January 2023

Recommendations to the Oregon Liquor and Cannabis Commission

Recommendations from the Oregon Cannabis Commission to the Oregon Liquor and Cannabis Commission regarding Oregon Medical Marijuana Program patient access flexibility and reducing costs in testing, processing, and retail access

Oregon Cannabis Commission

Approved by the Oregon Cannabis Commission: January 30, 2023

Introduction

475C.939 Duties of commission. In addition to any other duty prescribed by law, the Oregon Cannabis Commission shall:

- Provide advice to the Oregon Health Authority with respect to the administration of ORS 475C.770 to 475C.919
- Provide advice to the Oregon Liquor Control Commission with respect to the administration of ORS475C.005 to 475C.525, insofar as those statutes pertain to registry identification cardholders and designated primary caregivers, as those terms are defined in ORS 475C.777
- Develop a long-term strategic plan for ensuring that cannabis will remain a therapeutic option for persons with debilitating medical conditions as defined in ORS 475C.777
- Develop a long-term strategic plan for ensuring that cannabis will remain affordable for persons with debilitating medical conditions as defined in ORS 475C.777; and
- Monitor and study federal laws, regulations and policies regarding marijuana.

The Oregon Cannabis Commission has been working diligently on these duties and provided recommendations promoting goals to ensure cannabis remains a therapeutic and affordable option, outlined in the Oregon Cannabis Commission HB 2198 Report (January 2019), and the Oregon Cannabis Commission Recommendations to the Oregon Health Authority and Oregon Liquor and Cannabis Commission (January 2021). The recommendations herein largely reiterate or expand upon the above-referenced 2019 and 2021 recommendations as many have not been addressed or resolved.

Executive Summary

One goal of the Oregon Cannabis Commission (OCC) is to encourage the Oregon Liquor and Cannabis Commission (OLCC), their licensees, and other state agencies, to meet for the purpose of developing minimum requirements for patient access to affordable, quality cannabis products. This report contains identified issues and suggested recommendations to remedy the issues that should serve as a starting point for discussion between the OLCC and their licensees.

The consensus of the OCC is that the needs of Oregon Medical Marijuana Program (OMMP) patients using cannabis daily to mitigate a debilitating condition are not being met within the retail market. Also, the pathways to producing, processing, and selling cannabis from OLCC licensees initially put in place by the legislature under ORS 475C.121 – 153 (medical licensees) and ORS 475C.850 (nonprofit dispensaries) to continue to provide low- or no-cost cannabis to qualifying patients who had lost this access as adult-use was implemented, are not working as had been anticipated. Despite these options being in place since 2015, participation in any of these approaches to provide no-cost cannabis for patients has been negligible. Proactive and cooperative effort among licensees to provide any level of long-term, dependable access for cardholders has been intermittent, limited in scope and in the end, unsustainable.

It is the recommendation of the OCC that the OLCC, in collaboration with the OCC, Oregon Health Authority (OHA), Oregon Department of Agriculture (ODA), Oregon Department of Revenue (DOR) and other entities and agencies as necessary, to utilize 475C.017(2)(g)¹ and create a pilot program to address the issues of patient access outlined in this report.

The pilot program shall consider:

- Advocating for a stable funding mechanism for the OMMP to reduce costs to patients.
- Providing safe and affordable access to the complete range of cannabinoid products for patients. This may include creation of a regional delivery system, maintaining a repository of cannabinoid products, and special privileges for large quantity purchases.
- Providing an avenue for no-cost transfers between OMMP participants.
- Increasing transfer and possession limits for OMMP participants.
- Increasing medical strength, packaging, and dosing limits for OMMP participants.
- Increasing access to testing and processing by subsidizing costs of these services for OMMP participants producing personal use cannabinoid products
- Ensuring products meet necessary standards in production, processing, and packaging to meet quality and purity standards required for over-the-counter products and supplements available to the general public and that those products are in easily identifiable patient sections with tax exempt pricing clearly visible and that should include the full range of affordable cannabinoid products in patient packaging.
- Providing greater oversight, ongoing training and review for retail personnel, especially the prohibition of providing medical advice, to consumers and OMMP patients.
- Reevaluating access from licensed producers.
- Supporting cannabis research in Oregon.

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¹ ORS 475C.017(2)(g): The duties, functions and powers of the commission specified in ORS 475C.005 to 475C.525 include the ability to establish pilot programs, of not more than three years in duration, to expand access to marijuana for medical use for registry identification cardholders and designated primary caregivers, as defined in ORS 475C.777.

