

**OREGON LIQUOR CONTROL COMMISSION
VIOLATION RECLASSIFICATION
PROPOSED AMENDMENTS**

Note: **Bold and underlined** = new text; ~~*italics and strikethrough*~~ = deleted text

845-025-1335

Marijuana Promotional Events

(1) Eligibility. ORS 475B.539 allows businesses licensed by the Commission under ORS 475B.010 to 475B.395 to transport marijuana items to and exhibit marijuana items at a trade show or similar event. This rule sets the qualifications and requirements for promotional events.

(2) Definitions.

(a) “Approved area” means the area approved by the Commission to display and store marijuana items.

(b) “Event organizer” means a person licensed under ORS 475B.010 to 475B.395 who submits a promotional event application and serves as the primary contact with the Commission.

(c) “Participating licensee” means a person licensed under ORS 475B.010 to 475B.395 who has been named as a participant in a promotional event application.

(d) “Promotional event” means an event at which marijuana items are displayed pursuant to the requirements of this rule.

(3) Event Organizer.

(a) One participating licensee listed on the application must be identified as the event organizer. Participating licensees and the event organizer may be charged with any violations of this rule.

(b) Event Organizers must:

(A) Receive approval from the Commission prior to the event date that specifies all approved participating licensees;

(B) Update and maintain the application;

(C) Verify that all participating licensees’ manifests accurately reflect the marijuana items and hemp items that are transported to the promotional event;

(D) Maintain a log of participating licensees’ attendance;

(E) Keep a copy of the approved application at the event; and

(F) Be present or designate another licensee representative to be present during the event.

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(4) Promotional events may not be held:

(a) At a location licensed under ORS 475B.010 to 475B.395 or 475B.560; or

(b) In a city or county that has adopted an ordinance to prohibit recreational marijuana businesses.

(5) Promotional events may be held at a location that holds a license under ORS 471, as long as no alcohol beverages are stored or consumed within the approved area.

(6) Approved promotional events allow participating licensees to display:

(a) Marijuana plants from the inventory of the participating licensee;

(b) Marijuana items from the inventory of the participating licensee; and

(c) Hemp items from the inventory of the participating licensee if received, processed, and otherwise in compliance with these rules.

(7) An event organizer or participating licensee may not:

(a) Display any marijuana items or hemp items not in the participating licensee's inventory;

(b) Sell, transfer or distribute any marijuana items or hemp items at the promotional event;

(c) Distribute any samples of marijuana items or hemp items; or

(d) Allow consumption or use of alcohol, or marijuana items, or hemp items of any kind in the approved area.

(8) Transportation and Possession.

(a) Participating licensees may not transport to or possess at the promotional event more than the following amounts:

(A) 24 ounces of usable marijuana;

(B) 4 mature marijuana plants;

(C) 10 immature plants;

(D) 500 seeds, tracked by count in CTS;

(E) 16 ounces of cannabinoid products in solid form; or

(F) 72 ounces of cannabinoid products in liquid form.

(b) All participating licensees must immediately return all marijuana items and hemp items to their licensed premises after the conclusion of the event.

(9) Promotional event CTS requirements.

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(a) All marijuana items or hemp items must be tracked and tagged pursuant to CTS rule requirements.

(b) Each marijuana item or hemp item is required to have the item's associated UID tag affixed to the item or package.

(c) All participating licensees must generate a printed transport manifest in CTS that accompanies all marijuana items or hemp items for the duration of the promotional event that contains the following information:

(A) The name, contact information of a licensee representative, licensed premises address and license number of the licensee transporting the marijuana items or hemp items;

(B) Product name and quantities (by weight or unit) of each marijuana item or hemp item contained in each transport, along with the UIDs for every item;

(C) The date of transport and approximate time of departure;

(D) Date and estimated time when the marijuana items or hemp items will be returned to the licensed premises at the conclusion of the promotional event; and

(E) Delivery vehicle make and model and license plate information.

(d) Failure to properly track marijuana items or hemp items as required in this subsection is a Category III violation. An intentional violation of this rule is a Category II violation ~~and may result in license revocation.~~

(10) Application Requirements.

(a) The Commission may refuse to process any application that is not made in writing at least 28 days before the date of the event in a form and manner prescribed by the Commission.

(b) The Commission may only accept one application per promotional event.

(c) The Commission may require additional forms, documents, or information as part of the application.

(d) The Commission may refuse to process any application that is not complete, not accompanied by the documents or disclosures required by the form or the Commission, or that does not allow the Commission sufficient time to investigate and process the application.

(e) The Commission may limit approval of any application to a single day or to any consecutive number of days, not to exceed sixteen consecutive days.

(11) The application for a promotional event under this rule shall include:

(a) The names of all participating licensees;

(b) A description of the amount and types of marijuana items or hemp items proposed to be transported and displayed at the promotional event;

(c) A written control plan that the Commission determines:

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(A) Adequately manages the event to prevent unlawful activity and violations; and

(B) Prevents any person under 21 years to be admitted to the areas where marijuana items are present at the event.

(d) The names of the licensee representatives onsite at the promotional event and if applicable, their worker permit numbers issued under OAR 845-025-5500;

(e) Identification of the premises or area proposed for the promotional event;

(f) Statement of the type of event to be licensed, type and extent of entertainment to be offered, expected patronage overall, minor control plan and proposed hours of operation; and

(g) A statement signed by every participating licensee indicating that the licensee agrees to follow the final approved control plan.

(12) Denial. The Commission may deny any application for a promotional event that does not meet the requirements of this rule. The Commission may deny, cancel or restrict an application for a promotional event:

(a) For any reason for which the Commission may deny, cancel or restrict a regular license or if the Commission, in its discretion, determines that promotional event presents a risk to public health and safety; or

(b) If any participating licensee has been found to have violated ORS 475B.010 to 475B.395 or any rules adopted there under in the past 24 months.

(13) When the Commission approves a written control plan required under this rule, the licensee(s) must follow that written plan. Failure to follow that written plan is a Category III violation. An intentional violation of this rule is a Category I violation ~~and may result in license revocation.~~

(14) The Commission may immediately revoke authority of any participating licensee to participate in the promotional event if the Commission has reasonable grounds to believe continued operation of the event presents a risk to public health and safety.

(15) A licensee may not participate in a promotional event unless it has been approved by the Commission. Participation in an event where prior approval was required under this rule but was not approved by the Commission is a Category I violation.

