provision of ORS 571.260 to ORS 571.348;¶
- (ii) A rule adopted under a provision of ORS 571.260 to ORS 571.348-
- (iii) An order issued by the Department pursuant to a provision of ORS 571.260 to ORS 571.348 or a rule adopted thereunder, including a detainment order; \P
- (iv) Any statutory law or Department rule related to agricultural activities other than industrial hemp operations.¶
- (B) The application, or material submitted with or to supplement the application, contains false, misleading, or incorrect information;-¶
- (C) The applicant is a legal entity that is required to be registered with the Oregon Secretary of State but does not have an active registration;-¶
- (D) The owner of the proposed grow site or the property owner's legal representative notifies the Department in writing that they have withdrawn consent for applicant to produce hemp at the proposed grow site location; or¶
- (E) The applicant, or any key participant, has a history of noncompliance with OLCC statutes or rules regarding the prohibition on the unregulated commerce of marijuana items including but not limited to any violation or disciplinary action under ORS 475C.185 or OAR 845-025-8590(2)(e).¶
- (F) Issuing the license would be a violation of or inconsistent with the Agriculture Improvement Act of 2018 (P.L. 115-334) or 7 CFR Part 990.¶
- (12) Ineligibility based on past noncompliance.
- (a) A grower, and all key participants, is ineligible for a grower license for a period of five years if the grower commits three of any of the violations below over a five-year-period:¶
- (A) the grower produces cannabis that exceeds 1.0 percent THC on a dry weight basis; ¶
- (B) the grower fails to provide a legal description of land on which the grower produces hemp; (C) the grower fails to obtain a license under these rules prior to producing hemp.¶
- (b) Only for the purposes of determining ineligibility under subsection (a) of this rule: ¶
- (A) A grower shall accrue a maximum of one violation per year.¶
- (B) The period of ineligibility begins on the date that the last violation is found in a final order by the Department.¶
- (c) A grower, and all key participants, is ineligible for a grower license for a period of two year from the date a final order is entered revoking the grower's license, except for final orders issued pursuant to subsection (a) of this rule where the ineligibility period of five years.¶
- (d) A grower or key participant whose application is denied under OAR 603-048-0126(1)(a) or section (11)((b), (B), or (E) of this rule, is ineligible for a period of two year from the date a final order is entered denying the grower's license, except for final orders issued pursuant to subsection (a) of this rule where the ineligibility period is five years.¶
- (e) A grower or key participant ineligible under this rule may not apply or reapply for a grower license during the period of ineligibility.¶
- (f) The Department must deny any grower application submitted by a person ineligible under this rule and shall revoke the license of a person who is ineligible under this rule.¶
- (g) Nothing in this rule prevents the Department from assessing multiple violations or from taking other action to

revoke or deny a license or impose civil penalties.¶

- (13) The Department may place an application on hold if the applicant, licensee, or any key participant is currently under investigation for violation of ORS 571.260 to 571.348, these rules, other cannabis laws or statutes, or pending a disciplinary action with the Department,¶
- (14) The Department may not issue a license to an applicant that is a legal entity if it is required to be registered with the Oregon Secretary of State but does not have an active registration.

Statutory/Other Authority: ORS 561.120, 561.200, 561.275, 561.190, 569.445, ORS 571.260-571.348, 633.511-633.996

ADOPT: 603-048-0315

RULE SUMMARY: Creates requirements for Vendor Site Application and Review.

CHANGES TO RULE:

603-048-0315

Vendor Site Application and Review

(1) To apply for a vendor site license, an applicant must submit to the Department:¶

(a) A complete vendor site license application on a form provided by the Department;¶

(b) All applicable fees as described in OAR 603-048-0700; and ¶

(c) Any additional information or documentation required by the Department.¶

(2) A vendor site license application must include the following information: ¶

(a) The name, legal type of applicant (individual, corporation, etc.);¶

(b) Contact information for the applicant;¶

(c) For legal entities, principal place of business for licensee and Oregon Secretary of State registry number; ¶

(d) A primary contact person the Department can contact regarding the application or license and contact information (phone number, email) for the primary contact person;¶

(e) The address of the vendor site; and ¶

 $\begin{tabular}{ll} \textbf{(f) Any other information specified by the Department in the application.} \end{tabular}$

(3) Renewal Application.¶

(a) A person with a current valid license may apply for a renewal license by submitting a complete renewal application on a form provided by the Department. The renewal application must include:¶

(A) Updated contact information for the applicant and primary contact person;¶

(B) Any other information required by the Department.¶

(b) The Department must receive the complete renewal application and all applicable fees described in OAR 603-

048-0700 by no later than June 30 of the current license year.¶

(4) Incomplete Applications.¶

(a) If an applicant does not provide all information or documentation required in rule or otherwise required by the Department or pay the applicable fee, the Department shall reject the application as incomplete.¶

(b) If an application is illegible or is substantially incomplete, the Department may summarily reject the application as incomplete. ¶

(c) If an applicant fails to provide the information required, the Department may notify the applicant of the missing information and allow the applicant 15 days to submit the missing information.¶

(d) The Department may verify the information submitted, verify any accompanying documentation submitted with an application, or request additional information, documentation, or attestation from the applicant to ensure compliance with ORS 571.260 to ORS 571.348 and these rules. If an applicant fails to timely submit information, documentation, or attestation requested by the Department, the Department shall reject the application as incomplete.¶

(e) An applicant whose application is rejected as incomplete may reapply at any time. If the applicant reapplies within the same license year, the application fee may be applied to a new application.¶

(5) The Department may not issue a license to an applicant that is a legal entity if it is required to register with the Oregon Secretary of State but does not have an active registration.