Issues and Recommendations

Issue 1:

OMMP participants lack reliable access to therapeutic and affordable cannabis in Oregon.

Recommendation 1:

The OLCC in collaboration with other agencies and under ORS 475C.017(2)(g), initiate a pilot program composed of participating licensees to address identified issues and recommendations.

This pilot program shall identify the funding mechanism necessary to ensure access to cannabinoid products and access to processing and testing of cannabinoid products produced for personal use are available at no-cost to qualified patients² through all licensees and to ensure that participating licensees are compensated for their participation in this program.

The primary objective of this pilot program is to develop, through consideration of the issues outlined in this report, a system to expand access to, and reduce costs of, all retail purchases by cardholders and their caregivers. The pilot program would also provide no-cost cannabis and cannabinoid products for qualified patients, expand availability of cannabinoid products not typically available from retail licensees, and improve access for testing and processing of flower and cannabinoid products produced by cardholders and caregivers for personal use at reduced costs.

The primary recommendation for the pilot program is to create and maintain a system of regional warehouse and distribution centers that will maintain an inventory of the complete range of hemp and cannabis products, facilitate the timely delivery of cannabis flower and cannabinoid products, and allow for increased purchasing limits to allow one-time purchases of up to a 90-day supply of products.

The OCC suggests the first step in creation of a pilot program is for the OLCC, OCC, and OHA to convene a workgroup or town hall like discussions to outline how a pilot program may be planned and implemented.

The OCC requests an update on the creation of a pilot program be provided by the OLCC to the OCC no later than March 31, 2023.

² Qualified Patient means any registry identification cardholder who qualifies for a reduced fee registry identification card or their designated caregiver, or any registry identification cardholder who would qualify under **ORS** 475C.850(2), qualifying cardholders for receipt of reduced or no-cost cannabis in non-profit dispensaries

o 475C.850 Receipt of marijuana by nonprofit dispensary; dispensation to certain cardholders; rules ORS 475C.850(2) registry identification cardholder's annual income is at or below the federal poverty guidelines.

Issue 2

The prohibitive costs of testing and processing has limited access to processing of concentrates, extracts, and Full Extraction Cannabis Oil (FECO³) by OLCC licensed processors for personal use by OMMP patients and caregivers. See Addendum 1 for further discussion.

Testing cannabis is expensive. A required full compliance panel which includes two tests of pesticides, solvents, water content, water activity/microbials and cannabinoid profile is on average, \$600. Individual testing to determine cannabinoid profile and potency of flower, for instance, ranges from \$60 - \$75 and increases depending on the product (edible, tincture, extract/FECO) submitted for testing because density testing is required (\$30 average).

Going rates for processing are \$100/lb for concentrates and extracts/FECO, but this pricing is typically for much larger batches than OMMP growers are providing for processing. Testing is required on all finished products before transferring back to a patient or caregiver and small transfer amounts between processor and patient also make it difficult to seek processing from an OLCC licensee. In some instances, not all finished products may be transferred back to the patient due to arbitrary OMMP patient possession limits.

These costs affect access to processing for qualified patients and caregivers seeking these services. Providing these services at reduced or no-cost rates will increase public safety around the personal use of cannabinoid products. Patients and caregivers are already producing these products for themselves. Access to testing will increase patient independence and reduce adverse effects that may be the result of using a product of undetermined potency. As of November 2021, there are few OLCC processors working with OMMP growers.

Recommendation 2

Allowable Transfers

Increase access to OLCC processors. Amend ORS 475C.141(3)(b) 4 to allow registered OMMP growers to transfer plant material to OLCC licensed processors.

³ Throughout this document Full Extraction Cannabis Oil or FECO will be used to describe full extract oils commonly referred to as RSO. RSO refers to full extract, high THC, oil developed in 2004 by Rick Simpson to treat his own skin cancers. The success of this treatment became widely known and the oil and similar products became known as Rick Simpson Oil or simply RSO and is the commonly used reference in the cannabis industry for these oils. The subcommittee wishes to honor the long-standing request of Mr. Simpson that his name no longer be utilized in the description of these oils. The OCC will use the more appropriate term Full Extraction Cannabis Oil (FECO) in this and future documents to describe these oils generally.