Statutory/Other Authority: ORS 475B.025 & ORS 475B.539

Statutes/Other Implemented: ORS 475B.539

845-025-1440

Required Camera Coverage and Camera Placement

(1) A licensed premises must have camera coverage, as applicable, for:

(a) All points of ingress and egress to and from the licensed premises;

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- (b) All limited access areas as that term is defined in OAR 845-025-1015;
 - (c) All consumer sales areas;
 - (d) All points of ingress and egress to or from limited access areas;
 - (e) The surveillance room or surveillance area as defined in OAR 845-025-1460(1)(a) and (b);
 - (f) Any other area that the Commission believes presents a public safety risk based on the overall operation and characteristics of the licensed premises; and
 - (g) All areas where marijuana waste is required to be stored, destroyed or rendered unusable as required by OAR 845-025-7750.
- (2) A licensee must ensure that cameras are placed so that they capture clear and certain images of any individual and activity occurring:
- (a) Within 15 feet both inside and outside of all points of ingress and egress to and from the licensed premises; and
 - (b) In all locations within limited access areas, and consumer sales areas on the licensed premises.
- (3) Failure to comply with subsection (1)(a) through ~~(f)~~ of this rule is a Category II violation ~~and may result in license revocation~~. **An intentional violation is a Category I violation.**
- (4) Failure to comply with subsection ~~(1)(f)~~-(1)(g), (2)(a) or (2)(b) of this rule is a Category III violation.

Statutory/Other Authority: ORS 475B.025, 475B.070, 475B.090, 475B.100 & 475B.105

Statutes/Other Implemented: ORS 475B.025, 475B.070, 475B.090, 475B.100 & 475B.105

845-025-1450

Video Recording Requirements for Licensed Facilities

- (1) A licensee must have cameras that continuously record, 24 hours a day:
- (a) In all areas where mature marijuana plants, immature marijuana plants, usable marijuana, cannabinoid concentrates, extracts, products or waste may be present on the licensed premises; and
 - (b) All points of ingress and egress to and from areas where mature marijuana plants, immature marijuana plants, usable marijuana, cannabinoid concentrates, extracts, products or waste may be present.
- (2) A licensee must:
- (a) In all areas where camera coverage is required, use cameras that record at a minimum resolution of 1280 x 720 px and record at 10 fps (frames per second);
 - (b) Use cameras that are capable of recording in all lighting conditions;

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- (c) Have and keep surveillance recordings for a minimum of 90 calendar days;
 - (d) Have and keep off-site backup recordings described in (2)(k) of this rule for a minimum of 30 days;
 - (e) Maintain surveillance recordings in a format approved by the Commission that can be easily accessed for viewing and easily reproduced;
 - (f) Upon request of the Commission, keep surveillance recordings for periods exceeding the retention period specified in section (2)(c) of this rule;
 - (g) Have the date and time embedded on all surveillance recordings without significantly obscuring the picture;
 - (h) Archive video recordings in a format that ensures authentication of the recording as a legitimately-captured video and guarantees that no alterations of the recorded image has taken place;
 - (i) Make video surveillance records and recordings available immediately upon request to the Commission in a format specified by the Commission for the purpose of ensuring compliance with ORS Chapter 475B and these rules;
 - (j) Within 48 hours notify the Commission of any equipment failure or system outage lasting 30 minutes or more; and
 - (k) Back up the video surveillance recordings off-site and in real time for the surveillance room or surveillance area.
- (3) Notwithstanding the requirements in section (1) of this rule a licensee or laboratory licensee may stop recording in areas where marijuana items are not present due to seasonal closures or prolonged periods of inactivity.
- (a) At least 24 hours before stopping recording, a licensee or laboratory licensee must submit written notice to the Commission by email using a designated form as published by the Commission on its website and the notice must include:
 - (A) A copy of the licensee's plot plan or diagram as described in OAR 845-025-1030 showing which cameras will be deactivated, the total number of cameras that will be deactivated, and a description or list of areas or applicable labels of the deactivated cameras.
 - (B) The date and time recording will stop.
 - (C) An explanation for why recording will be stopped.
 - (D) The date and time recording will resume.
 - (b) A licensee or laboratory licensee:

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(A) May not stop the recording or continuous real time back up of the recording for a surveillance area unless all other cameras on the licensed premises are shut down under this rule.

(B) Must resume all required recording no later than the date and time specified in the notice submitted under subsection (a) of this section.

(C) May not engage in any licensed privileges in any areas where recording was stopped under this section.

(4) Failure to comply with subsections **(1)(a), (1)(b), or (2)(e) through (2)(i)**~~(g) or (h)~~ of this rule is a Category II violation *and may result in license revocation.*

~~(5) Failure to comply with subsections (1)(a), (b) or (2)(f), or (i) of this rule is a Category II violation.~~

~~(5)~~ Failure to comply with subsection (2)(a), (b), (d), (j), or (k) is a Category III violation.

~~(6)~~ Failure to comply with subsection (2)(c) of this rule is:

(a) ~~For the first violation in a two-year period:~~

~~(A) A Category I violation if the licensee maintained surveillance recordings for 7 days or less;~~

~~(B) A Category II violation if the licensee maintained surveillance recordings for more than 7 days but less than 30 days; or~~

~~(C) (b) A Category III violation if the licensee maintained surveillance recordings for more than 30 days but less than 90 days.~~

~~(b) A Category I violation for any subsequent violation in a two-year period.~~

(c) A Category I violation when the Commission has reasonable grounds to believe that licensee is engaging in diversion or inversion of marijuana and the licensee has not maintained surveillance recordings for all or part of the suspected time period.

~~(7)~~ A licensee may not engage in any privileges of the license in an area that does not have camera coverage as described in OAR 845-025-1440 and 845-025-1450 or in an area where camera coverage has been stopped pursuant to section (3) of this rule, including but not limited to possessing, storing, cultivating, transporting, transferring, or receiving marijuana items.

Statutory/Other Authority: ORS 475B.025, 475B.070, 475B.090, 475B.100 & 475B.105

Statutes/Other Implemented: ORS 475B.025, 475B.070, 475B.090, 475B.100 & 475B.105

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845-025-2040

Production Size Limitations

(1) Definitions. For the purposes of this rule:

(a) “Mixed production” means a producer who has the privilege to grow marijuana both indoors and outdoors at the same licensed premises.

(b) “Producer type” means indoor production, outdoor production, or mixed production.

(c) “Production method” means indoor mature canopy, outdoor mature canopy, or immature canopy.

(d) “Production tier” means micro tier I, micro tier II, tier I, or tier II as described in section (3) of this rule.

(2) General Requirements.

(a) A producer must maintain documentation clearly identifying the size, production method, measurements, and shapes for each mature and immature canopy area in the licensed premises. The documentation may be kept in either paper or electronic form and must be made available for inspection if requested by an employee of the Commission.

(b) A mature marijuana plant, as defined in these rules, may only be located in an area designated as a mature canopy area.

(c) A producer must have written approval from the Commission prior to changing the location of a designated canopy area, the shape of a canopy area, producer type, production method, or production tier.

(d) A producer engaging in mixed production may only request to increase its designated mature canopy of one production method by decreasing the designated mature canopy of another production method once per license year.

(3) Mature Canopy Size Limits.

(a) Indoor Production. Unless otherwise provided by these rules, the maximum mature canopy size limits for indoor production are:

(A) Micro tier I: Up to 625 square feet.

(B) Micro tier II: 626 to 1,250 square feet.

(C) Tier I: 1,251 to 5,000 square feet.

(D) Tier II: 5,001 to 10,000 square feet.

