

Recreational Marijuana Program Compliance Education Bulletin

Bulletin CE2019-03 Revised

March 6, 2019 (updated March 27, 2019) - revisions in text box

The Oregon Liquor Control Commission is providing the following information to: recreational marijuana licensees and medical registrants.

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 CE2019-03 covers the following issues:

- Sell down period for labels approved prior to August 15, 2018
- Returning products with labels approved prior to August 15, 2018
- Generic labels & point of sale systems
- Resources for licensees and medical registrants to update their labels
- Tips for spotting labels approved prior to August 15, 2018

"Sell Down" Period

On <u>April 1, 2019</u>, OLCC-licensed retailers will no longer be allowed to accept products with labels that were approved prior to <u>August 15, 2018</u>. Other licensees will no longer be allowed to transfer those items to retailers.

Items with labels that were approved prior to August 15, 2018, are included in the "sell down" period. On August 15, 2018 new packaging and labeling rules went into effect. All package and label applications received by the OLCC on and after August 15, 2018 are evaluated according to those rules.

OLCC-licensed retailers have until January 1, 2020 to sell through labels subject to the "sell down" period. Retailers who are still in possession of these products on and after January 1, 2020 should follow the procedures outlined below in "Returning Products with Labels Approved Prior to August 15, 2018." On and after January 1, 2020 these labels may not be sold, offered for sale, or transferred to consumers, patients, or designated primary caregivers.

Retailers with Common Ownership – Transferring Products Subject to the "Sell Down"

OLCC-licensed retailers that are owned by the same or substantially the same persons may perform <u>intra-retailer</u> transfers of products with labels subject to the "sell down". Licensees must meet the ownership requirements of OAR 845-025-2800(2)(d)(E) to exercise this privilege.

Returning Products with Labels Approved Prior to August 15, 2018

OLCC-licensed retailers and wholesalers may <u>return</u> marijuana items and industrial hemp commodities labeled prior to August 15, 2018 to the licensee who transferred the item or product. These products can be relabeled or destroyed as waste.

Making Labels Subject to the "Sell Down" Compliant with Stickers

OLCC licensees may correct non-compliant labels that are subject to the "sell down" with stickers (or any other compliant method). A new label that is compliant with the updated requirements may be placed so that it completely covers the previous label. Updating <u>non-generic</u> and non-compliant labels with stickers <u>requires pre-approval</u>. Updating <u>generic</u> labels with stickers does not require pre-approval.

Generic Labels and Point of Sale Systems

There is no "sell down" period for items labeled with generic labels. Generic labels must comply with the current labeling rules. This is true of any generic label printed on or after August 15, 2018. This includes any generic labels printed by point-of-sale systems.

Resources for Licensees and Medical Registrants to Update Their Labels

- Packaging and Labeling Rules OAR 845-025-7000 7190
- Label Checklist and Generic Label Examples
- Packaging and Labeling Guide
- How to be Successful with Packaging and Labeling (incorporates August 15, 2018 rule changes)

Tips for Spotting Labels Approved Prior to August 15, 2018

These are examples of labeling requirements that changed in the new packaging and labeling rules. This is not an exhaustive list of the changes. These examples are meant to help licensees determine whether a label was approved prior to August 15, 2018.

- Old Rules: "It is illegal to drive a motor vehicle while under the influence of marijuana."
 - New Rules: "Do not drive a motor vehicle while under the influence of marijuana."
- Old Rules: "For use by adults 21 and older."
 - New Rules: "For use only by adults 21 and older."
- Old Rules: Missing "Cannabis," "Marijuana," or "Hemp" in the product identity.
 - Examples: "Cannabis Extract," "Marijuana Pre-roll," or "Hemp Tincture."
- Old Rules: Missing a "Label ID" number on the outermost label "Label ID: 1234"
- Old Rules: Pre-rolls missing the weight of usable marijuana in grams in each pre-roll.
- Old Rules: Edibles missing a nutrition template provided by the OLCC.

OLCC rules impacting this issue:

OAR 845-025-7190 Effective Date of Packaging and Labeling Rules

OAR 845-025-7000 – 7190 Packaging and Labeling Rules

OAR 845-025-7750 Waste Management

OAR 845-025-7150 Wholesaler and Retailer Packaging and Labeling Compliance Requirements

OAR 845-025-7170 Packaging and Labeling Prohibited Conduct