⁴ Notwithstanding ORS 475C.205, [a marijuana processor may] receive marijuana and usable marijuana from, and for a fee process that marijuana and usable marijuana into cannabinoid products, cannabinoid concentrates and cannabinoid extracts for, a registry identification cardholder or the designated primary caregiver of a registry identification cardholder, provided that the cannabinoid products, cannabinoid concentrates and cannabinoid extracts meet the requirements of ORS 475C.540 to 475C.586 and the concentration standards adopted under ORS 475C.620.

Transfer Limits

Amend OAR 845-025-3305 to increase amount of plant material and finished product that may be transferred to a patient or caregiver and allow transfers at any time up to the allowable possession limit. See Addendum 2 for current transfer limits.

Remove/strike OAR 845-025-3305 (1b)

1 (b) The processor cannot receive more than three pounds from a patient or the patient's designated primary caregiver in any 12-month period.

Remove/strike OAR 845-025-3305(1d)

- 1 (d) In total the processor may not transfer more than the following amounts of marijuana items to a patient or the patient's designated primary caregiver in any 12 month period:
- (A) Two ounces of cannabinoid extracts;
- (B) 32 ounces of cannabinoid concentrates;
- (C) 32 ounces of cannabinoid products in solid form; or
- (D) 144 ounces of cannabinoid products in liquid form.

Possession Limits

Changes should be made to non-flower cannabinoid product possession limits and consideration should be made to allow for patients to receive an amount necessary for an individual patient's 30 to 90-day supply – which will benefit rural patients.

All flower and non-flower cannabis product possession limits should be no less than three times the amounts of applicable amounts specified for adult-use possession limits.

Issue 3

Lack of dependable availability and consistency of quality in cannabinoid products for patients within the retail market, especially non-flower products.

A central plank of the OCC's legislative directive is to develop long-term strategic plans that ensures cannabis remains both available long-term for those that benefit from its use and that it remains affordable.

Today's cannabis products, flower, concentrates, extracts, and FECOs are here to stay. Tax free purchases for patients along with other discounts for veterans, seniors and store specials have lowered prices even for concentrates and extracts. What was once \$60/gram for FECO and \$35/gram extracts, are now \$10 - \$20/gram for both. Flower prices are equally low, and retailers typically offer at least one or two flower selections at reduced prices even as low as \$60/oz. Low prices do not always mean the quality will be acceptable. See the chart in Addendum 3.

Dependable availability and quality, however, remain a constant issue. Ongoing dependability of products for the long-term falls short for patients and while all products are tested, other factors

may determine whether a low-priced product will meet a patient's needs, what was available one week may not be available the next or at all. OMMP patients who depend on a particular strain or profile cannot switch out another product as easily as a consumer is able to do. A change may not be as beneficial, may be more expensive, or be a one-off product.

To help guide this work please see Addendum 4. It provides recommendations on good practices in manufacturing that will increase consumer and regulatory confidence in the accuracy and reliability of identity, strength, and purity of cannabinoid products. The guidelines focus on an OMMP patient-based approach especially for the disabled or health-compromised consumers, and provides guidance on how to address potency, i.e., how to define low, high, and medical strength products. Addendum 4 also provides further guidance on labeling and availability of Certificates of Analysis and discusses the need for a wide range and strength of products including a definition of those different strengths and offers a distinction between medical grade and medical quantity.

Recommendation 3

The subcommittee recognizes the issue of "medical grade⁵" quality will require work from a wide range of experts but recommends the OLCC begin by working in collaboration with the OCC, OHA, and the cannabis research community to develop minimum guidelines for product quality and availability.

All non-flower possession limits for cannabinoid items are the same for OMMP patients and consumers alike and should be realigned to protect patients who may need to possess larger amounts of non-flower products^{6,7}

How much can I purchase (OLCC FAQ):

"A customer cannot purchase more than the following amounts at any one time or within one day:

- Two ounces of usable marijuana if a recreational consumer;
- Eight ounces of useable marijuana at any one time or within one day, and no more than 32 ounces in one calendar month if an OMMP registry identification cardholder or designated caregiver;
- 16 ounces of a cannabinoid product in solid form;
- 72 ounces of a cannabinoid product in liquid form;
- Five grams of cannabinoid extracts or concentrates;
- Five grams of cannabinoid products intended for inhalation;
- Four immature marijuana plants; and
- Ten marijuana seeds."