(b) Outdoor Production. Unless otherwise provided by these rules, the maximum mature canopy size limits for outdoor production are:

(A) Micro tier I: Up to 2,500 square feet.

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(B) Micro tier II: 2,501 to 5000 square feet.

(C) Tier I: 5,001 to 20,000 square feet.

(D) Tier II: 20,001 to 40,000 square feet.

(c) Mixed Production. For a producer engaging in mixed production, the Commission will use a 4:1 ratio, for outdoor and indoor respectively, to allocate canopy size limits under this section, not to exceed the sum canopy size limits set forth in section (3) of this rule. For example, if a Tier II producer in the first year of licensure has 1,000 square feet of indoor mature canopy area, then the producer may have up to 36,000 square feet of mature outdoor canopy area at the same time.

(4) Immature Canopy Size Limits. Unless otherwise provided by these rules, the maximum canopy size limits for immature canopy area for licenses issued or renewed after April 1, 2018 shall be:

(a) 625 square feet for Micro tier I producers.

(b) 1,250 square feet for Micro tier II producers.

(c) 5,000 square feet for Tier I producers.

(d) 10,000 square feet for Tier II producers.

(5) Canopy Area Measurements and Shapes.

(a) Square footage of a canopy area is measured horizontally starting from the outermost point of the furthest plant in a designated canopy area and continuing around the outside of all plants located within the designated canopy area. If immature plants are grown on racks or shelving within the immature canopy area, only the footprint of the area containing the immature plants will be used to calculate the immature canopy area. The total canopy area of mature plants grown on racks or shelving is measured to include each layer of plants as a separate canopy area.

(b) Maximum canopy areas allowed. A producer must either:

(A) Designate no more than 20 quadrilateral canopy areas including both immature and mature canopy areas at a licensed premises and clearly demarcate each canopy area with a physical boundary, wall, or marker at the outermost edge or each corner of each designated canopy space; or by at least eight feet of open space.

(B) Designate no more than 20 canopy areas of any shape including both immature and mature canopy areas at a licensed premises and provide the Commission with a survey of the canopy space conducted by a Professional Land Surveyor licensed by Oregon State Board of Examiners for Engineering and Land Surveying that shows the total square footage each of mature and immature canopies are within the applicable canopy size limits described in this rule.

(6) Production Tier Changes.

(a) A producer licensed under ORS 475B.070 for at least one year may request to increase its approved production tier at any time after the first license year, up to the maximum production tier allowed under

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this rule. A producer must make a request for an increase in writing, in a form and manner prescribed by the Commission.

(b) The Commission may approve a request for a production tier increase if the Commission believes that granting the request does not present an increased risk of noncompliance with the provisions of ORS Chapter 475B and these rules and if the producer:

(A) Has not already been approved for a production tier increase during the current license year;

(B) Has submitted an approved Land Use Compatibility Statement showing the increased production tier is not prohibited; and

(C) Has not been sanctioned by the Commission for violating a provision of ORS 475B.010 to 475B.545 or a rule adopted under ORS 475B.010 to 475B.545 during the past year.

(c) A producer may not increase its production tier without prior written approval from the Commission.

(d) If the Commission determines a producer meets the requirements to increase its production tier at a time other than renewal, the producer must submit payment to the Commission for the difference in the fee paid by the producer at the prior renewal and the fee described in OAR 845-025-1160 for the increased tier size before the Commission will provide the producer with written approval.

(e) The Commission may deny a producer's request to increase its production tier if the producer does not meet the requirements of this or any other pertinent rule. If the Commission denies the request, the producer has a right to a hearing under the procedures of ORS chapter 183.

(7) Producer Type Changes.

(a) A producer licensed under ORS 475B.070 for at least one year may request to change its approved producer type at any time after the first license year. A producer must make a request for the change of producer type in writing, in a form and manner prescribed by the Commission.

(b) The Commission may approve a request for a change of producer type if the Commission believes that granting the request does not present an increased risk of noncompliance with the provisions of ORS Chapter 475B and these rules and if the producer:

(A) Has not already been approved for a change of producer type during the current license year; and

(B) Has submitted an approved Land Use Compatibility Statement showing the proposed producer type is not prohibited.

(c) A producer may not change its producer type without prior written approval from the Commission.

(d) The Commission may deny a producer's request to change its producer type if the producer does not meet the requirements of this or any other pertinent rule. If the Commission denies the request, the producer has a right to a hearing under the procedures of ORS chapter 183.

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(8) Violations. An intentional violation of this rule is a Category II violation ~~and may result in license revocation~~. All other violations are Category III violations.

(9) On an annual basis, the Commission shall evaluate market demand for marijuana items, the number of persons applying for producer licenses or licensed as producers and whether the availability of marijuana items in this state is commensurate with the market demand. Following this evaluation, the Commission may amend this rule as needed.

Statutory/Other Authority: ORS 475B.025, 475B.070 & ORS 475B.085

Statutes/Other Implemented: ORS 475B.085

845-025-2500

Registration to Produce Usable Marijuana for Patients

(1) Eligibility. A licensed producer may produce a medically designated mature canopy in an amount equal to ~~ten~~**10** percent of their production tier licensed under ORS 475B.075, as long as the producer provides at least seventy five percent of the annual yield of usable marijuana from their medically designated mature canopy to patients or a patient's designated primary caregivers for no consideration.

(2) In order to produce a medically designated mature grow canopy, a licensed producer must:

(a) Register in a form and manner specified by the commission;

(b) Pay the fee specified in OAR 845-025-1060;

(c) Submit a control plan in a form prescribed by the Commission describing how the producer will:

(A) Identify the medically designated mature canopy and separate the medically designated mature canopy from the recreational canopy; and

(B) Segregate usable marijuana harvested from the medically designated mature canopy from the usable marijuana harvested from other plants.

(3) Land-use Compatibility Statement.

(a) Licensed producers who have previously submitted a land use compatibility statement are not required to submit an additional land use compatibility statement when registering to produce usable marijuana for patients.

(b) Licensed producers who were exempt from submitting a land use compatibility statement under these rules at the time of licensure must submit a land use compatibility statement when registering to produce marijuana for patients if the producer's total canopy of mature medical and recreational plants exceeds 5000 square feet for outdoor producers and 1250 square feet for indoor producers.

(4) Notwithstanding OAR 845-025-2020(2), a producer registered under this section may transfer or deliver:

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(a) Usable marijuana to a registry identification cardholder or designated primary caregiver at the licensed premises of the producer or the residence of a registry identification cardholder or designated primary caregiver;

(b) Immature marijuana plants to a registry identification cardholder or designated primary caregiver at the licensed premises of the producer or the residence of a registry identification cardholder or designated primary caregiver; or

(c) Immature marijuana plants to a PRMG at the PRMG's grow site.

(5) Prior to the transfer of marijuana items under this rule, a producer must obtain and retain, if not already on file, a copy of the patient's or designated primary caregiver's:

(a) Registry identification card if transferring to a registry identification cardholder;

(b) OMMP identification card if transferring to designated primary caregiver; or

(c) Marijuana grow site registration card if transferring to a PRMG.