Statutory/Other Authority: ORS 571.260-571.348

Statutes/Other Implemented: ORS 571.263, 571.269, 571.281

RULE SUMMARY: Updates reporting requirements.

CHANGES TO RULE:

603-048-0400

Reporting Requirements

- (1) A licensee must immediately report, within 48 hours, the theft or loss of industrial hemp or hemp items to the Department. A licensee must provide a copy of the police report of such a theft to the Department or the police report number of such a theft upon the Department's request. A vendor is not required to report shrinkage of industrial hemp or hemp items.
- (2) An applicant or licensee must report to the Department in writing within 10 days of the following: ¶
- (a) A disciplinary proceeding or enforcement action by another government entity that may affect the applicant or licensee's business:¶
- (b) Permanent closure of a grow site, research facility, <u>vendor site</u> or a handling site. The applicant or licensee is responsible for all activities at a grow site, research facility, <u>vendor site</u> or handling site until the date the Department is notified of a permanent site closure in accordance with OAR 603-048-0800(1).¶
- (c) Any felony conviction of the grower applicant or grower licensee or if a legal entity, any key participant, relating to a controlled substance.¶
- (d) On a form provided by the Department and changes to the name, address, e-mail or telephone number of the licensee, primary contact person, or any key participant within 10 days of the change;¶
- (e) On a form provided by the Department, the removal of a production area and the addition of a production area at a grow site prior to producing at a production area not licensed with the Department. The grower must comply with OAR 603-048-0200(6)(a) prior to producing at a production area not licensed with the Department. \P
- (f) Any and all licensed production areas that the licensee decides not to plant with industrial hemp or does not plant with industrial hemp during the licensing year.¶
- (3) Changes in Business Structure or Ownership. A licensee that proposes to change its business structure or ownership structure must submit a complete Change in Business or Ownership on a form provided by the Department to the Department, prior to making such a change.¶
- (a) The Department shall approve the change if the change would not result in an initial or renewal application denial or revocation under these rules.¶
- (b) If the licensee proceeds with the change without an approved Change in Business or Ownership form, the licensee must surrender the license in writing or the Department shall revoke the license.¶
- (c) The Department may refuse to accept a Change in Business or Ownership form for a change in business structure or financial interest if the licensee is expiring in less than 90 days, the licensee is under investigation by the Department, or has been issued a Notice by the Department following an alleged violation and the alleged violation has not been resolved.¶
- (d) If a licensee has a change in ownership that is 51% or greater, a new application and application fees must be submitted. The Department shall process the application in accordance with these rules, notwithstanding 603-048-0200(1) except that no new production areas or grow sites other than those included in the original license may be added or moved after May 31 unless otherwise permitted by OAR 603-048-0200(6)(a).¶
- (e) A licensed grower must submit with the Change in Business or Ownership consent for a criminal background check for any new licensee or key participant in the licensed business in accordance with OAR 603-048-0200(4)(d).¶
- (4) Licensees must pay the change fee described in OAR 603-048-0700 for each change form submitted under section (2)(b),(d),(e) or (3)(a)) of this rule. \P
- (5) Growers must ensure that all laboratory THC test results for all harvest lots are timely reported to the Department and that any failed test report is immediately reported to the Department as required by these rules.¶
- (6) By December 1 of the current license year: ¶
- (a) Growers shall report to the Department on forms provided by the Department:¶
- (A) Amount of industrial hemp planted (in acres or square feet);¶
- (B) Amount of industrial hemp harvested; ¶
- (C) Any other information as specified on the forms by the Department.¶
- (b) Handlers shall report to the Department on forms provided by the Department:¶
- (A) Type of industrial hemp commodities and products produced;¶
- (B) The amount of industrial hemp commodities and products produced per type; and ¶
- (C) Any other information as specified on the forms by the Department.¶
- (7) Growers shall report hemp crop acreage to the United States Department of Agriculture Farm Service Agency

in accordance with 7 CFR 990.7 the following information: ¶

- (a) Street address and geospatial location for each production area;¶
- (b) Acreage dedicated to the production of hemp or greenhouse or indoor square footage dedicated to hemp; and ¶
- (c) Department grower license number.¶
- (8) Growers must submit at least one of the following reports to the Department for each production area registered with the Department by no later than December 1 of the license year. Submission by December 1 does not excuse failure to comply with any other applicable deadline.¶
- (a) Report of decision not to plant the production area during the license year as described in section (2)(f) of this rule.¶
- (b) Test report as described in OAR 603-048-0600.¶
- (c) Waste and disposal form as described in OAR 603-048-0640.¶
- (d) Loss report as described in section (1) of this rule.¶
- (e) Permanent closure report as described in section (2)(a) of this rule.-¶
- (f) Notification to the Department that crop is still growing in the production area. \P
- (9) For purposes of this rule, "permanent closure" means that the grow site, research facility or a handling site will not be used for licensed activities for the remainder of the licensed year. Licensed activities include any form of producing, including possession of any live plants or germination of seeds, any form of processing, and any storage of industrial hemp or hemp products and commodities.¶
- (10) For the purposes of this rule, "shrinkage" means the loss of inventory due to circumstances such as shoplifting, fraud, employee theft, and administrative error.

Statutory/Other Authority: ORS 561.190, ORS 571.260 - 571.348

RULE SUMMARY: Updates failed preharvest testing: retesting requirements.

