

For your information

The Oregon Liquor Control Commission has:

- Amended
 Adopted
 Suspended

OAR 845-025-1030
PERMANENT

Effective Date: February 1, 2020

Note: **Bold and underlined** = new text; *~~italics and strikethrough~~* = deleted text

845-025-1030

Application Process

(1) A person may submit an application to the Commission, on a form prescribed by the Commission, for a marijuana producer, processor, wholesaler, retail, or laboratory license.

(2) An application for a license and all documentation required in the application instructions and any requirements of this rule must be submitted in a manner specified by the Commission. The application fee specified in OAR 845-025-1060 must also be paid in a manner specified by the Commission.

(3) The following individuals and legal entities are applicants:

(a) Any individual or legal entity with a financial interest, as defined in these rules, who holds or controls an interest of ten percent or more in the business proposed to be licensed.

(b) Any individual or legal entity that has an ownership interest in the business proposed be licensed as described in OAR 845-025-1045.

(4) If a legal entity is an applicant, the following individuals within a legal entity are also applicants:

(a) All general partners in a limited partnership;

(b) Limited partners whose investment commitment is ten percent or more of the total investment commitment;

(c) All members in a limited liability company or partnership whose investment commitment or membership interest is ten percent or more;

- (d) All managers of a manager-managed limited liability company as that term is defined in ORS 63.001;
 - (e) All directors who own or control three percent or more of the voting stock;
 - (f) Principal Officers of corporate applicants; and
 - (g) All natural person stockholders owning or controlling ten percent or more of the voting stock of a corporate entity.
- (5) An application must include the names and other required information for all individuals and legal entities who are applicants as described in this rule and the names and other required information for all individuals and legal entities who are not applicants but who have a “financial interest” in the business, as defined in OAR 845-025-1015.
- (6) Applicants must submit the following:
- (a) Information or fingerprints for individual applicants and individuals within a legal entity who have been identified as applicants in order to perform a criminal background check in accordance with OAR 845-025-1080;
 - (b) Any forms required by the Commission and any information identified in the form that is required to be submitted;
 - (c) A map or sketch of the premises proposed for licensure, including the defined boundaries of the premises and the location of any primary residence located on the same tax lot as the licensed premises;
 - (d) A scaled floor or plot plan sketch of all enclosed areas with clear identification of walls, partitions, counters, windows, all areas of ingress and egress, and all limited access areas;
 - (e) Proof of right to occupy the premises proposed for licensure;
 - (f) An operating plan that demonstrates at a minimum, how the applicant’s proposed premises and business will comply with the applicable laws and rules regarding:
 - (A) Security;
 - (B) Employee qualifications and training;
 - (C) Transportation of product;
 - (D) Preventing minors from entering the licensed premises; and
 - (E) Preventing minors from obtaining or attempting to obtain marijuana items.

(g) For producers:

(A) The proposed canopy size and tier as described in OAR 845-025-2040 and a designation of the canopy area within the license premises.

(B) A report describing the applicant's electricity and water usage, on a form prescribed by the Commission.

(i) For initial licensure, the report must describe the estimated electricity and water usage taking into account all portions of the premises and expected requirements of the operation for the next twelve months.

(ii) For renewal, the report must describe the actual electricity and water usage for the previous year taking into account all portions of the premises.

(C) A description of the growing operation including growing media, a description of equipment to be used in the production, and whether production will be indoor, outdoor or both.

(D) Proof of a legal source of water as evidenced by:

(i) A copy of a water right permit, certificate, or other water use authorization from the Oregon Water Resources Department;

(ii) A statement that water is supplied from a public or private water provider, along with the name and contact information of the water provider; or

(iii) Proof from the Oregon Water Resources Department that the water to be used for production is from a source that does not require a water right.

(E) If the applicant is not the owner of the premises proposed to be licensed, the applicant must submit a form, prescribed by the Commission, signed by the owner of the premises that states the owner consents to the production of marijuana on the premises.

(h) For processors:

(A) On a form prescribed by the Commission, the proposed endorsements as described in OAR 845-025-3210.

(B) A description of the type of products to be processed, a description of equipment to be used, including any solvents, gases, chemicals or other compounds used to create extracts or concentrates.

(7) In addition to submitting the application form and the items described in section (5) of this rule, the Commission may require the following to be submitted:

(a) For an individual identified as a person with a financial interest, who holds or controls an interest of less than ten percent in the business proposed to be licensed:

(A) Information or fingerprints for a criminal background check in accordance with OAR 845-025-1080; and

(B) Any forms required by the Commission and any information identified in the form that is required to be submitted.

(b) For a legal entity that is identified as having a financial interest of less than ten percent of the business proposed to be licensed:

(A) Information or fingerprints for any individual within the legal entity for a criminal background check in accordance with OAR 845-025-1080; and

(B) Any forms required by the Commission and any information identified in the form that is required to be submitted.

(c) Any additional information if there is a reason to believe that the information is needed to determine the merits of the license application.

(8) The Commission must review an application to determine if it is complete. An application may be considered incomplete if an application form is not complete, the full application and license fee has not been paid, or some or all of the additional information required under these rules is not submitted.

(9) An applicant may submit a written request for reconsideration of a decision that an application is incomplete. Such a request must be received by the Commission within ten days of the date the incomplete notice was mailed to the applicant. The Commission shall give the applicants the opportunity to be heard if an application is rejected. A hearing under this subsection is not subject to the requirements for contested case proceedings under ORS 183.310 to 183.550.

~~(10) If, prior to an application being acted upon by the Commission, there is a change with regard to who is an applicant or who is a person with a financial interest in the proposed business, the new applicant or person with a financial interest must submit a form, prescribed by the Commission, that:~~

~~(a) Identifies the individual or person;~~

~~(b) Describes the individual's or person's financial interest in the business proposed for licensure; and~~

~~(c) Includes any additional information required by the Commission, including but not limited to information and fingerprints required for a criminal background check.~~

(10) Failure to comply with subsection (8) of this rule may result in an application being denied.

Statutory/Other Authority: ORS 475B.025 & ORS 475B.040

Statutes/Other Implemented: ORS 475B.040, 475B.045, 475B.060, 475B.070, 475B.090, 475B.100, 475B.105 & 475B.560, **2019 OL CH. 145**