(6) A producer may not sell, deliver, or transfer any marijuana item under this rule to an individual who does not possess a valid card identified in section (5) of this rule.

(7) A producer may maintain the records required under section (5) of this rule in electronic or physical form.

(a) For records maintained electronically, a producer shall maintain a backup system or sufficient data storage so that records are retained for no less than two years after the transfer of marijuana for which the records were last obtained or used.

(b) For physical records, a producer must ensure the records:

(A) Are legible and complete;

(B) Kept in a safe and secure location; and

(C) Are retained for no less than two years after the transfer of marijuana for which the records were last obtained or used.

(8) In addition to the information required on a transport manifest under OAR 845-025-7700, a producer transferring marijuana as described in section (4) of this rule must include:

(a) The registry identification card number of the registry identification cardholder to whom the items are being transferred;

(b) The OMMP identification card number of the designated primary caregiver if transferring to a designated primary caregiver; or

(c) The marijuana grow site registration card number of the PRMG if transferring to a PRMG.

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(9) Denial. A registration request will be denied if the producer has not complied with this rule or if any information submitted by the producer is false or misleading. A notice of denial must be issued in accordance with ORS Chapter 183.

(10) The Commission may revoke a registration under this section for any of the reasons that it may deny a registration under this section.

(11) A producer transferring immature plants under this section to a registry identification cardholder, designated primary caregiver, or a PRMG may transfer on a single manifest or to a person to possess on behalf of a single patient in any 24-hour period:

(a) No more than 6 immature marijuana plants over 24 inches in height; or

(b) No more than 36 immature marijuana plants under 24 inches in height.

(12) Violations.

(a) A transfer of marijuana to a registry identification cardholder, primary caregiver, or PRMG that fails to meet the requirements in sections (5), (7) or (8) of this rule is a Category III violation.

(b) A violation of section (6) or (11) of this rule is a Category II violation. **All other violations are Category III violations.**

Statutory/Other Authority: ORS 475B.025

Statutes/Other Implemented: ORS 475B.136

845-025-2550

Requirements for Producing and Providing Marijuana for Patients

(1) A licensed producer who has been registered by the Commission to produce marijuana for patients must:

(a) Comply with all seed-to-sale tracking requirements required in these rules;

(b) Comply with testing rules in OAR 333-007-0300 to 333-007-0500 applicable to licensee testing of usable marijuana prior to transferring usable marijuana to a patient or the patient's designated primary caregiver and upon request by a patient, provide a patient with a copy of all testing results;

(c) Comply with all applicable testing, labeling and packaging rules when transferring or selling usable marijuana to any licensee of the Commission;

(d) In addition to subsection (a) of this section, use CTS to document the amount of usable marijuana transferred to each patient or designated primary caregiver, the date of the transfer, and the patient or designated primary caregiver's OMMP number;

(e) Provide at least 75 percent of the annual yield of usable marijuana to patients or their designated primary caregivers; and

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(f) Generate a manifest in CTS and carry a physical copy of the manifest when delivering usable marijuana to a patient or designated primary caregiver. If a patient or designated primary caregiver is picking up the usable marijuana, the producer must generate a manifest in CTS but a physical copy is not required.

(2) Notwithstanding OAR 845-025-2020(2), a producer registered to produce marijuana for patients may:

(a) Transfer immature marijuana plants, seeds and tissue cultures from the producer's recreational plant stock to the area used for the production of marijuana for patients;

(b) Provide a patient or a designated primary caregiver:

(A) No more than 24 ounces of usable marijuana per patient in any one transfer or in any 24 hour period;

(B) An aggregate amount of three pounds of usable marijuana per patient in a calendar year; or

(C) No more than 12 immature marijuana plants in one transfer or in any 24-hour period.

(c) Provide a PRMG with immature marijuana plants;

(d) Terminate their registration with prior notice to the commission; and

(e) Upon termination, the producer must:

(A) Cease production in the medically designated canopy area; and

(B) Transfer any remaining usable marijuana yielded from the medically designated canopy to either a registry identification cardholder or designated primary caregiver, as allowed by these rules.

(3) May not:

(a) Be compensated for producing or providing marijuana to a patient or the patient's designated primary caregiver;

(b) Transfer more than 25% percent of the total annual yield of usable marijuana from the producer's medically designated canopy to licensees of the Commission; or

(c) Transfer marijuana to a patient or designated primary caregiver other than as described in (2) of this rule.

(4) A violation of section (3) of this rule is a Category II violation. **All other violations are Category III violations.**

Statutory/Other Authority: ORS 475B.025 & ORS 475B.136

Statutes/Other Implemented: ORS 475B.025 & ORS 475B.136

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845-025-3255

Alternating Proprietors

(1) A cannabinoid edible or topical processor that applied for a license prior to January 1, 2019, may share a food establishment, as defined in ORS 616.695, with another cannabinoid edible or topical processor, or a cannabinoid concentrate processor who was licensed and authorized to share a food establishment under this rule prior to January 1, 2019, if:

(a) The schedule, with specific hours and days that each processor will use the food establishment, is prominently posted at the entrance to the food establishment and has been approved by the Commission:

(A) The schedule must be submitted to the Commission in writing and will be approved if it demonstrates that use of a shared food establishment by multiple processor licensees does not create an increased compliance risk.

(B) A processor licensee may only change the schedule with prior written approval from the Commission.

(b) In addition to the applicable requirements of OAR 845-025-1410, each licensee must designate a separate area to secure any marijuana, cannabinoid products, concentrates or extracts that a licensee stores at the food establishment. The designated area must only be accessible to the licensee. If a cannabinoid processor does not store marijuana, cannabinoid products, concentrates or extracts at the food establishment those items must be stored on a licensed premises.

(2) A food establishment used by a processor licensee is considered a licensed premises and must meet the security and other licensed premises requirements in these rules.

(3) In order to qualify to share a food establishment under this rule:

(a) Concentrates manufactured under this rule must be used in the production of the processor's cannabinoid edibles or topicals; and

(b) Concentrates manufactured under this rule may not be transferred to another licensee.

(4) A processor is strictly liable for any violation found at a shared food establishment during that processor's scheduled time or within that processor's designated area in the food establishment.

(5) On and after January 1, 2019, a licensee who was approved to share a food establishment under this rule may not continue to share a food establishment if there are any changes of ownership.

(6) Violation of this rule is a Category II violation.

Statutory/Other Authority: ORS 475B.025 & 475B.090

Statutes/Other Implemented: ORS 475B.090 & 475B.158

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845-025-3505

Wholesaler For-Hire Trimming Privilege

(1) Eligibility.

(a) A licensee that holds a wholesaler license under ORS 475B.100 may apply for a for-hire trimming privilege.

(b) This rule does not apply to entities solely providing staffing services for trimming operations.

(2) Definitions.

(a) "For-hire trimmer" means any wholesale licensee who has applied for and received approval under this rule.

(b) "Mobile trimming equipment" is equipment that is transported to the licensed premises which alters the security plan approved by the Commission.