CHANGES TO RULE:

603-048-0630

Failed Pre-Harvest Testing; Retesting

- (1) If a sample tested under OAR 603-048-0600 fails an initial test, a grower may pursue retesting at the grower's own cost pursuant to sections (2) and (3) of this rule. \P
- (2) Retesting of Failed Samples. If a sample tested under OAR 603-048-0600 fails an initial test, the laboratory that did the testing, or the Department if the Department did the testing, may retest the sample pursuant to the Testing Protocol, Exhibit B. If the sample passes, the sample must be retested by another laboratory or the Department and again pass testing to confirm the result in order for the harvest lot to pass testing.¶
- (a) If a grower wishes to have a sample retested, the grower must request a retest within seven (7) days from the date the notice of the failed test was sent to the grower. The retest must be completed within 30 days from the date the retest was requested.¶
- (b) To request retesting, the grower must provide the laboratory, or the Department, with the following on a form provided by the Department:¶
- (A) A written request for retesting for each sample the grower requests be retested; and ¶
- (B) Notification that the sample is being retested because of the failed test and the failed test results.¶
- (c) If a grower has requested a retest in accordance with subsection (2)(a) and (b) of this rule and the sample passes upon retest, the grower has seven (7) days from the date the notice of the passed test is sent to request that another laboratory, or the Department, retest the remaining file sample and confirm that the sample meets requirements established in OAR 603-048-0600. The initial laboratory must coordinate with the second laboratory or the Department to provide the remaining file sample for retesting. The retesting must be completed within 30 days from the date the retesting was requested.¶
- (d) If a grower has requested an initial or secondary retest and the test report indicates that the sample failed testing as described in OAR 603-048-0600(8) the sample fails testing and no further testing is permitted under this subsection.¶
- (e) Reporting:¶
- (A) A grower must report electronically to the Department within 24 hours, at
- HempTestReports@oda.oregon.gov using the forms provided or approved by the Department, or via an online portal operated by the Department, any initial or secondary request for retest of a sample.¶
- (B) A grower must ensure that a laboratory reports electronically to the Department within 24 hours, at HempTestReports@oda.oregon.gov using the forms provided or approved by the Department, or via an online portal operated by the Department, the testing results of the initial or secondary retest.¶
- (3) Resampling Production Area. If a sample tested under OAR 603-048-0600 fails an initial test, a grower may seek resampling and retesting of the production area if: \P
- (a) The original plants in the production area associated with the failed test remain standing and growing in the production area.¶
- (b) The grower requests the resampling within seven (7) days from the date the notice of the failed test was sent to the grower.¶
- (c) The grower subdivides the production area into separate harvest lots for resampling and retesting if the initial test reported that the production area exceeds 1.0 percent total THC on a dry weight basis.¶
- (d) The grower properly identifies the subdivided harvest lots in accordance with OAR 603-048-0500 <u>if required</u> to subdivide under section (3)(c) of this rule.¶
- (e) The grower provides the laboratory or the Department with the following on a form provided by the Department:¶
- (A) A written request for resampling for each harvest lot the grower requests be resampled that includes all of the information required in OAR 603-048-0600 for initial sampling; and \P
- (B) Notification that the harvest lot is being resampled because of the failed test and the failed test results. ¶
- (f) The resampling occurs within ten (10) days of the request for resampling and the test results are reported within 30 days of the request for resampling. \P
- (4) If the harvest lot fails testing after resampling conducted under section (3) of this rule, the grower may pursue retesting pursuant to section (2) of this rule, but may not pursue resampling under section (3) of this rule. \P
- (5) Reporting:¶
- (a) A grower must report electronically to the Department within 24 hours, at HempTestReports@oda.oregon.gov using the form provided or approved by the Department, or via an online portal operated by the Department any requests for resampling under this subsection.¶

- (b) A grower must ensure that the laboratory reports electronically to the Department within 24 hours, at HempTestReports@oda.oregon.gov using the forms provided or approved by the Department, or via an online portal operated by the Department, the testing results of any resampling under this subsection.¶
- (6) The Department may detain, seize, embargo the harvest lot corresponding to a sample, as provided under ORS 561.605 to 561.620 and subject to the provisions of ORS Chapter 183, if the sample failed a test under OAR 603-048-0600.¶
- (7) The Department may detain, seize, embargo, and dispose of the harvest lot corresponding to a sample, as provided under ORS 561.605 to 561.620 and subject to the provisions of ORS Chapter 183, if the sample:
- (a) Was not sampled and tested in compliance with all of the requirements and standards of these rules;¶
- (b) Fails a test under OAR 603-048-0600 to 603-048-0630.¶
- (8) If a sample passes the first and second retest described in section (2)(c) of this rule, the sample and corresponding harvest lot satisfies THC testing required by these rules and is released from the restrictions in OAR 603-048-0600(10).¶
- (9) If a sample passes testing after resampling conducted under section (3) of this rule, the sample and corresponding harvest lot satisfies THC testing required by these rules and is released from the restrictions in OAR 603-048-0600(10). Any harvest lots that are not retested or that fail testing after resampling, the grower must dispose of in accordance with OAR 603-048-0640. \P
- (10) If the amount of the harvest lot material collected for purposes of sampling is not sufficient to allow for the first and second retesting described in section (2)(c) of this rule, the sample and corresponding harvest lot fails to satisfy these rules.¶
- (11) The grower must ensure that any additional testing is reported by the laboratory to the United States Department of Agriculture. The test results report must contain the following information: ¶
- (a) Grower's license number;¶
- (b) Grower's name;¶
- (c) Business address of the grower;¶
- (d) Harvest lot identifier¶
- (e) Name of the laboratory¶
- (f) Date of the test and report¶
- (g) Whether it is a retest;¶
- (h) Test result.

