

Recreational Marijuana Program

Compliance Education Bulletin

Bulletin CE2018-03

March 1, 2018

The Oregon Liquor Control 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 an OLCC rules compliance violation affecting your ability to work or operate your business.*

Bulletin CE2018-03 covers the following issues:

- Hemp and Hemp Products in the OLCC Regulatory System

Hemp and Hemp Products in the OLCC Regulatory System

The following bulletin only addresses hemp items in the Oregon Liquor Control Commission recreational marijuana marketplace. Oregon Department of Agriculture hemp growers and handlers are not required to transfer product to OLCC processors; growers and processors that want to transfer should follow the requirements below. The full OLCC rules can be viewed [here](#).

845-025-3285 (5): All requirements for marijuana items under ORS 475B.010 to 475B.395, 475B.550 to 475B.590 and 475B.600 to 475B.655 and any rules adopted thereunder apply to industrial hemp and hemp items received or manufactured by a processor with a hemp endorsement unless specifically excluded by these rules.

OLCC licensed processors with a hemp endorsement may receive raw hemp, hemp concentrate or hemp extracts from ODA Industrial hemp growers and handlers that have received an OLCC hemp certificate.

Only OLCC processors may receive hemp items from outside the OLCC licensed system. OLCC licensed wholesalers and retailers may only receive hemp items from OLCC processors that have a hemp endorsement.

Please read the OLCC hemp [FAQ](#) for more information about hemp in the recreational marijuana marketplace. All processors that handle industrial hemp are required to have a valid hemp endorsement.

- Only raw hemp, hemp concentrate, or hemp extracts may be received by an OLCC processor with a hemp endorsement. **Hemp commodities and products (for example: topicals, edibles, salves, etc.) from outside the OLCC system may not be received by an OLCC processor.**
- OLCC processors must have a hemp endorsement to receive hemp items from other OLCC processors.
- Hemp items will be entered into the Metrc Cannabis Tracking System inventory at the time of transfer to an OLCC processor. All hemp items need to be entered into CTS with the appropriate “hemp” product category and must include a valid ODA grower or handler number. Instructions for entering hemp items into CTS can be found in the [“External Transfers”](#) section of this OLCC Compliance Education Bulletin (CE-2018-01)
- All hemp items need to be stored in a secure location on the licensed premises according to the same security standards as marijuana items.
- Hemp flower or other hemp plant material transferred to an OLCC processor must have accompanying test results verifying ODA has determined it to be industrial hemp.
- Hemp concentrates or extracts must be sampled and tested for potency after being entered into Metrc to verify the concentrate or extract is below 5% THC. The testing must occur whether it enters the system as hemp extract/concentrate or is received as raw hemp and processed by the OLCC processor. In order to be in compliance **potency results for hemp extract/concentrate must be in Metrc prior to any further processing or transfer for these items.**
- OLCC processors can transfer industrial hemp concentrates, extracts and products to OLCC licensed processors with a hemp endorsement, OLCC wholesalers and OLCC retailers.
- Hemp items that are mixed with marijuana (example: 1 to 1 chocolate bar) are considered a marijuana item and should be taxed and tracked in Metrc according to the appropriate item category.
- Items derived from industrial hemp that do not contain marijuana are not subject to tax.
- Retailers may not give free samples of hemp items to consumers.
- At this time products that contain CBD derived from non-cannabis sources (those other than industrial hemp or marijuana) may be sold in retail stores. **Please be aware this may change in future rulemaking.**
- Hemp items that do not contain cannabinoids may be used as an ingredient in processing and may be sold at OLCC retail stores (example: hemp seed oil, hemp milk, textiles made from hemp).

- OLCC processors do not need a hemp endorsement to use non-cannabinoid hemp items as an ingredient in their marijuana products. All other requirements, such as tracking in CTS, apply to these products.