(c) "Trim" means the process of separating marijuana usable flower from usable marijuana leaves and stems.

(3) Application Requirements.

(a) A wholesale licensee must receive approval from the Commission prior to providing for-hire trimming services of marijuana, on a form prescribed by the Commission.

(b) The application for a for-hire trimmer privilege under this rule shall include a description of any mobile equipment that will be transported to the producer's licensed premises and a written control plan on a form prescribed by the Commission. The control plan shall include:

(A) Procedures that prevent unlawful activity and violations; and

(B) Procedures that prevent any person under 21 years to be admitted to the areas where marijuana will be trimmed.

(c) The Commission may require additional forms, documents or information as part of the application.

(d) The Commission may require an inspection of the wholesale licensee's mobile trimming operation at any time.

(e) The Commission may refuse to process any application that is not complete or is not accompanied by the documents or disclosures required by the form or the Commission.

(4) Operations Requirements.

(a) The approved wholesaler must notify the Commission at least 3 business days in advance before transporting the mobile trimming equipment to the producer's licensed premises.

(b) The approved wholesaler and producer must:

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(A) Ensure that all trimming activities are captured on video and meet the requirements of OAR 845-025-1450;

(B) Capture and maintain surveillance video as set forth in 845-025-1450. If the activity is captured on video by the wholesaler, the wholesaler licensee must provide a copy of the video to the producer before leaving the licensed premises; and

(C) Maintain a log of all activity allowed under this rule. The log must contain the first and last name and date of birth of every visitor and the date they visited.

(5) The Commission may deny any application for a for-hire trimmer that does not meet the requirements of this rule.

(6) The Commission may deny, cancel or restrict an application for a for-hire trimmer privilege for any reason for which the Commission may deny, revoke or restrict a regular license or if the Commission, in its discretion, determines that approving the privilege would present a risk to public health and safety.

(7) The Commission may deny or restrict an application for a for-hire trimmer privilege if any participating licensee has been found to have violated ORS 475B.010 to 475B.395 or any rules adopted there under in the past 24 months.

(8) When the Commission approves a control plan required under this rule, the licensee(s) must follow that written plan. Failure to follow that written plan is a Category III violation. An intentional violation of this rule is a Category II violation ~~and may result in license revocation.~~

(9) The Commission may immediately revoke for-hire trimmer privilege if the Commission has reasonable grounds to believe continued operation presents a risk to public health and safety.

(10) The wholesaler and the producer are jointly liable for any violation of ORS 475B.010 to ORS 475.390 or any rules adopted thereunder that occur on the producer's licensed premises while the wholesaler is present and exercising the for-hire trimmer privilege.

Statutory/Other Authority: ORS 475B.025

Statutes/Other Implemented: 475B.100 & 2017 OL Ch. 183

845-025-7540

Seed-To-Sale Tracking — CTS User Requirements

(1) A licensee and any designated CTS administrator or user shall enter data into CTS that fully and transparently accounts for all inventory tracking activities.

(2) A licensee is responsible for the accuracy of all information entered into CTS.

(3) An individual entering data into the CTS system may only use that individual's CTS account. Each CTS administrator and CTS user must have a unique log-on and password, which may not be used by any other person.

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(4) A violation of this rule is a Category III violation. Intentional misrepresentation of data entered into the CTS system is a Category II violation.

Statutory/Other Authority: ORS 475B.025, 475B.070, 475B.090, 475B.100, 475B.110 & 475B.560

Statutes/Other Implemented: ORS 475B.150

845-025-8520

Prohibited Conduct

(1) Sale to a Minor. A licensee or permittee may not sell, deliver, transfer or make available any marijuana item or hemp item to a person under 21 years of age unless the individual holds a valid OMMP patient or designated primary caregiver card.

(a) Violation of this section for an intentional sale to a minor by licensee or permittee or licensee representative is a Category II violation.

(b) Violation of this section for other than intentional sales is a Category II(b) violation.

(2) Identification. A licensee or licensee representative must require a person to produce identification as required by ORS 475B.216 before selling or providing a marijuana item or hemp item to that person. Violation of this section is a Category IV violation.

(3) Access to Premises.

(a) A licensee, laboratory licensee, or permittee may not:

(A) During regular business hours for the licensed premises, refuse to admit or fail to promptly admit a Commission regulatory specialist who identifies him or herself and who enters or wants to enter a licensed premises to conduct an inspection to ensure compliance with ORS 475B affecting the licensed privileges; or these rules;

(B) Outside of regular business hours or when the premises appear closed, refuse to admit or fail to promptly admit a Commission regulatory specialist who identifies him or herself and requests entry on the basis that there is a reason to believe a violation of ORS 475B affecting the licensed privileges; or these rules is occurring; or

(C) Once a regulatory specialist is on the licensed premises, ask the regulatory specialist to leave until the specialist has had an opportunity to conduct an inspection to ensure compliance with ORS 475B affecting the licensed privileges; or these rules.

(b) Violation of this section is a Category II violation.

(c) A licensee or laboratory licensee must at all times retain control of, or the right of access to, all or any part of the licensed premises. Except as provided in OAR 845-025-1160(~~56~~), failure to retain such control or right of access is a Category II violation. **If the licensee still has marijuana or hemp items in physical inventory at the licensed premises or in CTS, failure to retain such control or right of access is a Category I violation** and may be grounds for immediate suspension or cancellation of the license.

(4) Use or Consumption of Intoxicants on Duty and Under the Influence on Duty.

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(a) No licensee, licensee representative, laboratory licensee, laboratory licensee representative, or permittee may consume any intoxicating substances while on duty, except for employees as permitted under OAR 845-025-1230(6)(b). Violation of this subsection is a Category III violation.

(b) No licensee, licensee representative, laboratory licensee, laboratory licensee representative, or permittee may be under the influence of intoxicating substances while on duty. Violation of this subsection is a Category II violation.

(c) Whether a person is paid or scheduled for a work shift is not determinative of whether the person is considered "on duty."

(d) As used in this section:

(A) "On duty" means:

(i) From the beginning to the end of a work shift for the licensed business, including any and all coffee, rest or meal breaks; or

(ii) Performing any acts on behalf of the licensee or the licensed business outside of a work shift if the individual has the authority to put himself or herself on duty.

(B) "Intoxicants" means any substance that is known to have or does have intoxicating effects, and includes alcohol, marijuana, or any other controlled substances.

(5) Permitting Use of Marijuana at Licensed Premises. A licensee, laboratory licensee, or permittee may not permit the use or consumption of marijuana, hemp items, or any other intoxicating substance, anywhere in or on the licensed premises, or in surrounding areas under the control of the licensee, except for employees as permitted under OAR 845-025-1230(6)(b). Violation of this section is a Category III violation.

(6) Import and Export. A licensee, laboratory licensee, or permittee may not import marijuana items into this state or export marijuana items out of this state. Violation of this section is a Category I violation and could result in license or permit revocation.

