



News Release

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December 18, 2020

Commission Bans Some Additives from Cannabis Vaping Products

Additives linked to potential harm to cannabis consumers More transparent ingredient disclosure required going forward

PORTLAND, OR. – At its **regular monthly meeting on December 17, 2020**, the Oregon Liquor Control Commission banned two ingredients immediately from further use in cannabis vaping products -- squalene and squalane. In addition, the Commission approved rules designed to provide better protection for cannabis consumers by requiring recreational marijuana licensees provide more transparent disclosure of, screening for, and labeling of inhalable cannabinoid products that use non-cannabis additives. The Commission also ratified five stipulated settlements.

The action taken against squalene and squalane comes in the wake of an OLCC investigation (see December 11, 2020 [press release](#)) that uncovered the use of those ingredients in cannabinoid vaping products sold in Oregon. The OLCC found that squalene and squalane were not disclosed as ingredients and were included on product labels as “natural flavors.” Studies, including one commissioned by the OLCC, have shown that squalene and squalane can produce harmful chemicals when exposed to heat and inhaled, posing potential harm to consumer health.

If the OLCC discovers any remaining products in the marketplace that contain squalene or squalane, those products will be subject to an immediate recall, a provision included in the new rules. Squalene and squalane join Vitamin E acetate on OLCC’s list of banned adulterants; as a result of the Commission’s actions, propylene glycol (PG) and triglycerides, like MCT oil, will be added to the list effective April 1, 2021.

The Commission began examining the impact of non-cannabis additives in the wake of the e-cigarette use-associated lung injury (EVALI) health crisis in mid-2019. During 2020, the OLCC held a series of discussions with cannabis industry stakeholders, public health officials and OLCC cannabis licensees to contemplate an approach for identifying and screening out non-cannabis ingredients added to cannabis products that pose a potential danger to human health. A framework for applying those standards was used to create the rules.

The approved rules will help the Commission protect health and safety by compelling greater ingredient disclosure, and to address both the acute and chronic health effects of additive ingredients when heated and inhaled by specifying the standards for non-cannabis additives being used in inhalable cannabinoid

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products. Because of the disclosure requirements, licensees and consumers will have greater assurance that any additives used in cannabis vape products were manufactured with the intent that they would be inhaled.

The rules take effect December 22, 2020, and the OLCC on that date will immediately begin accepting label applications under new rules for inhalable cannabinoid products. The Cannabis Tracking System (CTS) will be updated by that time to include a category for designating inhalable cannabinoid products.

Any inhalable cannabinoid products made on or after April 1, 2021, will be subject to the new rules, including no use of PG or MCT and full disclosure of additive ingredients on the item's label. By April 1, all inhalable cannabinoid products (regardless of manufacture date) must also be tracked in CTS with disclosure of the additive mix used in the cannabinoid product.

From April 1 to July 1, 2021, OLCC recreational marijuana licensees are allowed to "sell down" any inhalable cannabinoid products made before April 1, 2021. Beginning July 1, 2021, all inhalable cannabinoid products in the marketplace must comply with the new rules and standards, and anything that does not comply, regardless of manufacture date, must be destroyed.

The Commission also ratified the following violation fines and suspensions based on stipulated settlements (***detailed information on specific cases can be found [here](#) on the [OLCC website](#)***):

SHADOWBOX FARMS (#1467A) will serve an 32-day recreational marijuana producer license suspension OR pay a fine of \$5,280 for one violation.

Licensee is: Rogue Valley Group, LLC; Tim Winner, Manager; Artemis Group, LLC, Member; Joseph Bundy, Member; Megan Bundy, Member; Bryan Bundy, Member.

FLOWERSMITH will serve a 14-day recreational marijuana producer license suspension OR pay a fine of \$2,310 for two violations.

Licensees are: Flowersmith, LLC; Samuel Felton, Member; Gavin Henner, Member

BLACK MARKET DISTRIBUTION will serve a 69-day recreational marijuana wholesaler license suspension OR pay a fine of \$11,385 for three violations.

Licensees are: Black Market Distribution, LLC; Aaron Mitchell, Member; Rosa Cazares, Manager.

COPPERHEAD ORGANIC FARMS will surrender its license at the earlier of the date of transfer of ownership of the business or February 19, 2021 for four violations.

Licensees are: CH Organics, LLC; Corey Tarr, Member; Debra Davis Estate, Member.

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*The locations of OLCC marijuana producer, processor and wholesale licensees are exempt from public disclosure under Oregon law.

A copy of the Stipulated Settlement Agreements for Marijuana Violation Cases can be found on the [OLCC website](#), on the Laws & Rules page under the [Final Orders](#) section.