Statutory/Other Authority: ORS 561.190, ORS 561.605-561.620, ORS 571.260-571.348

RULE SUMMARY: Updates Industrial Hemp Inspection and Record Reviews requirements.

CHANGES TO RULE:

603-048-0650

Industrial Hemp Inspection and Record Reviews ¶

- (1) The Department, as it deems necessary in the enforcement and carrying out its laws may, during normal business hours, inspect premises, machinery, equipment, and facilities of licensees and inspect any crop during any growth phase or harvested crop, and sample for analysis.¶
- (2) Upon not less than three (3) days' notice, the Department may subject licensee records to inspection or audit during normal business hours. The Department may make an inspection or audit for the purpose of ensuring compliance with:¶
- (a) A provision of ORS 571.260 to 571.348;¶
- (b) A rule adopted under a provision of ORS 571.260 to 571.348; or ¶
- (c) An order issued by the Department pursuant to a provision of ORS 571.260 to 571.348 or rule adopted under a provision of ORS 571.260 to 571.348, including a detainment order. \P
- (3) A licensee must permit Department staff, or its designee, to inspect and access all parts of the licensed grow site, handling site, vendor site, research facility equipment, facilities, and any area where cannabis is grown, stored, sold or processed pursuant to the license and cooperate with such an inspection. Failure to permit or cooperate with an inspection includes, but is not limited to:¶
- (a) Failing to appear at thea licensed growssite or facilitey within a reasonable period of time after being notified of an on-site inspection.¶
- (b) After reasonable notice of an onsite inspection, failing to appoint a licensee representative knowledgeable about operations at the site <u>or facility</u> to be available to the Department staff, or its designee, during an inspection.¶
- (c) Failing to timely respond to Department staff, or its designee, communications to set up a time for inspection.¶
- (d) Refusing to grant access to all areas of the licensed site or facility.¶
- (e) Failing to maintain safe conditions at a site <u>or facility</u>, such that the Department or its designee cannot reasonably and safely inspect the site <u>or facility</u>. Failing to maintain safe conditions may include allowing unrestrained animals on the grow site or maintaining hazards or other dangerous conditions on the site <u>or facility</u>.¶
- (f) Failure to provide to the Department, upon request, information concerning compliance with these rules.¶ (g) Failure to provide confirmation, upon request by the Department or its designee, of the presence or absence of hazards or dangerous conditions at a site or facility.¶
- (h) Ending an inspection or engaging in aggressive or confrontational behavior that requires Department staff or its designee to end an inspection prior to the Department or its designee finishing all inspection tasks and duties.¶ (i) Failing to permit the Department or its designee to conduct sampling for the purposes of testing under these rules.

Statutory/Other Authority: ORS 561.120, 561.200, 561.275, 561.190, ORS 571.260 - 571.348

RULE SUMMARY: Adds hemp vendor license fee.

CHANGES TO RULE:

603-048-0700

Fees ¶

- (1) Licensing Fees. At the time of application an applicant must pay the following fees:¶
- (a) A fee of \$350.00 for a grower application.¶
- (b) A fee of \$875.00 for each grow site application.
- (c) A fee of \$2,275.00 for each handler application; ¶
- (d) A fee of \$875.00 for each hemp handler by reciprocity application; ¶
- (e) A fee of \$875.00 for an agricultural hemp seed producer application.
- (f) A fee of \$75.00 for each criminal history check.¶
- (g) A late fee of \$250.00 for each grow site application received after May 31 but no later than July 31.- ¶
- (h) A fee of \$200.00 for each vendor site application.¶
- (2) Change Fees. For each change described in OAR 603-048-0400(2)(b),(d),(e) and(3)(a) the licensee must pay a \$125.00 change fee.¶
- (3) Sampling and Testing Fee. The fee for pre-harvest THC sampling and testing by the Department as described in OAR 603-048-0600 includes: ¶
- (a) Sampling Fee:¶
- (A) A charge for a minimum of four hours of service at a rate of \$92.00 per hour;¶
- (B) Travel time at the rate of \$92.00 per hour; ¶
- (C) Mileage, lodging and per diem reimbursed at rates established by the Department of Administrative Services;¶
- (D) Overtime Charges: For all services performed during the following times (which will be considered overtime), the regular inspection fees or hourly charges shall be charged plus \$30.00 per hour for all time involved figured to the nearest one-half hour:¶
- (i) After eight hours (per scheduled shift) or 6:00 p.m., whichever comes first, on Monday through Friday of each week:¶
- (ii) At any time on Saturdays or Sundays; and ¶
- (iii) At any time on any day which is declared by law to be a holiday for state employees.¶
- (E) Overtime Service Charge: The minimum overtime service charge for Saturdays, Sundays and other legal holidays shall be four hours; and \P
- (b) Laboratory Testing Fee: \$375.00 per harvest lot.

Statutory/Other Authority: ORS 561.190, 571.260 - 571.348

RULE SUMMARY: Updates Enforcement and Civil Penalty for Industrial Hemp Law Violation requirements.