(7) Permitting, Disorderly or Unlawful Conduct. A licensee, laboratory licensee, or permittee may not permit disorderly activity or activity that is unlawful under Oregon state law on the licensed premises or in areas adjacent to or outside the licensed premises under the control of the licensee.

(a) If the prohibited activity under this section results in death or serious physical injury, or involves unlawful use or attempted use of a deadly weapon against another person, or results in a sexual offense which is a Class A felony such as first degree rape, sodomy, or unlawful sexual penetration, the violation is a Category I violation and could result in license or permit revocation.

(b) If the prohibited activity under this section involves use of a dangerous weapon against another person with intent to cause death or serious physical injury, it is a Category II violation.

(c) As used in this section:

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(A) "Disorderly activities" means activities that harass, threaten or physically harm oneself or another person.

(B) "Unlawful activity" means activities that violate the laws of this state, including but not limited to any activity that violates a state criminal statute.

(d) The Commission does not require a conviction to establish a violation of this section except as required in ORS 475B.045.

(8) Marijuana as a Prize, Premium or Consideration. No licensee or permittee may give or permit the giving of any marijuana item as a prize, premium, or consideration for any lottery, contest, game of chance or skill, exhibition, or any competition of any kind on the licensed premises.

(9) Visibly Intoxicated Persons. No licensee or permittee may sell, give, or otherwise make available any marijuana item to any person who is visibly intoxicated. Violation of this section is a Category III violation.

(10) Prohibited inhalable cannabinoid products.

(a) For purposes of this rule, a "prohibited inhalable cannabinoid product" is an inhalable cannabinoid product that does not meet the requirements of OAR 845-025-3265.

(b) No licensee or permittee may:

(A) Process or manufacture a prohibited inhalable cannabinoid product on or after April 1, 2021;

(B) Possess, sell, deliver, transfer, transport, purchase, or receive the prohibited inhalable cannabinoid product on or after July 1, 2021, if the prohibited inhalable cannabinoid product was processed or manufactured prior to April 1, 2021; or

(C) Possess, sell, deliver, transfer, transport, purchase, or receive a prohibited inhalable cannabinoid product that was processed or manufactured on or after April 1, 2021.

(c) An intentional violation of this section is a Category II violation.

(d) An unintentional violation of this section is a Category III violation.

(11) Additional Prohibitions. A licensee or permittee may not:

(a) Sell or deliver any marijuana item or hemp item through a drive-up or walk-up window.

(b) Use any device or machine that both verifies the age of the consumer and delivers marijuana or hemp items to the consumer.

(c) Deliver marijuana or hemp items to a consumer off the licensed premises, except that retail licensees may provide delivery as set forth in OAR 845-025-2880.

(d) Violation of this subsection is a Category III violation.

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(e) Permit industrial hemp or a hemp item to be present on the licensed premises, except as allowed by these rules. Violation of this subsection is a Category III violation. An intentional violation is a Category II violation.

Statutory/Other Authority: ORS 475B.025, ORS 475B.070, 475B.090, 475B.100, 475B.232 & 475B.236

Statutes/Other Implemented: ORS 475B.070, 475B.090, 475B.100, 475B.105, 475B.227, 475B.329, 475B.333 & 475B.119

845-025-8XXX

History of Lack of Institutional Control

(1) The Commission may cancel, suspend, restrict or require mandatory training for any license issued under 475B.010 to 475B.545, or impose a civil penalty in lieu of or in addition to a suspension, if the commission finds or has reasonable ground to believe that that there is a history of a lack of institutional control involving the premises for which a license has been issued, or the employees, agents or representatives of the licensee, or the CTS account of the licensee.

(2) A history of lack of institutional control is based on the nature, number and circumstances of the incidents, and can include incidents at the licensed premises that were not themselves the subject of violation charges.

(3) Behavior that is grounds for a sanction includes but is not limited to noncompliance with requirements relating to license privileges, security, tracking, testing, transportation, packaging and labeling, as well as prohibited and dishonest conduct.

(4) The Commission gives significant weight to serious incidents, such as those involving a danger to public health and safety, unlawful or dishonest conduct, or conduct indicating that licensee may be engaging in diversion of marijuana.

(5) Violation of this rule is a Category I violation. A licensee may mitigate the history by showing that the problems are not serious or persistent, or by demonstrating its willingness and ability to control the problems that gave rise to the history of lack of institutional control.

(6) Enforceable Compliance Plans.

(a) If the Commission issues a written Notice of Warning to a licensee for a history of a lack of institutional control, the Commission may require the licensee to submit a written compliance plan setting out the specific actions that the licensee will take to address the problems.

(b) A draft compliance plan required under this rule must be submitted to the Commission within 15 days of the licensee receiving notice of the requirement. The Commission will provide written feedback regarding the licensee's draft plan within 10 days of receipt. A final acceptable compliance plan must be submitted no later than 30 days from the date the licensee received initial notice of the requirement, or 5 days from the date the licensee received written feedback on their draft plan, whichever is later. The Commission will give written approval of a compliance plan as acceptable if it determines that implementation of the plan is reasonably likely to reduce or prevent the identified compliance problems. Under no circumstances will the time period between initial Commission notice of the requirement and Commission approval of a final acceptable compliance plan exceed 45 days.

(c) Once a compliance plan is approved, the licensee must follow the plan. The licensee may request Commission approval to discontinue a compliance plan no sooner than one year from the approval date. The licensee may request Commission approval to modify a compliance plan no sooner than six months from the approval date. The Commission will grant the request if it finds there is no longer a significant risk at the premises of future compliance problems pertaining to the elements of the plan contained in the licensee's request.

(d) Approval of a compliance plan under this rule does not prevent the Commission from taking any other compliance action.

(e) Failure to submit an acceptable compliance plan as required or to follow an approved compliance plan is a Category III violation.

(f) The licensee must keep the compliance plan on the licensed premises and make the compliance plan available at any time for immediate inspection by any Commission employee or any peace officer. Failure to comply with this requirement is a Category IV violation.

Statutory/Other Authority: ORS 475B.025, 475B.070, 475B.090, 475B.100 & 475B.110
Statutes/Other Implemented: ORS 475B.256

845-025-8590

Suspension, Cancellation, Civil Penalties, Sanction Schedule

(1) The Commission may suspend or ~~revoke~~**cancel**:

(a) A license issued under ORS 475B.010 to 475B.545 or 475B.560.

(b) A marijuana worker permit issued under ORS 475B.261.

(c) A research certificate issued under ORS 475B.286.

(d) An industrial hemp certificate issued under OAR 845-025-2700 or 845-025-2705.

(e) A laboratory license issued under ORS 475B.560.

(2) The Commission may cancel a license under ORS 475B.256(1)(a) only when the conduct poses a significant risk to public health and safety. A significant risk to public health and safety includes, but is not limited to:

(a) Exercising licensed privileges while the license is suspended, or in violation of restrictions imposed on the license;

(b) Allowing minors at a processor license;

(c) Prohibited conduct involving a deadly or dangerous weapon or conduct that results in death or serious injury;

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(d) Prohibited use of pesticides, fertilizers and agricultural chemicals;

(e) Diversion, inversion, import, or export of marijuana, or other conduct described in ORS 475B.186;

(f) Supplying adulterated marijuana items;

(g) Prohibited conduct by laboratory licensees;

(h) Noncompliance with testing requirements;

(i) Intentionally destroying, damaging, altering, removing or concealing potential evidence, or attempting to do so, or asking or encouraging another person to do so.

