

# Recreational Marijuana Program Compliance Education Bulletin

## Bulletin CE2017-08

The Oregon Liquor Control Commission is providing the following information to: existing and prospective recreational marijuana licensees and all employees working in the industry who require a worker permit.

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 an OLCC rules compliance violation affecting your ability to work or operate your business.*

**Bulletin CE2017-08** covers the following issue(s):

- Plant transfer limits for new producer applicants transitioning from Oregon Health Authority (OHA) Medical Marijuana Program to OLCC Recreational Marijuana Program

Oregon's legislature approved and Governor Kate Brown signed into law [Senate Bill 1057](#) that affects

Oregon Health Authority registered medical grow sites. This legislation also impacts the inventory transfer process for OLCC Producer applicants who want to bring in their OHA medical grow site inventory during the application process.

**If you do not have an OHA-registered grow site at the location of your OLCC Producer application, this legislation does not impact your application process.**

Section 37 of SB 1057 put in place specific limits on the number of immature plants that an OHA-registered medical marijuana grow site may produce. Specifically:

*SB 1057 §37(2)(b) A person who is designated to produce marijuana by a registry identification cardholder may produce no more than six mature marijuana plants and no more than 12 immature marijuana plants for a registry identification cardholder who designates the person to produce marijuana.*

Prior to the passage of this law, there was no limit on the number of immature plants a designated person could possess on behalf of each patient, so many OLCC recreational marijuana producer license applicants obtained or propagated large numbers of hundreds or even thousands of immature plants in preparation to transfer them into the recreational marijuana system as marijuana possessed on behalf of a small number of patient agreements, or even under a single patient agreement. With SB 1057 in effect, this is no longer possible.

Because SB 1057 contained an emergency clause it became effective immediately once Governor Brown signed it into law.

The OLCC can only approve the transfer of no more than 12 immature plants per patient on an Inventory Transfer Request for a recreational marijuana producer license application. This applies **even if a producer applicant had previously submitted an Inventory Transfer Request that was approved for a larger quantity of immature plants.**

If the proposed premises of recreational marijuana producer application is at a site registered with the OHA as a medical marijuana grow site, prior to inspection by the OLCC, that producer applicant **must** either:

- Have no marijuana items on the premises and cease all marijuana operations on the premises until the recreational marijuana license is issued by the OLCC; or
- Have an [Inventory Transfer Request](#) approved by the OLCC.

One of the above **must** occur before the OLCC can schedule an inspection. This way, an OLCC inspector can verify that the number of plants on site does not exceed the number you are allowed to have by law.

**If the inspector finds that there are more plants present than you are legally allowed to have, they will end the inspection and begin the process of coordinating with other agencies to address this.**

The Oregon Legislature is considering legislation that may “grandfather in” the plant count limits allowed prior to the enactment of SB 1057; the proposed legislation would require applicants to meet specific criteria. But for now new producer applicants must follow this standard, and this is the standard the OLCC is obligated to enforce.

Recreational marijuana producer applicants have the option to continue to move forward with the OLCC under the current law or to postpone the continuation of the licensing process with the OLCC in order to await the outcome of any additional changes made by the Oregon legislature prior to the end of the current legislative session.

If there is a change in the law and in the number of medical marijuana plants that may be possessed by a person designated to grow marijuana by a registry identification cardholder, OLCC will enforce the regulations in effect at that time and immediately notify all existing and prospective applicants.

Questions about the retailer implementation of SB 1057 should be directed to the OLCC Recreational Marijuana Program at: [marijuana@oregon.gov](mailto:marijuana@oregon.gov) or by calling 503-872-6366.