

# Memo

**TO:** To Whom It May Concern

**FROM:** Bryant Haley, Administrative Policy & Process Division

**DATE:** October 23, 2015

**RE:** Commission Action on Rules, October 2015 Commission Meeting

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On October 22, 2015, the Oregon Liquor Control Commission took the following rulemaking action(s):

## **INITIAL ACTION**

- **License Application Fee Package** (amend 845-005-0312 & 845-005-0314)

HB 2480 passed in the 2015 Oregon legislative session with an effective date of January 1, 2016. It makes several changes to how the Commission processes applications. Specifically, HB 2480 authorizes the OLCC to charge an application fee for a new license or a change of ownership. Further, HB 2480 requires a refund of the application fee if no license decision is proposed by the OLCC within 75 days.

**Action:** The Commission initiated rulemaking to amend 845-005-0312 & 845-005-0314).

## **INITIAL & TEMPORARY ACTION**

- **Marijuana Rules Package (845-005-1000 to 845-025-8950)**

On November 4, 2014, Oregon voters passed the “Control, Regulation and Taxation of Marijuana and Industrial Hemp Act of 2014” (“Measure 91”). This measure effectively decriminalizes certain aspects of the production, sale and personal use of recreational marijuana within the state. From approximately January through June 2015, the Oregon legislature considered numerous pieces of legislation to revise Measure 91. On June 30, 2015, Oregon’s Governor Kate Brown signed House Bill 3400 (“HB 3400”) into law, which amended a majority of Measure 91’s provisions. Further, HB 3400 effectively set the scope of the Commission’s authority and responsibilities to implement a recreational marijuana regulatory system.

HB 3400 directed the Commission to, no later than January 1, 2016, adopt administrative rules that govern the legal market for marijuana products in

Oregon, and protect the health and safety of the public. Specifically, HB 3400 charges the Commission to adopt rules designed to prevent:

1. The distribution of marijuana to minors;
2. Revenue from the sale of marijuana from going to criminal enterprises, gangs and cartels;
3. The diversion of marijuana from this state, where it is legal under state law, to other states;
4. State-authorized marijuana activity from being used as a cover or pretext for the trafficking of other illegal drugs or other illegal activity;
5. Violence and the use of firearms in the cultivation and distribution of marijuana;
6. Drugged driving and the exacerbation of other adverse public health consequences associated with marijuana use;
7. Growing of marijuana on public lands and the attendant public safety and environmental dangers posed by marijuana production on federal lands; and;
8. Marijuana possession or use on federal property.

**Action:** The Commission initiated rulemaking and approved the temporary rules to become effective January 1, 2016.

Attached please find copies of the related rulemaking documents. For your convenience, all attachments are in PDF format.