CHANGES TO RULE:

603-048-0800

Enforcement and Civil Penalty for Industrial Hemp Law Violation

- (1) A licensee is responsible for: ¶
- (a) All activities that occur at the grow site, research facility, <u>vendor site</u> or handling site and for ensuring that all activities at the site comply with ORS 571.260 to 571.348 and these rules. If a licensee no longer is operating at a grow site, research facility, <u>vendor site</u> or handling site, the licensee must notify the Department as described in OAR 603-048-0400(2)(b).¶
- (b) Any act or omission of a licensee representative in violation of these rules or any provision of ORS 571.260 to 571.348.¶
- (2) In addition to any other liability or penalty provided by law, the Department may impose a civil penalty not to exceed \$2,500 on any person who violates any provision of ORS 571.260 to 571.348, a rule adopted pursuant thereto, or order issued by the Department under ORS 571.260 to 571.348 or a rule adopted pursuant thereto, including a detainment order.¶
- (3) The Department shall issue a written notice to the person being assessed the penalty consistent with ORS Ch. 183. Any contested case to contest the civil penalty will be conducted pursuant to ORS Ch. 183. Each violation may be considered a separate and distinct offense.¶
- (4) Subject to the provisions of ORS Ch. 183, the Department may revoke a license issued under these rules if the licensee violates:¶
- (a) A provision of ORS 571.260 to 571.348;¶
- (b) A rule adopted under a provision of ORS 571.260 to 571.348;¶
- (c) An order issued by the Department for violation of a provision of ORS 571.260 to 571.348 or any rule adopted thereunder including a detainment order;¶
- (d) Any statutory law or Department rule related to agricultural activities other than industrial hemp operations.¶
- (5) Subject to the provisions of ORS Ch. 183, the Department may revoke a license for any reason that the Department may deny an initial or renewal application.¶
- (6) Subject to the provisions of ORS Ch. 183, the Department must revoke a license if:¶
- (a) A grower licensee or a key participant is convicted of a felony relating to a controlled substance within the last ten years unless the convicted individual was growing hemp lawfully under a pilot program authorized by Section 7606 of the Agricultural Act of 2014 before December 20, 2018 if the conviction also occurred before December 20, 2018;¶
- (b) A licensed research grow site or research facility is co-located with a non-research grow site, a medical marijuana grow site registered under ORS 475C.792 or marijuana producer licensed under ORS 475C.065.¶
- (7) Corrective Action Plans.¶
- (a) If the Department identifies violations by a licensee, the Department in writing may require a licensee to enter a corrective action plan as an alternative or in addition to disciplinary action.¶
- (b) The licensee must submit a corrective action plan to the Department within 10 days of receiving the Department's written directive to submit a corrective action plan.¶
- (c) The licensee must correct all identified violations by the deadline established by the Department. Licensee may request a longer time period to correct violations in the corrective action plan.¶
- (d) The Department shall review and determine if the proposed corrective action plan is acceptable. The corrective action plan must include all elements required by the Department in writing.¶
- (A) If the corrective action plan is not acceptable, the Department shall notify the licensee in writing which provisions in the Department finds unacceptable.¶
- (B) Licensee shall submit a revised corrective action plan to the Department within 10 days of receiving the Department's notification. The Department shall review the revised plan in accordance with this rule. If the plan is still unacceptable, the Department may take the actions described in subsection (e) of this rule.
- (e) If the licensee fails to submit a corrective action plan, fails to comply with any deadline in subsection (7) of this rule or other deadline established by the Department for the corrective action plan process, or fails to timely correct all identified violations, the Department may take action to revoke or deny licensee's license or impose civil penalties.

Statutory/Other Authority: ORS 561.190, 569.445, ORS 571.260 - 571.348

RULE SUMMARY: Adds violations for failure to obtain a hemp vendor site license.

CHANGES TO RULE:

603-048-1000

Violations and Penalties ¶

- (1) The Department may impose a civil penalty not to exceed \$2,500 on a person for violating:¶
- (a) A provision of ORS 571.260 to ORS 571.348;¶
- (b) A rule adopted under a provision of ORS 571.260 to ORS 571.348; or ¶
- (c) An order issued by the Department pursuant to a provision of ORS 571.260 to ORS 571.348, or a rule adopted thereunder, including a detainment order. \P
- (2) The Department may impose a civil penalty based on the classification of the violation. The civil penalty amount for each classification is as follows:¶
- (a) Class 1 violation, \$2,500;¶
- (b) Class 2 violation, \$1000; ¶
- (c) Class 3 violation, \$500.¶
- (3) The civil penalty amount for each classification are guidelines. If the Department finds one or more mitigating or aggravating circumstances, it may assess a lesser or greater amount.¶
- (4) Common violations are classified as follows: ¶
- (a) Class 1 violations include: ¶
- (A) Failing to obtain a license with the Department when required under ORS 571.260-571.348 or rules adopted thereunder:¶
- (B) Each unlicensed production area ident except as otherwise specified by in the Department is a separate violation is rule for vendor site licenses;¶
- (B) Producing cannabis at a grow site not included of this rule grower license.¶
- (C) Providing any false or misleading information or documentation to the Department or providing false or misleading information or documentation to a laboratory when requesting required testing under these rules;¶
- (D) Falsifying information or records required to be maintained by the Department or submitted to the Department;¶
- (E) Failing to test a hemp item in accordance with OAR 603-048-2300 through 603-048-2480;¶
- (F) Failing to test a harvest lot in accordance with these rules;¶
- (G) Altering or falsifying a laboratory test report or result;¶
- (H) Selling or attempting to sell a hemp item that fails to meet testing requirements required by OAR 603-048-2000 through 603-048-2480;¶
- (I) Selling, transferring, receiving, attempting to transfer, sell, or receive, processing or attempting to process a harvest lot that:¶
- (i) Has not been sampled and tested in accordance with these rules;¶
- (ii) Failed testing under OAR 603-048-0600 and did not otherwise pass testing under OAR 603-048-0630 to 603-048-0630:¶
- (iii) Was invalidly tested as described in OAR 603-048-0600.¶
- (J) Growing or handling cannabis with \mp total THC calculated in accordance with OAR 333-064-0100(4) that exceeds 3 percent on a dry weight basis.¶
- (K) Failing to ensure cannabis, industrial hemp, or industrial hemp commodity or product, or any portion thereof, that is subject to a detainment, embargo, seizure, or destruction order complies with the order as described in $OAR\ 603-048-0900(4)$.
- (L) Failing to timely dispose of cannabis as described in OAR 603-048-0640.¶
- (M) Failing to permit Department staff, or its designee, to inspect and access all parts of the licensed or proposed grow site, handling site, vendor site, equipment, facilities, and any area where cannabis is grown, handled, or stored pursuant to a license or failing to cooperate with any such inspection in accordance with OAR 603-048-0650(3).¶
- (N) Failing to timely report cannabis waste or disposal in accordance with OAR 603-048-0640.¶
- (O) Failing to comply with a Department order.¶
- (P) Repeat violations of Class 2 or Class 3 violations.
- (Q) Any other violation of ORS 571.260 to ORS 571.348 or these rules that may cause an immediate threat to the public health or safety. \P
- (R) Failing to provide an accurate legal description of land where hemp is produced. ¶
- (S) The third or subsequent instance of failing to obtain a vendor site license when required by these rules.¶