(23) Civil Penalties.

(a) The Commission may impose a civil penalty under ORS 475B.416. Civil penalties will be calculated by multiplying:

(A) The number of days in a suspension, if suspension could be or is being imposed, by \$165 for licensees or certificate holders for Category II(b) violations;

(B) The number of days in a suspension, if suspension could be or is being imposed, by \$250 for licensees or certificate holders for all other violation categories; or

(C) The number of days in a suspension, if suspension could be or is being imposed, by \$25 for permittees.

(b) The Commission may impose for each violation of a provision of ORS 475B.600 to 475B.655 or OAR 845-025-7000 to 845-025-7190, a civil penalty of no more than \$500 for each day the violation occurs.

(34) The Commission uses the following violation categories for licensees licensed under ORS 475B.010 to 475B.545:

(a) Category I – Violations that make licensee ineligible for a license **or pose a significant risk to public health and safety;**

(b) Category II – Violations that create a present threat **or substantial likelihood of a present threat** to public health or safety;

(c) Category II (b) – Violations for sales to a minor;

(d) Category III – Violations that create a potential threat to public health or safety;

(e) Category IV – Violations that create a climate conducive to abuses associated with the sale or manufacture of marijuana items;

(f) Category V – Violations inconsistent with the orderly regulation of the sale or manufacture of marijuana items.

(45) Violation sanctions.

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(a) The Commission may sanction a licensee, permittee, Commission-certified hemp grower, or Commission-certified hemp handler in accordance with the guidelines set forth in Exhibit 1, incorporated by reference. Exhibit 1 also contains the categories for the most common violations.

(b) Exhibit 1 lists the proposed sanctions for single or multiple violations that occur within a two year period for each category described in section (3) of this rule. The Commission may allege multiple violations in a single notice or may count violations alleged in notices issued within the previous two year period toward the total number of violations. In calculating the total number of violations, the Commission may consider a proposed violation for which the Commission has not yet issued a final order.

(c) The proposed sanctions in Exhibit 1 are guidelines. If the Commission finds one or more mitigating or aggravating circumstances, it may assess a lesser or greater sanction, up to and including revocation. The Commission may decrease or increase a sanction to prevent inequity or to take account of particular circumstances in the case.

(d) Mitigating circumstances include, but are not limited to:

(A) Making a good faith effort to prevent a violation.

(B) Extraordinary cooperation in the violation investigation demonstrating the licensee, permittee, certificate holder, Commission-certified hemp grower, or Commission-certified hemp handler accepts responsibility. ~~The Commission may, at its discretion, determine that a penalty be mitigated if a violation is self-reported.~~

(C) Self-reporting of a violation by a licensee or applicant. This mitigating circumstance does not apply where licensee has a pre-existing duty to report to the Commission.

(D) The licensee or applicant has demonstrated to the satisfaction of the Commission that the conduct that led to the violation is not persistent or serious.

(E) The licensee or applicant has demonstrated to the satisfaction of the Commission a willingness and ability to control the licensed premises and inventory.

(e) Aggravating circumstances include, but are not limited to:

(A) Receiving a prior warning about one or more compliance problems.

(B) Repeated failure to comply with laws.

(C) Failure to use age verification equipment purchased as an offset to a previous penalty.

(D) Efforts to conceal a violation.

(E) Intentionally committing a violation.

(F) A violation involving more than one consumer or employee.

(G) A violation involving a juvenile.

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(H) A violation resulting in injury or death.

(I) A violation that occurred at a licensed premises that has been granted a security waiver.

~~(J) Three or more violations within a two-year period, regardless of the category, where the number of the proposed or final violations indicate a disregard for the law or failure to control the premises.~~

(5) A licensee, certificate holder, Commission-certified hemp grower, or Commission-certified hemp handler may not avoid the sanction for a violation or the application of the provision for successive violations by changing the corporate structure for example, by adding or dropping a partner or converting to another form of legal entity when the individuals who own, operate, or control the business are substantially similar.

[\[ED. NOTE: To view attachments referenced in rule text, click here to view rule.\]](#)

Statutory/Other Authority: ORS 475B.025

Statutes/Other Implemented: ORS 475B.256, 475B.416, 475B.560, 475B.635 & 475B.119

Category	1 Violation in a 2-year period	2 Violations in a 2-year period	3 Violations in a 2-year period	4 Violations in a 2-year period	5 Violations in a 2-year period	6 Violations in a 2-year period
I	Revoke					
II	15 30 days	<u>30 days</u> <i>Revoke</i>	<u>Revoke</u>			
<u>II (Producer)</u>	<u>\$7,500</u>	<u>\$10,000</u>	<u>Revoke</u>			
II(b)	30 days or \$4,950	30 days	Revoke			
III	10 days or \$2,500	30 days or \$7,500	30 days	Revoke		
IV	7 days or \$1,750	10 days or \$2,500	20 days or \$5,000	30 days	Revoke	
V	3 days or \$750	7 days or \$1,750	10 days or \$2,500	20 days or \$5,000	30 days	Revoke

Categories for Common or Priority Violations

<u>Category I</u>	<u>Statute or Administrative Rule</u>	<u>Violations</u>
	475B.265(1)(b)	Diverted marijuana from regulated market
	475B.265(1)(c)	Inverted marijuana into regulated market
	475B.265(1)(g)	Licensee convicted of a felony
	475B.265(6)	Retailer failed to pay taxes or file a return as required
	845-025-3215(3)(c)	Processor allowed minor on premises
	845-025-5030	Laboratory exercised license privileges without proper accreditation
	845-025-5070	Prohibited conduct by laboratory licensee
	845-025-5700	Failed to comply with testing requirements
	845-025-8520(6)	Prohibited import or export of marijuana
	845-025-8540(1)(b)	Made intentional false statement to Commission
	845-025-8540(2)	Intentional misrepresentation of marijuana items
	845-025-8540(3)	Supplied adulterated marijuana items
	845-025-8540(4)(a)	Intentionally destroyed, damaged, altered, removed, or concealed potential evidence
	845-025-8575(4)	Violation of restriction
	845-025-8580(4)	Exercised license privileges while suspended
	845-025-XXXX	History of Lack of Institutional Control