⁵ ORS475C.009(33): "Medical grade cannabinoid product, cannabinoid concentrate or cannabinoid extract" means a cannabinoid product, cannabinoid concentrate or cannabinoid extract that has a concentration of adult use cannabinoids that is permitted under ORS 475C.620 in a single serving of the cannabinoid product, cannabinoid concentrate or cannabinoid extract for consumers who hold a valid registry identification card issued under ORS 475C.783.

⁶ <u>Retail Adult Use Cannabis Concentration and Serving Size Limits</u> <u>Medical Cannabis Concentration and Serving Size Limits</u>

⁷ <u>Possession Limits for Adult Use</u>

Recommend allowing the expansion of serving sizes so that a patient can obtain an appropriate dose in one serving. Dosing sizes authority should be invested in the OHA.

Recommend allowing patients to purchase and possess multiple servings to obtain an appropriate dose without multiple trips to an OLCC licensee (allow for a 30-, 60-, or 90-day supply purchase).

Issue 4

Retail counter personnel who may be providing medical advice to consumers and OMMP patients are a legitimate concern and create liability issues for retail licensees. Retail personnel should have greater training in what information can and cannot be provided about the benefits of a particular flower or cannabinoid item and what products may or may not be effective in treating a particular condition. A general familiarity with statute such as possession limits, patient purchase tax exemptions, and general competency in cannabis must be the benchmarks for retail personnel. The ability to accurately check identification, if a customer is intoxicated, or how rules require the handling of cannabis products provide a good starting point, but better training and oversight is required.

Recommendation 4

Amend OAR 845-025-5500, marijuana worker permit, to include more oversight and ongoing training for retail personnel (including OLCC managers and owners, and others involved in the cannabis community) in coordination with the OCC which includes:

- Annual review of ongoing training by the OLCC, OHA and OCC research subcommittee.
- Regular determination of metrics of training program every 1-2 years of the training program itself, obtain training program outcomes, experiences.
- Regular evaluation to ensure counter personnel are up to date on current rules, for example see the City of Portland <u>Cannabis Policy Oversight Team</u>.
- A clear directive that counter personnel cannot provide medical advice.

ORS 475C.273 requires the OLCC to provide training on the items listed below to obtain a Marijuana Workers Permit (MWP), but the online course and open book test makes obtaining a MWP easy. MWP holders are required to understand:

- Checking identification
- Detecting intoxication
- Handling marijuana items
- Producing and propagating marijuana, if applicable
- Processing marijuana, if applicable
- The content of ORS 475C.005 to 475C.525 and rules adopted under ORS 475C.005 to 475C.525, or
- Any matter deemed necessary by the commission to protect the public health.

Expand OAR 845-025-5560, marijuana worker examination requirements to include:

- The content of ORS 475C.783 to ORS 475C.871;
- How to become an OMMP patient;
- The risk and benefits of vaping and what to look for;
- How to recognize cannabis use disorder, cannabinoid hyperemesis, and acute psychosislike symptoms.
- Promoting patient self-care and independence; and
- How to use/self-administer cannabis.

Issue 5

OLCC licensed producers are limited in how to provide cannabis to OMMP patients. OLCC producers may increase the amount of canopy by up to 10% or segregate a portion of existing canopy for transfers out to patients. Both options require that 75% of any harvest from a designated canopy for medical production must be transferred to patients at no cost.

Currently no OLCC producers have taken advantage of this option in providing for patients. However, OLCC producers have usable product that could be donated to OMMP patients but do not want to take the time to facilitate transfers to individual patients and caregivers. but would transfer of flower to a retailer that would be designated as product to be transferred to patients for no cost. Several considerations must be taken into account with this proposal including date of harvest and testing, access to CoA's, and determining which patients qualify for this option.

Recommendation 5

Amend ORS 475C.137 to remove the requirement that product be transferred from a segregated or increased canopy. This amendment would allow OLCC producers to transfer to a patient or designated caregiver for no consideration from inventory.

All transfers of external material must be tracked in CTS/METRC.

Issue 6

Lack of funding for subsidizing costs for testing and processing for cardholders seeking these services for personal use cannabinoid products.

The primary source for funding any program that reduces costs to patients for services has always fallen back on the hope that the state will decide that the proper course for funding the medical program, cannabis research funding, and innovations in cannabis is to amend the allocation of retail cannabis tax revenue. Current political climate puts this option out of reach for now but should continue to be pursued.