- (b) Class 2 violations include, but are not limited to: ¶
- (A) Failing to ensure test reports for the THC content of each harvest lot is timely reported to the Department as required by $603-048-0400.\P$
- (B) Failing upon request to timely provide the Department with laboratory test results that verify compliance with these rules. \P
- (C) Failing to identify each non-contiguous production area where cannabis is produced including failing to submit a change form and applicable fee with the Department identifying any additional production areas not identified in the licensee's application.¶
- (D) The second instance of failing to obtain a vendor site license when required by these rules.¶
- (E) Any other uncategorized violation.¶
- (EF) Repeat violations of Class 3 violations.¶
- (c) Class 3 violations include but are not limited to: ¶
- (A) Failure to keep or provide information or records as required by the Department; ¶
- (B) Growing or handling hemp with total THC calculated in accordance with OAR 333-064-0100(4) that fails testing as described in OAR 603-048-0600 but does not exceed 3 percent total THC;¶
- (C) Failing to ensure failed test results of a hemp item are reported to the Department within 24 hours as required by OAR 603-048-2300.¶
- (D) The first instance of failing to obtain a vendor site license when required by these rules.¶
- (5) In addition to the penalty described in subsection (1) of this rule, the Department may impose a civil penalty not to exceed \$10,000 against a licensed grower if the Department determines that the licensee produced cannabis on a licensed grow site that contains an average tetrahydrocannabinol concentration of at least 10 percent on a dry weight basis.

Statutory/Other Authority: ORS 561.120, 561.200, 561.275, 561.190, ORS 571.260 - 571.348 Statutes/Other Implemented: ORS 571.260 - 571.348

RULE SUMMARY: Updates definitions.

CHANGES TO RULE:

603-048-2310 Definitions ¶

- (1) "Added substance" means any component or ingredient added to usable hemp, cannabinoid concentrate or cannabinoid extract during or after processing that is present in the finished hemp cannabinoid product, including but not limited to flavors, non-cannabis derived terpenes, and any substances used to change the viscosity or consistency of the cannabinoid product.¶
- (2) "Adult use cannabinoid" includes, but is not limited to, tetrahydrocannabinols, tetrahydrocannabinolic acids that are artificially or naturally derived, delta-8-tetrahydrocannabinol, delta-9-tetrahydrocannabinol, the optical isomers of delta-8-tetrahydrocannabinol or delta-9 tetrahydrocannabinol and any artificially derived cannabinoid that is reasonably determined to have an intoxicating effect.¶
- (3)(a) "Artificially derived cannabinoid" means a chemical substance that is created by a chemical reaction that changes the molecular structure of any chemical substance derived from the plant Cannabis family Cannabaceae.¶
- (b) "Artificially derived cannabinoid" does not include: ¶
- (A) A naturally occurring chemical substance that is separated from the plant Cannabis family Cannabaceae by a chemical or mechanical extraction process;¶
- (B) Cannabinoids that are produced by decarboxylation from a naturally occurring cannabinoid acid without the use of a chemical catalyst; or ¶
- (C) Any other chemical substance identified by the Commission, in consultation with the Authority and the Department of Agriculture, by rule.¶
- (4)"Authority" means the Oregon Health Authority.¶
- (5) "Batch" means:¶
- (a) A quantity of hemp, usable hemp or hemp stalk from a harvest lot; or ¶
- (b) A quantity of hemp concentrate or extract or hemp cannabinoid product from a process lot.¶
- (6) "Cannabinoid" means any of the chemical compounds that are the active constituents of the cannabis plant.¶
- (7) "Cannabinoid capsule"¶
- (a) Means a small, soluble pill, tablet, or container that contains liquid or powdered hemp cannabinoid product, hemp concentrate, or hemp extract and is intended for human ingestion.¶
- (b) For sampling and testing purposes is equivalent to a cannabinoid capsule as that is defined in OAR 333-007-0310.¶
- (c) Does not mean a cannabinoid suppository.¶
- (8) "Cannabinoid hemp product"¶
- (a) Means a hemp edible or any other product intended for human consumption including a hemp topical or hemp transdermal patch, that contains cannabinoids from industrial hemp or the dried leaves or flowers of hemp; or¶
- (b) Usable hemp, hemp extracts and hemp concentrates that have been combined with an added substance. ¶
- (c) Cannabinoid hemp product does not include usable hemp by itself, hemp stalk by itself, a hemp concentrate or extract by itself, hemp seed incapable of germination by itself, or other products derived only from hemp seeds incapable of germination that may include other non-hemp ingredients.¶
- (d) For sampling and testing purposes is equivalent to a cannabinoid product as that is defined in OAR 333-007-0310-¶
- (9) "Cannabis Tracking System" or "CTS" means the Commission's system for tracking the transfer of hemp and marijuana items and other information as authorized by ORS 475C.177, ORS 571.336 and 571.337.¶
- (102) "CBD" means cannabidiol, Chemical Abstracts Service Number 13956-29-1.
- $(14\underline{0})$ "CBDA" means cannabidiolic acid, Chemical Abstracts Service Number 1244-58-2.¶
- $(12\underline{1})$ "Chain of custody procedures" means procedures employed by laboratory personnel using a chain of custody form to record the possession of samples from the time of sampling through the retention time specified by the Department.¶
- (132) "Commission" means the Oregon Liquor and Cannabis Commission.¶
- (143) "Consumer" includes: ¶
- (a) A person who purchases, acquires, owns, holds or uses hemp items other than for the purpose of resale; and ¶
- (b) A person who purchases, receives, or otherwise uses hemp items who is not a licensed handler. <u>licensed vendor</u>, or a marijuana processor, wholesaler or retailer licensed by the Commission.¶
- (154) "Consumption" means ingestion, inhalation, or topical application to the skin or hair.

