Cannabis

During the 2025 legislative session, Cannabis Regulation was a central topic, with lawmakers advancing measures that expanded on prior legislation such as HB 3000 (2021) and HB 4121 (2024). Multiple pre-session filed bills were introduced, often intended as placeholders, to address changes in recreational and medical marijuana regulations, enhance hemp product packaging and labeling standards, and enforce stricter age-verification requirements for marijuana items (HB 3724 Enrolled). The cannabis industry supported measures requiring the use of motion detection camera systems, the inclusion of a licensee on the OLCC commissioners, and the establishment of trade shows (SB 556, SB 557, SB 558). The OLCC's legislative priorities included the cannabis omnibus package (SB 162) and a bill focused on protecting the personal information of marijuana workers (SB 870). These developments demonstrate the ongoing refinement of Oregon's cannabis laws and the OLCC's role in regulatory efforts.

According to the OLCC's fifth biennial supply and demand report, the recreational marijuana market in Oregon continues to experience oversupply, with 2024 recording the largest harvest in state history. Favorable weather conditions in Southern Oregon and increased producer activity contributed to this result. Although consumer demand remained stable, sales of usable marijuana decreased by 3% in 2024, and the median price fell to \$3.75 per gram as a result of excess supply. Licensing restrictions, now linked to per capita limits, are expected to remain in effect for several years, limiting market entry. Until federal interstate commerce is permitted, Oregon's cannabis market is likely to face ongoing challenges related to high production levels, reduced retail prices, and limited market access.

Bill Number	Bill Sponsor, Description Effective Date
HB 3724 EN	Advertising and packaging of marijuana items
Chapter	INTRODUCED BY: Representative John Lively
Number: Chapter 68, (2025 Laws). Effective Date: 91st day following adjournment sine die.	The bill directs the OLCC to expand its rules regarding the advertising and packaging of marijuana items to prevent marketing that could appeal to the minors. Changes the "attractive to minors" provisions in 475C for advertising "likely to cause minors to unlawfully possess marijuana or marijuana items." Rep. Lively testified on the bill's importance for protecting youth and noted that while the cannabis industry is mostly composed of small businesses, the goal is to align marketing standards with broader public health concerns. Cannabis industry acknowledged that the bill is a proactive step
	in keeping cannabis away from children and ensure that the standard to prevent child targeted cannabis marketing remains.
	Appellate Court of Appeals ruling that ORS 431A.175(2)(f) unconstitutionally restricts speech (<i>Bates v. Oregon Health Authority</i> , decision, 10/16/24).
	Creating New Provisions; Amending Oregon Revised Statute (ORS):
	• 475C.017 and 475C.612.
SB 162 EN	Cannabis omnibus policy package
Chapter	INTRODUCED BY: Requested by Senate Interim Committee on Judiciary
Number:	SB 162 is the wide-ranging cannabis omnibus policy package for 2025. The bill represents bi-partisan, stakeholder consensus driven improvements to Oregon's cannabis laws. The

Chapter 285, 2025 Laws.

Key provisions are established to support both legal cannabis operations and public safety efforts against illegal marijuana grows. Key provisions of SB 162:

Effective Date: June 9, 2025.

- **Destruction of Hoop Houses:** Authorizes law enforcement to destroy hoop houses when executing a search warrant for illegal marijuana grows.
- License Renewal Terms: Allows OLCC to adopt rules to issue multi-year licenses only to renewal licenses (up to five years) for cannabis producers, processors, wholesalers, retailers and labs – mirroring our authority on alcohol.
- Access to Map: Allows OLCC's cannabis grow site mapping system to be accessed by the by DEQ and WRD – agencies that are frequently involved in enforcement due to water theft and environment degradation from illicit marijuana grows.
- Proximity to Schools: Repeals SB 1522 provisions that barred marijuana retailers from being within a 1,000-ft rule for PreK/ Kindergartens. Allows the commission to grandfather in or re-issue a new license after it becomes aware that a new school is within 1000 ft of the marijuana retailer.
- Inspections by ODA: Authorizes ODA to inspect hemp biomass stored at a licensed facility and determine whether THC exceeds specified levels – without needing law enforcement involvement.

Creating New Provisions; Amending Oregon Revised Statute (ORS):

• <u>133.565</u>, <u>475C.065</u>, <u>475C.085</u>, <u>475C.093</u>, <u>475C.097</u>, <u>475C.101</u>, <u>475C.105</u>, 475C.548 and 571.281.

SB 558 EN

INTRODUCED BY: Senator Floyd Prozanski

Chapter Number: Chapter 225,

2025 Laws.

Effective Date: 91st day following adjournment sine die.

Allows a marijuana licensee to provide samples of marijuana items to other marijuana licensees at temporary events registered with the OLCC. SB 558 supports product exposure and networking among licensees in the regulated cannabis industry.

- Sample Exchanges at Temporary Event: Licensed marijuana producers, processors, wholesalers, and retailers are now permitted to exchange samples of marijuana items with other licensees or marijuana workers at trade shows or similar OLCC registered temporary events.
- Wholesale Transactions at Events: Allows a wholesaler to provide sample items of a specified amount to any other licensee, i.e., one gram of usable marijuana, cannabinoid concentrates and extracts.
- Inter-Licensee Transfers: The bill allows for transfer of marijuana between marijuana producer, processor, wholesaler, or retailer licensees to exchange marijuana items with other licensees and to provide them to marijuana workers who hold the necessary permits.
- Seed and Plant Sample Distribution: Authorizes marijuana producers to provide samples of seeds and immature marijuana plants to their permitted marijuana workers. Requires that samples do not exceed the legal limit.

Creating New Provisions; Amending Oregon Revised State (ORS):

• 475C.081 and 475C.513.

SB 870 EN

OLCC Priority

Chapter Number: Chapter 182, 2025 Laws. Effective Date:

INTRODUCED BY: At the request of Governor Kotek for OLCC

This is an OLCC priority measure exempting from public record disclosure, the residential addresses and personal phones number of individuals who hold marijuana worker permits issued by the OLCC. While personal information is no longer accessible through public record requests, the exemption does not apply to requests made by law enforcement agencies. The purpose of SB 870 is to address public safety concerns. Marijuana retailers and production facilities have been targets of theft and organized crime. By protecting personal information, the agency hopes to reduce the risk to individuals who might be targeted due to their association with the cannabis industry.

Amending Oregon Revised Statute (ORS):

• <u>475C.517</u>.

SB 907 EN

January 1, 2026.

INTRODUCED BY: Senator Thatcher, Representative Lewis

Chapter Number: Chapter 236, 2025 Laws.

The measure specifies that if an applicant for a license is not the owner of the property, the Oregon Health Authority (OHA) (for psilocybin manufacturer licenses and medical marijuana (OMMP)grow and processing sites) and the OLCC (for marijuana processor licenses) must inform the owner and receive their notarized written signature that the applicant may use the premises for the specified purpose.

Effective Date: 91st day following adjournment sine die. Operative January 1, 2026.

The agencies are prohibited from issuing licenses or registration without independently verifying the address and ownership of the premises with the county and must cancel if the ownership cannot be confirmed and the owner's consent cannot be provided. The bill also adds the property owner's notarized written signature to the existing requirement for annual renewal of these licenses.

Creating new provisions and amending Oregon Revised Statute (ORS):

• ORS 475A.250, 475A.290, 475C.037, 475C.065, 475C.085, 475C.792, 475C.815 and 475C.859.