When discussing providing for patients, the biggest concern licensee's express is how they are to be compensated for giving away cannabis, processing for free, or subsidizing testing. At the same time licensees have promising ideas on how providing these services at reduced prices could be accomplished. This is the purpose of the OLCC pilot program. The Commission has

offered suggestions of how to approach making services available for less cost to patients and caregivers but at some point, resolving the issue of reducing the cost to patients and caregivers for products and services must be done by the OLCC and its licensees.

Recommendation 6

It must be kept in mind that prior to legalization, even with OHA medical dispensaries introduced in 2014, patients who had designated growers were getting their cannabis flower and other cannabinoid products such as edibles, tinctures, and oils from their growers and caregivers at no cost. The legislature created pathways for licensees to continue this access and the subcommittee recognizes that labs, processors, producers, and retailers are at liberty to initiate any of these options but to date and for any number of reasons, these pathways were not developed in a way that provided this access to product and services for patients in a sustainable manner.

In 2020 and 2021, patient purchases in the retail market reached nearly \$110M. All efforts should be initiated to reduce the impact on the patient population least able to afford the now high cost of cannabis products.

Conclusion

Patient access flexibility is essential for the adult-use program to also take a leading role in serving patients who have no other access to cannabis and must depend on a system that fails many of our sickest patients. We hope the OLCC will view these recommendations as the starting point of initiating a pilot program and honest discussions with their licensees and that they take every opportunity to increase patient care and access within every aspect of the adult-use program.

In closing, the chairs would like to thank the members of the OCC joint Patient Equity and Governance Frame Work subcommittee for the work they dedicated to these recommendations. We submit these recommendations for review by OLCC.

Addendums

Addendum 1

Testing by patients and caregivers producing their own flower and personal use cannabinoid products fall into two categories: Compliance testing and personal use testing.

Compliance testing is required for finished products after a product has been processed and before it can be transferred back to a patient or caregiver. Personal use testing is typically to determine the cannabinoid profile for the presence and potency of certain cannabinoids in flower and personal use products.

OAR 333-007-0330 requires a processor or processing site to "test every process lot of a finished cannabinoid concentrate or extract for use by a consumer or patient prior to selling or transferring the concentrate or extract." These products must be tested for the following things:

- Pesticides
- Solvents
- THC and CBD

The pesticide tests are often the most difficult to meet. If a finished product exceeds Limits of Quantification (LOQ's), for pesticides set by the state, the product cannot be transferred. The patient/CG is then faced with either destroying the finished product or trying to remediate the product to within the LOQ's. A second test will be required after remediation and if the product still fails the pesticide test it must be destroyed. All these costs are paid by the patient or caregiver.

The cost for a complete compliance panel averages around \$350 per test. putting the cost of processing out of the question for the patient that wants to have plant material turned into concentrates and/or extracts. A simple THC/CBD test on edibles typically begins at \$100 and increases with the complexity of the test.

Testing by patients who grow and produce cannabinoid products for personal use

Patients often wish to know the cannabinoid profile of the flower or cannabinoid product they have produced, edibles, tinctures, topicals. This group also includes caregivers with more than one patient testing who depend on consistent product that is best determined by testing.

Access to processing

ORS 475C.141 allows for OLCC licensed processors, for a fee, to receive cannabis plant material from a registry identification cardholder or caregiver to be processed into finished product. OAR 845-025-3305 limits the amount of plant material a patient or caregiver may transfer to an OLCC processor and finished product the processor may transfer back to the patient or caregiver. The per year transfer limits outlined below are insufficient to meet the needs of a patient who is using these products daily or caregivers with multiple patients.

Under OHA, OMMP growers could take cannabis plant material to an OHA processor and have it processed into extracts and FECO. The processor would return the finished product to the grower for transfer to patients. It should be noted there are currently no OHA processors. Further, OHA processors are/were allowed to use hydrocarbons, c02, etc. Lastly OHA processors were dealing with all of the same financial barriers, just not burdened as much with the possession limit issues when dealing with growers and caregivers.

Additionally, under the OHA/OMMP a grower/caregiver/patient could themselves legally make an alcohol-based extract, or something like rosin, at home without dealing with any of the testing, transferring, etc. Then with one \$50-\$100 potency test they can accurately formulate their own tinctures, edibles, suppositories, etc.

OLCC processors are prohibited from accepting plant material from an OMMP grower. This places the burden for supplying plant material to the processor on the patient or caregiver. Finished product must be transferred back to the patient or caregiver. However, transfer amounts are extremely limited and only limited amounts may be transferred back to the patient and could result in less than the total finished product being transferred back to the patient or caregiver. (Transfer amounts are based on possession limits of these products and match possession limits for non-patients. An increase in the number of transfers per year could resolve this with negligible effect on public safety would be especially helpful for the caregivers with multiple patients.