- (165) "Duplicate sample" means sample increments taken in an identical manner to sample increments taken from the primary sample and representative of the same hemp item being sampled that is prepared and analyzed separately from the primary sample.¶
- $(17\underline{6})$ "Finished hemp concentrate or extract" means a hemp concentrate or extract that is in its final form ready for packaging for sale or transfer to a consumer.¶
- (187) "Finished cannabinoid hemp product" means a cannabinoid hemp product that is in its final form ready for packaging for sale or transfer to a consumer and includes all ingredients whether or not the ingredients contain cannabinoids. \P
- (198) "Food" means a raw, cooked, or processed edible substance, or ingredient used or intended for use or for sale in whole or in part for human consumption, chewing gum and includes beverages. \P
- (19) "Hemp cannabinoid product"¶
- (a) Means a hemp edible or any other product intended for human consumption including a hemp topical or hemp transdermal patch, that contains cannabinoids from industrial hemp or the dried leaves or flowers of hemp; or ¶
- (b) Usable hemp, hemp extracts and hemp concentrates that have been combined with an added substance.¶
- (c) Cannabinoid hemp product does not include usable hemp by itself, hemp stalk by itself, a hemp concentrate or extract by itself, hemp seed incapable of germination by itself, or other products derived only from hemp seeds incapable of germination that may include other non-hemp ingredients.¶
- (d) For sampling and testing purposes is equivalent to a cannabinoid product as that is defined in OAR 333-007-0310. \P
- (20) "Hemp concentrate or extract"¶
- (a) Means a substance obtained by separating cannabinoids from industrial hemp leaves, flowers, or stalk by a mechanical, chemical or other process.¶
- (b) For sampling and testing purposes is equivalent to a cannabinoid concentrate or edible as that is defined in OAR $333-007-0310.\P$
- (21) "Hemp edible"¶
- (a) Means a food or potable liquid into which industrial hemp, a hemp concentrate, a hemp extract, or the dried leaves or flowers of hemp have been incorporated.¶
- (b) Does not mean hemp seed incapable of germination by itself or other products derived only from hemp seeds incapable of germination that may include other non-hemp ingredients.¶
- (c) For sampling and testing purposes is equivalent to a cannabinoid edible as that is defined in OAR 333-007-0310. \P
- (22) "Hemp item"¶
- (a) Means usable hemp, hemp stalk, a hemp cannabinoid product, or a hemp concentrate or extract.¶
- (b) For sampling and testing purposes is equivalent to a marijuana item as that is defined in OAR 333-007-0310. \P (23) "Hemp stalk" \P
- (a) Means the stalk of industrial hemp intended for human consumption.
- (b) For sampling and testing purposes is equivalent to usable marijuana as that is defined in OAR 333-007-0310.¶
- (24) "Hemp suppository" means a small soluble container designed to melt at body temperature within a body cavity other than the mouth, especially the rectum or vagina, containing a hemp cannabinoid product, concentrate, or extract.¶
- (25) "Hemp tincture"¶
- (a) Means a liquid hemp cannabinoid product packaged in a container of four (4) fluid ounces or less that consists of either:¶
- (A) A non-potable solution of at least 25 percent non-denatured alcohol, in addition to a hemp concentrate, hemp extract, or usable hemp and perhaps other ingredients intended for human consumption that is exempt from the Liquor Control Act under ORS 471.035; or¶
- (B) A non-potable solution comprised of glycerin, plant-based oil, or concentrated syrup; hemp concentrate or extract or usable hemp, and perhaps other ingredients that does not contain any added sweeteners and is intended for human consumption or ingestion.¶
- (b) For sampling and testing purposes is equivalent to a cannabinoid tincture as that is defined in OAR 333-007- $0310.\P$
- (26) "Hemp topical"¶
- (a) Means a substance intended to be applied to skin or hair that contains a hemp cannabinoid product, hemp concentrate or extract and for purposes of testing includes a hemp transdermal patch.¶
- (b) For sampling and testing purposes is equivalent to a cannabinoid topical as that is defined in OAR 333-007-0310. \P
- (27) "Hemp transdermal patch"¶
- (a) Means an adhesive substance applied to human skin that contains a hemp cannabinoid product, hemp concentrate or extract for absorption into the bloodstream.¶

