

Recreational Marijuana Program Compliance Education Bulletin

Bulletin CE2022-03

December 16, 2022

The Oregon Liquor and Cannabis Commission is providing the following information to recreational marijuana licensees.

The bulletin is part of OLCC's compliance education. It is important that you read it, and understand it. If you don't understand it please contact the OLCC for help.

Failure to understand and follow the information contained in this bulletin *could result in a compliance violation including fine, suspension or the loss of your recreational marijuana license.*

Bulletin CE2022-03 covers the following issues:

Discounting Cannabis items

Discounting Marijuana Items

This bulletin provides clarification to OLCC's interpretation of OAR 845-2800 (4) (h) (i).

OAR <u>845-025-2800</u> has been amended to change some of the prohibitions around discounts at marijuana retailers:

- Removed the prohibition around selling items for a nominal price.
- The rule allows for discounting marijuana items, but retailers are still not allowed to discount a
 marijuana item if the retail sale of the marijuana is made in <u>conjunction</u> with the retail sale of any
 other items, including other marijuana items or hemp items.
 - An example of what is <u>not allowed</u> would be having a sale where a customer can get an ounce half off, but only if they buy another ounce.
 - What would be <u>allowed</u> is having a certain strain half off for an entire period of time. In this scenario, the sale price is not dependent on any other purchases and would therefore be compliant.
 - Customers can purchase discounted items and non-discounted items at the same time as long as the discount is not dependent on any other purchases.
- The rule still does not allow for discounting a marijuana item contingent on the purchase of a non-marijuana item.
 - An example of this would be requiring a person to buy something like a jar, to receive discounted marijuana. This type of purchase is not allowed.

This rule ONLY applies to discounting marijuana items and hemp items.

Marijuana and hemp items can ONLY be given away for free to a registered OMMP cardholder or caregiver.

Frequently Asked Questions

Q. Can I start a loyalty program, like a punch card or point system, where a customer can receive a discount after they reach a certain threshold?

A. Yes, but the marijuana or hemp item cannot be free, only discounted. You could give the customer something else for free, like a t-shirt or hat.

Q. Can I discount marijuana or hemp items without a loyalty program?

A. Yes

Q. Does a discounted item still need to cost more than I originally paid for it?

A. No, you can discount an item lower than the price you acquired it for.

Q. Does tax need to be collected on a discounted sale?

A. Yes, you still need to collect the 17% tax and the 3% local tax (if applicable) based on the discounted price.

Q. Can I give an OMMP cardholder a discount even though they don't pay tax?

A. Yes, even though you cannot change tax for an OMMP cardholder or caregiver you can still give them a discount, or marijuana or hemp item for free.

Q. Can I offer a buy one get one (BOGO) free deal?

A. Not for marijuana or hemp items. You could sell a marijuana or hemp item and give a t-shirt for free, but marijuana or hemp items can only be given to OMMP cardholders and caregivers for free.

Q. Can a customer buy items that are discounted and full priced items at the same time?

A. Yes, as long as the discount is not dependent on the purchase of a full priced item.

Q. Can I collect customer information for coupons, discounts or loyalty programs?

A. Yes, but you need to ask the consumer if you can record and retain the information, and the consumer needs to agree to the recording and retention of the information.

Q. Do the daily sales limits apply to loyalty programs?

A. Yes, even with a loyalty program you need to follow the daily sales limit rules.

Q. If I have other questions about discounts or loyalty programs how do I contact the OLCC?

A. You can email us at <u>marijuana@oregon.gov</u>