• Patient transfers to OLCC processors may not exceed 3 pounds per year and may only be transferred to the processor in batches of 24 ounces or less. Most batches of cannabis are processed in 5lb columns or larger which means a patient can't even transfer enough for a single batch, and if they do, they might be forced to mix multiple strains together rather than keeping all the strains separated. 3lbs is also less than half of what 6 outdoor plants are likely to produce.

Transfers of finished products from an OLCC processor to a patient or caregiver are limited to no more than 2 ounces per year for extracts and may only be transferred in quantities of 1 ounce or less that have been tested, packaged and labeled in accordance with statute.

At a 10% yield the 3lbs of flower would actually produce over 5oz of concentrate.

Also, at \$600 to test a 56 gram (2oz) batch of concentrate the patient would be paying over \$10/gram for testing alone. This is not equitable.

These transfer limits prevent patients and caregivers from access to OLCC processing. In the absence of OHA processors and the daily cost of these products in the retail marketplace, patients and caregivers source these products in other ways. Currently the number of patients and caregivers seeking finished product testing for personal use from OLCC processors is negligible,

and the number of patients receiving these products is significantly less than when OHA processors were still actively serving the patient community.

Access to processing is further compounded by the limited number of OLCC processors who provide small batch processing, choosing the type of processing available and if a processor requires a full compliance panel test prior to processing for new clients.

Addendum 2

845-025-3305

Processing for Cardholders

- (1) Eligibility. Notwithstanding OAR 845-025-3215(3), a processor licensed under ORS 475C.085 who has registered in the form and manner prescribed by the commission may receive usable marijuana from a patient or the patient's designated primary caregiver and, for a fee, process that usable marijuana into cannabinoid products, concentrates and extracts for transfer to the patient or the patient's designated primary caregiver subject to the following conditions:
- (a) The processor cannot receive more than 24 ounces of usable marijuana from a patient or the patient's designated primary caregiver in a single transaction;
- (b) The processor cannot receive more than three pounds from a patient or the patient's designated primary caregiver in any 12-month period; and
- (c) The processor may not transfer more than the following amounts of marijuana items to a patient or the patient's designated primary caregiver in a single transaction:
- (A) One ounce of cannabinoid extracts;
- (B) 16 ounces of cannabinoid concentrates;
- (C) 16 ounces of cannabinoid products in solid form;
- (D) 72 ounces of cannabinoid products in liquid form; or
- (E) Five grams of cannabinoid products intended for inhalation.
- (d) In total the processor may not transfer more than the following amounts of marijuana items to a patient or the patient's designated primary caregiver in any 12 month period:
- (A) Two ounces of cannabinoid extracts;
- (B) 32 ounces of cannabinoid concentrates;
- (C) 32 ounces of cannabinoid products in solid form; or
- (D) 144 ounces of cannabinoid products in liquid form.
- (e) The processor must:
- (A) Record all activity under this rule in CTS; and
- (B) Have the proper endorsements listed within 845-025-3210.
- (2) Transfer requirements. Prior to transferring any cannabinoid products, concentrates or extracts processed under this rule to a patient or the patient's designated primary caregiver the processor must:
- (a) Securely affix a label that contains the following information in a legible font to all containers holding a marijuana item:
- (A) A statement that reads: "NOT FOR SALE" in bold, capital letters attached to the marijuana item;
- (B) The universal symbol;
- (C) The UID number;
- (D) The business name and license number of the processor; and
- (E) The net weight or volume of the marijuana or marijuana item.

- (b) Comply with the:
- (A) Testing requirements applicable to licensed processors in ORS 475C.540 to ORS 475C.586 and OAR 333-007-0300 to 333-007-0500;
- (B) The concentration limit requirements in ORS 475C.620 and any rules adopted thereunder; and
- (C) Generate a manifest in CTS and carry a physical copy of the manifest during transportation, if delivering to a patient or designated primary caregiver. If the cardholder or designated primary caregiver is picking up the cannabinoid products, extracts or concentrates from the processor, a physical manifest is not required to be printed but must be generated in CTS.
- (3) Record Keeping. In addition to the requirements of (1)(e) the processor must record all patient or designated primary caregiver's OMMP number from whom they receive usable marijuana and the OMMP number of the patient or designated primary caregiver to whom they transfer cannabinoid products, concentrates and extracts.
- (4) Processing Requirements. The processor may only combine usable marijuana received from patients or designated primary caregivers when processing cannabinoid products, concentrates and extracts for a patients or the patients' designated primary caregiver. A processor may not add or contribute any other usable marijuana, industrial hemp, or hemp items to the processing.
- (a) When distributing a cannabinoid product derived from usable marijuana received from multiple patients in (4) of this rule, the processor must distribute in proportional shares.
- (b) The processor must segregate all usable marijuana received under this rule and all cannabinoid products, concentrates and extracts processed under this rule from its other inventory.
- (5) Violations. Failure to comply with this rule is a Category III violation.