<u>Category II</u>	<u>Statute or Administrative Rule</u>	<u>Violations</u>
	845-025-1160(2)(a)	Failed to timely notify Commission of misdemeanor or felony conviction
	845-025-1440(1)(a)-(f)	Inadequate camera coverage
	845-025-2070	Intentional noncompliance with production size limits
	845-025-7540	Intentional noncompliance with tracking requirements
	845-025-8520(1)	Intentional sale to minor
	845-025-8520(3)	Refused or failed to promptly admit regulatory specialist
	845-025-8520(4)(b)	Under the influence of intoxicants while on duty
	845-025-8540(4)(c)	Refused or failed to promptly give evidence to OLCC regulatory specialist or law enforcement officer
	845-025-8540(1)(a)	Made false statement to Commission
	845-025-8540(2)(b)	Misrepresented marijuana items
<u>Category II(b)</u>	<u>Statute or Administrative Rule</u>	<u>Violations</u>
	845-025-8520(1)(b)	Sale to minor
<u>Category III</u>	<u>Statute or Administrative Rule</u>	<u>Violations</u>
	845-025-1160(2)(b)	Failed to timely notify Commission of arrest or citation in lieu of arrest
	845-025-2080	Failed to comply with harvest lot requirements
	845-025-2090	Failed to file a harvest notice
	845-025-7540	Failed to comply with tracking requirements
	845-025-8520(4)	Used intoxicants while on duty
	845-025-8520(11)(e)	Permitted industrial hemp or hemp item on premises other than as allowed
<u>Category IV</u>	<u>Statute or Administrative Rule</u>	<u>Violations</u>
	845-025-1215(1)	Failed to use ODA licensed weighing device
	845-025-2090	Failed to properly amend a harvest notice
	845-025-8520(2)	Failed to require identification before selling marijuana or hemp item to retail customer
	845-025-8580(3)(b)	Removed, altered, or covered suspension sign posted at the premises
<u>Category V</u>	<u>Statute or Administrative Rule</u>	<u>Violations</u>
	845-025-1245	Failed to post required signage
	845-025-1300(1)(b)	Gave marijuana as a prize

845-025-7520

Unique Identification (UID) Tags

- (1) A licensee, grow site administrator, person responsible for a marijuana processing site, person responsible for a dispensary, and hemp certificate holder must:
- (a) Use UID tags issued by a Commission-approved vendor that is authorized to provide UID tags for CTS. Each licensee is responsible for the cost of all UID tags and any associated vendor fees.
 - (b) Have an adequate supply of UID tags at all times, except during the first ten calendar days of licensure so long as UID tags have been ordered and are in transit to the premises.
 - (c) Assign and affix a UID tag to each individual marijuana plant being cultivated no later than when each plant reaches a height of ~~twenty four~~**36** inches or when the individual plant is flowering, whichever is sooner.
 - (d) Assign and affix a UID tag to all other marijuana items, or receptacles containing marijuana items, in a manner that:
 - (A) Establishes an accurate record from one marijuana item to another; and
 - (B) Uses a new UID tag each time a marijuana item is added to or placed in a receptacle.
 - (e) Place tags in a position that can be clearly read by an individual standing next to the item and the tag must be kept free from dirt and debris.
- (2) The requirements of (1)(d) do not apply to producers or grow site administrators in the first 45 days after the harvest of a marijuana plant if a UID tag has not yet been designated in CTS.
- (3) A licensee, research certificate holder, laboratory licensee, hemp certificate holder, grow site subject to CTS tracking, or medical marijuana processing site may not combine marijuana items or hemp items of different size, potency, or category under a single UID tag, except for:
- (a) Mixed lots of usable marijuana;
 - (b) Mixed lots of usable hemp;
 - (c) Pre-rolled marijuana of identical weight of usable marijuana; or
 - (d) Cannabinoid concentrates, extracts, or hemp items that are transferred to a processor or processing site to be processed.

Statutory/Other Authority: ORS 475B.025, 475B.070, 475B.090, 475B.100, 475B.560 & ORS 475B.105

Statutes/Other Implemented: ORS 475B.105

845-025-7570

Seed-To-Sale Tracking — Cultivation Batches

- (1) Immature plants under ~~24~~**36** inches in height at the premises of a producer, at a grow site subject to tracking in CTS, or at the premises of a research certificate holder must be recorded in CTS as part of a cultivation batch.
- (2) A producer, research certificate holder, or grow site administrator must assign each cultivation batch a unique user-generated batch name and record the batch name and number of immature plants in each cultivation batch in CTS.
- (3) Batch names must be physically affixed to the cultivation batch or the segregated area where the cultivation batch is physically located.
- (4) A cultivation batch may not have more than 100 immature marijuana plants less than ~~24~~**36** inches tall.
- (5) A producer, research certificate holder, or grow site administrator may have an unlimited number of cultivation batches at any one time.

Statutory/Other Authority: ORS 475B.025

Statutes/Other Implemented: ORS 475B.070 & 475B.150

845-025-7580

Reconciliation with Inventory

(1) All licensees, laboratory licensees, research certificate holders, grow site administrators, medical marijuana processing sites, and medical marijuana dispensaries must:

(a) Use CTS for all inventory tracking activities, as defined by these rules.

(b) By 8:00 AM local time of the next calendar day, reconcile all marijuana item inventories and weights in CTS;

(c) Record all required information for usable marijuana, cannabinoid concentrates and extracts by weight;

(d) Record the wet weight of each harvested marijuana plants immediately after harvest; and

(e) Record all required information for cannabinoid products by unit count but must also record the weight per unit of a product.

(2) Notwithstanding (1)(b) of this rule, during the first 45 days following the harvest of a marijuana plant, daily reconciliation of the weight of moisture lost to evaporation is not required for marijuana. The weight of moisture loss must be reconciled prior to any transfer, processing, sale, or packaging and no later than 45 days after the harvest, whichever comes first.

(3) The requirements in section (1)(b) and (5) of this rule do not apply during the first ten calendar days of licensure or registration so long as the licensee, grow site administrator, medical marijuana processing site, or medical marijuana dispensary has ordered UID tags and the UID tags are in transit to the receiving party.

(4) The requirements in section (1)(b) of this rule do not apply to marijuana items held by a laboratory licensee that are undergoing analytical testing required by these rules or OAR 333-007-0300 to 333-007-0490 so long as the marijuana items do not leave the laboratory's licensed premises and are reconciled on the same day that the analytical testing concludes.

(5) Notwithstanding (1)(d) of this rule, the wet weight of each harvested marijuana plant may be entered as the mean average of the plants being harvested. The mean average shall be calculated as the sum total wet weight of the plants being entered into CTS as an individual group divided by the number of plants in that group.

(6) In addition to the requirements in section (1) of this rule, retailers and medical marijuana dispensaries must record each sale, delivery, or transfer of a marijuana item to a consumer as a sales transaction and record the price before tax and amount of each item sold and the date of each transaction in CTS for each individual transaction. A marijuana item transferred to a medical marijuana patient or caregiver for no cost must be recorded as a sales transaction with zero price.

(7) Information that was not required to be recorded and reconciled daily pursuant to section (3) of this rule must be recorded and reconciled within three calendar days of the licensee's, grow site administrator's, medical marijuana processing site's, or medical marijuana dispensary's receipt of UID tags.

Statutory/Other Authority: ORS 475B.025, 475B.070, 475B.090, 475B.100 & 475B.110

Statutes/Other Implemented: ORS 475B.150