

## **Hemp Certificate Program Compliance Education Bulletin**

Bulletin HE2019-02 June 7, 2019



The Oregon Liquor Control Commission is providing the following information to: Oregon Department of Agriculture hemp growers and handlers (processors) with an OLCC hemp certificate.

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 HE2019-02 covers the following issues:

- Potency Values on Labels and in Metrc
- Guidance for Calculating Potency Values and Rounding
- Target Potencies and "0" Values

## Potency Values on Labels and in Metrc

All labels on marijuana and hemp products for ultimate sale to a consumer, patient, or designated primary caregiver must have the lab calculated potency values for THC and CBD. These values should match what is reported in Metrc. The potency values must be based on the average of the sample increments taken according to the requirements of OAR 333-007-0360. Each sample increment, including the primary and field duplicate, must be tested for potency and those results must be averaged. If primary and field duplicate samples are required to be taken, laboratories should average the primary and field duplicates and that average is what should be reported in Metrc.

Review the <u>Sampling and Testing Metrc Guide</u> for specifics regarding testing requirements and data input to Metrc. Review <u>Compliance Bulletin CE2019-05</u> for sampling and testing procedures for "plain" and "infused" pre-rolls.

If the laboratory has uploaded both the primary and field duplicate, and the licensee cannot correct the issue by working with the laboratory, the licensee should average the two results – they cannot choose the highest potency value.

• For example, an edible with a net weight of 40 grams has two THC values listed in Metrc as 1.1 mg/g and 1.4 mg/g. The label should display a total THC value of 50mg: ([1.1 + 1.4] / 2) x 40.

When verifying potency results on a label versus what is reported in Metrc, licensees should <u>exercise</u> <u>due diligence</u> to ensure the results <u>reasonably</u> match what is reported in Metrc.

## Guidance for Calculating Potency Values and Rounding

Licensees should use the following guidance when calculating potency values for labels based off Metrc data. Depending on labeling rule requirements, the potency values on a label must be expressed as milligrams (mg) or as a percentage (%). Potency values are reported in Metrc as milligrams per gram or mg/g. There are 1,000 milligrams in a gram.

- Percentage: the mg/g can be used to calculate a percentage directly. For example, 200 mg/g = 20% (200 / 1,000), 100 mg/g = 10% (100 / 1,000), or 50 mg/g = 5% (50 / 1,000)
- <u>Milligrams of THC or CBD</u>: the potency value in Metrc is multiplied by weight (in grams) of the item. For example, a chocolate bar has a net weight of 45g and the THC value in Metrc shows as "1.2mg/g." The label would display 54mg THC in the package (45g x 1.2).
- <u>Liquid</u> if the net contents are displayed on the label in fluid measurements, licensees should confirm with the originating licensee on the appropriate liquid to weight conversion.

The potency values on a label can either <u>exactly match</u> what is reported in Metrc or may be <u>rounded</u> to the nearest tenth.

- <u>For example</u>: for an edible chocolate bar, the Metrc reported potency values shows 49.85 THC. The label can display either 49.85 or 49.9 total THC. Assuming there are 10 servings, the THC per serving can either be shown as 4.985 or 5.0.
- <u>For example</u>: 1 gram of usable marijuana contains 23.32% THC. The label can either display 23.32% THC or 23.3% THC.

## Target Potencies and "0" Values

Approved labels may place a "target potency" on the principal display panel. The potency on the label must be based on the actual lab calculated values. The actual lab calculated values must be within +/-10% of the target potency on the label. Anything outside of this range will be in violation of the packaging and labeling rules as untruthful and misleading. Generic labels may not utilize a "target potency."

- Compliant: The actual lab calculated values on the label show 45mg THC total. The principal display panel shows a "target potency" of 50mg THC.
- Not compliant: The actual lab calculated values on the label show 44.4mg THC total. The
  principal display panel shows a "target potency" of 50mg THC. 10% of 50 is 5. To be
  considered compliant, the lab calculated values can be as high as 55mg THC and as low
  as 45mg THC. Based on the rounding guidance, 44.4 cannot be rounded up to 45mg
  THC. Therefore, 44.4 is outside of the +/- 10% range and is not compliant.

When listing potency values on a label that are reported as zero, licensees should list the value as <u>"<LOQ"</u> not "0". "LOQ" stands for the laboratory's limit of quantification. "<LOQ" indicates there may be trace amounts of THC or CBD in the product.

OLCC and OHA rules impacting this issue and resources:

OAR 845-025-7000(6) Labeling for Sale to a Consumer (Potency Labeling)

OAR 333-007-0360 Sampling and Sample Size Requirements for Compliance Testing

<u>Compliance Bulletin CE2019-05 – Sampling and Testing Procedures for Pre-Rolls</u>

**Sampling and Testing Guide** 

Packaging and Labeling Guide