Addendum 3

Chart – Product Costs in Oregon

Product	Lowest cost + Quality and/or Potency	Highest Cost	avg price
FECO (RSO)	\$15 60% (Low Grade)	\$36	avg, \$20 for 70%- 80%
Shatter	\$6 NW Kind (Low Grade)	\$40 78% THC + 8% Terpenes Willamette Valley Alchemy	
Live Resin	\$10 67% THC OreKron	\$55 84% THC Dr Jolly's	
Flower Rosin	\$40 Talking Trees	\$70 Highland Provisions	
Hash Rosin/Live Rosin	\$45 Decibel Farms	\$96 Highland Provisions	
Tincture (250mg)thc	Hush \$12 Syrup	Hush \$24 Same syrup at diffrent dispensary	
Tincture (1000mg)	\$43 FFE	\$52 Medicine Farm Botanicals	
"Tincture" Syrups (1000mg)	\$48/1000mg	adabinol \$100/1000mg	Possibly easier to find than traditional tincture?
Tincture (4000mg)	Could not find any 4000mg tincture at any price	Could not find any 4000mg tincture at any price	NA
Edible 10mg	\$2.5 smokiez		
Edible 50mg	\$3 (Golden) 10x5mg	\$18 wyld 1pc + \$20 'rosin gummies' Happy cabbage 1pc	
Edible 100mg (2x50mg,4x25mg, and 10x10mg)	\$10 (10x10mg) lunchbox	\$29 Craft Elixers (10x10mg)	\$15
cartridge 1ml/1gram Distillate	\$15 Buddies 81% THC	\$48 (Orchid ?%)	\$30
Distillate 1 gram (syringe, jar, etc)	\$36 Buddies 87% % THC	Half gram for \$45 (Brand: Crystal Clear)	
Cartridge 1ml/1gram Live Resin	\$38 Buddies 87% THC	\$60 WVA (And \$48 half grams (\$96/gram))	
RSO Capsules 100mg	\$15 Double delicious	\$32 buddies	
Suppositories	\$40 RSO THC Suppositories 2.5g - Genesis, Concentrate - THC 82.37%, CBD 37.6%	2pack 350mg thc - Gensis sells the same pack at 4 diffrent shops at 3 diffrent prices \$30,\$35, and \$55	

Addendum 4

Quality: All commercial cannabinoid products in Oregon should adhere to current good manufacturing practices (cGMP). This ensures that all cannabinoid products sold at licensed dispensaries are appropriate for the most vulnerable denominator of consumers (i.e., disabled or health-compromised consumers, and OMMP registered patients). cGMP entails quality systems that control proper design and monitoring of manufacturing processes and facilities. Beyond quality, adherence to cGMP regulations increases consumer and regulatory confidence in the accuracy and reliability of identity, strength, and purity of cannabinoid products. Quality guidelines should include 1) allowable and non-allowable adulterants or additives that may be introduced during manufacturing to create proprietary finished products, 2) maximum parts-permillion (ppm) guidelines for allowable adulterants or additives and 3) criteria for meeting "medical grade" certification.

Availability: Licensed dispensaries should offer a range of cannabinoid product forms to meet the needs of their diverse patrons. Such products include dried flower and leaves, dried roots, concentrates and extracts, pre-rolls, vape pens and inhalers, tinctures, capsules and edibles (including potable liquids), topicals and transdermals, suppositories, cosmetics, and other personal care goods containing cannabinoids of a wide variety of strengths.