- (b) For sampling and testing purposes is equivalent to a cannabinoid transdermal patch as that is defined in OAR $333-007-0310.\P$
- (28) "High heat" means a temperature exceeding 180 degrees Fahrenheit.¶
- (29) "Homogeneous" means a hemp cannabinoid product, hemp concentrate or extract has uniform composition and properties throughout each process lot.¶
- (30) "Industrial hemp-derived vapor item" means an industrial hemp concentrate or industrial hemp extract, as those terms are defined in ORS 571.269, whether alone or combined with other substances, that is intended for use in an inhalant delivery system.¶
- (31) "Industrial hemp for human consumption"-¶
- (a) Means industrial hemp that is intended to be processed into a hemp item.¶
- (b) For sampling and testing purposes is equivalent to marijuana as that is defined in OAR 333-007-0310.¶
- (32) "Inhalant delivery system" has the meaning given that term in ORS 431A.175.¶
- (33) "Marijuana testing rules" means Authority testing rules for marijuana items found in OAR Chapter 333, Divisions 7 and 64, and all referenced tables and exhibits.¶
- (34) "ORELAP" means the Oregon Environmental Laboratory Accreditation Program administered by the Authority pursuant to ORS 438.605 to 438.620.¶
- (35) "Process lot" means:¶
- (a) Any amount of hemp concentrate or extract of the same type and processed using the same extraction methods, standard operating procedures and batches from the same or a different harvest lot; or¶
- (b) Any amount of a hemp cannabinoid product of the same type and processed using the same ingredients, standard operating procedures and batches from the same or a different harvest lot or process lot of hemp concentrate or extract.¶
- (36) "Relative percentage difference" or "RPD" means the comparison of two quantities while taking into account the size of what is being compared as calculated under OAR 333-064-0100. \P
- (37) "Relative standard deviation" or "RSD" means the standard deviation expressed as a percentage of the mean recovery as calculated under OAR 333-064-0100. \P
- (38) "Remediation": ¶
- (a) Means a process or technique applied to a hemp item to remove heavy metals, pesticides or solvents.¶
- (b) Does not include dilution.¶
- (39) "Replicate Sample" means a sample in addition to the primary and duplicate samples that consists of the same number of increments taken in the same manner as the primary and duplicate samples.¶
- (40) "Sample" means an amount of a hemp item or hemp collected by laboratory personnel from a grower or handler and provided to a laboratory for testing. \P
- (41) "Sample increment" means an amount of a hemp item or hemp collected by laboratory personnel from a grower or handler that may be combined into a sample for purposes of testing.¶
- (42) "Standard operating procedure" means a written set of instructions or procedures using the same ingredients, methods and steps to create a single type of industrial hemp item or hemp-derived vapor item.¶
- (43) "Sterilization" means the removal of all microorganisms and other pathogens from a hemp item by treating it with approved chemicals or subjecting it to high heat or other process.¶
- (44) "Test batch" means a group of samples from a batch submitted collectively to a laboratory for testing purposes.¶
- (45) "Texture" means the feel, appearance, or consistency of a hemp item.¶
- (46) "THC" means tetrahydrocannabinol and has the same Chemical Abstracts Service Number as delta-9 THC.¶
- (47) "THCA" means tetrahydrocannabinolic acid, Chemical Abstracts Service Number 23978-85-0.¶
- (48) "These rules" means OAR 603-048-2300 through 603-048-2500. \P
- (49) "TNI" means The NELAC (National Environmental Laboratory Accreditation Conference) Institute, a voluntary organization of state and federal environmental officials and interest groups purposed primarily to establish consensus standards for accrediting environmental laboratories.¶
- (50) "TNI EL Standards" means the adopted 2009 TNI Environmental Lab Standards (2 2009 The NELAC Institute), which describe the elements of laboratory accreditation developed and established by the consensus principles of TNI and that meet the approval requirements of TNI procedures and policies.¶
- (51) "Unit of sale" means an amount of a hemp item commonly packaged for transfer or sale to a consumer or capable of being packaged for transfer or sale to a consumer.¶
- (52) "Usable hemp"¶
- (a) Means the flowers and leaves of industrial hemp intended for human consumption that does not fall within meaning hemp concentrate or extract, hemp edible, or hemp cannabinoid product.¶
- (b) Includes, for purposes of these rules, pre-rolled hemp as long as the pre-roll consists of only dried hemp leaves and flowers, an unflavored rolling paper and a filter or tip.¶
- (c) For sampling and testing purposes is equivalent to usable marijuana as that is defined in OAR 333-007-0310.

 $Statutory/Other\ Authority:\ ORS\ 561.190,\ ORS\ 571.263,\ ORS\ 571.281,\ ORS\ 571.330,\ ORS\ 571.337$ $Statutes/Other\ Implemented:\ ORS\ 571.260\ -\ 571.348$