Cannabinoid Strength: Cannabinoid products should be categorically differentiated by strength to help licensed dispensary personnel and consumers more easily navigate potency. Dispensary personnel should be trained to understand the difference between low-strength, high-strength, and medical-strength cannabinoid products:

- Low strength:

- Generally refers to intermediate or finished cannabinoid products derived from hemp or marijuana, or comprised of semi-synthesized or synthesized (e.g., delta-8 and delta-10 THC) cannabinoids with
 - A total THC (i.e., combined THCA + delta-8 + -9 + -10 THC) concentration of not more than 0.3 percent by volume or weight, and
 - A total concentration of any other individual phytocannabinoid (CBX) of not more than 25 (or up to 50) percent by volume or weight
 - CBX is shorthand for non-THC cannabinoids, i.e., CBD, CBDA, CBD, CBG, etc., but also including THCV which is non-intoxicating)
 - The idea here is that the closer a product comes to an isolate, the higher we regard its strength and need for tighter oversight

- High strength:

- Generally refers to intermediate or finished cannabinoid products derived from hemp or marijuana, or comprised of semi-synthesized or synthesized cannabinoids with
 - A total THC concentration of more than 0.3 percent up to 70 percent by volume or weight, or

- A total concentration of any other individual phytocannabinoid of more than 25 (or up to 50) percent up to 70 percent by volume or weight

- Medical strength:

- Generally refers to finished cannabinoid products derived from hemp or marijuana, or comprised of semi-synthesized or synthesized cannabinoids with
 - A total THC concentration of more than 70 percent by volume or weight, or
 - A total concentration of any other individual phytocannabinoid of more than 70 percent by volume or weight
- Medical strength is a potency designation accessible *only* to OMMP registered patients.
- "Medical strength" indicates that products meet the qualitative requirements of medical grade*, but are of a **highest-strength** that requires verifiable medical oversight (i.e., having a valid OMMP registry ID).
- Refer to this <u>Cannabinoid Potency Chart</u> for specific recommendations

Labeling: All cannabinoid products should be labeled and adhere to a standardized format (see DFCR's <u>Universal Label</u>).

- More important than strain name or indica/sativa/hybrid designations, labels should indicate:
 - Product form (e.g, *Tincture*)
 - Strength (e.g., low-, high-, or medical-strength)
 - Dominant cannabinoid (e.g., THC Dominant)
 - CBD:THC ratio** (aka cannabinoid ratio)
 - Number of servings per package (e.g., 5, 10, 20, or 30)
 - Mg of each cannabinoid per serving (e.g., 5mg THC/serving)
 - Total mg of each quantifiable cannabinoid and terpene per package (e.g., 50mg THC, 2mg CBD, 1mg Limonene, 1mg Myrcene)
 - Activation time
 - Lot/batch #
 - Expiration date
 - OR code to
 - COA
 - Expanded safety information and warnings for high- and medical-strength products, edibles, and potable liquids (e.g., activation time and duration of effect, risk of potentiation with fatty foods, and possible adverse effects including psychedelic effects and psychosis
 - Disclosures about origin, specifically whether cannabinoids and/or terpenes are cannabis-derived, natural, semi-synthetic, or synthetic.

^{*}Additional designations:

- **Medical grade:** refers to low-, high-, and medical-strength cannabinoid products that are made with all natural, organic, and no artificial ingredients (e.g., chemical dyes or synthetic flavorings or sweeteners). Cannabinoid products can be certified as "medical grade" if they meet minimal criteria.
 - This is a significant change from the current definition listed on the OLCC website wherein, "Medical grade means marijuana items that have a higher THC concentration limit compared to items sold to recreational customers. For example a recreational customer can buy a package of edibles that contains up to 50 mg of THC and each serving size in that package can be up to 5mg of THC. A medical grade edible sold to an OMMP registered patient can contain up to 100 mg of THC per package and there is no maximum serving size for medical grade edibles."
 - 1) This is actually a description of strength.
 - 2) All strengths can be used for medical purposes.
- **Medical quantity:** refers to purchase limit allowances for OMMP registered patients in all strength categories.
- +Chlorophyll: refers to cannabinoid products with retained chlorophyll

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**All cannabinoid product labels must include a CBD-to-THC ratio written CBD:THC with CBD *always* written first and regardless of the predominant cannabinoid when THC is detectable, e.g., *high-strength CBD, CBD:THC 15:1* or *high-strength THC, CBD:THC 1:4*. Other cannabinoids can be included in the ratio when detectable, and should also be written with CBD first, e.g., *CBDA:CBD:THCA:THC 1:1:1:1*, or *CBD:THC:CBG 10:1:1*. This ratio should never be written THC:CBD with THC first.