

What you need to know about Oregon's Recreational Marijuana Law

FREQUENTLY ASKED QUESTIONS

RECREATIONAL MARIJUANA IN GENERAL

Q: What is the purpose of legalizing recreational marijuana?

A: As stated in Measure 91, the purpose of the Act is to:

- Eliminate the problems caused by the prohibition and uncontrolled manufacture, delivery, and possession of marijuana within this state;
- Protect the safety, welfare, health, and peace of the people of this state by prioritizing the state's limited law enforcement resources in the most effective, consistent, and rational way;
- Permit persons licensed, controlled, regulated, and taxed by this state to legally manufacture and sell marijuana to persons 21 years of age and older, subject to the provisions of this Act;
- Ensure that the State Department of Agriculture issues industrial hemp licenses and agricultural hemp seed production permits in accordance with existing state law;
- Establish a comprehensive regulatory framework concerning marijuana under existing state law.

Q: What does Measure 91 do?

A: Measure 91 allows Oregonians to grow limited amounts of marijuana on their property and to possess personal limited amounts of recreational marijuana for personal use beginning July 1, 2015 under Oregon law. The measure also gives OLCC authority to tax, license and regulate recreational marijuana grown, sold, or processed for commercial purposes. The OLCC does not regulate the home grow/personal possession provisions of the law. Nor does it regulate the sale of small amounts of recreational marijuana through medical marijuana dispensaries starting October 1. The OLCC will begin accepting applications for growers, wholesalers, processors and retail outlets on January 4, 2016.

Q. When will Measure 91 go into effect?

A. The home grow/personal possession provisions of the measure started on July 1, 2015. Sales of small amounts of recreational marijuana through medical marijuana dispensaries will begin October 1. The OLCC will begin issuing commercial recreational marijuana licenses to growers, wholesalers, processors and retail outlets in 2016.







Q. Who will implement the initiative?

A. The initiative designates the Oregon Liquor Control Commission as the state agency that will regulate the commercial growing and selling of recreational marijuana. It also gives the OLCC authority to license and regulate commercial recreational marijuana operations. The OLCC has no authority to regulate or enforce the home grow/personal possession provisions of the law.

Q: How can I get a job with OLCC in the new marijuana program?

A: OLCC posts job opportunities on the <u>www.oregonjobs.org</u> website. Interested applicants can fill out a <u>Job Interest Card</u> to receive email alerts about job openings at OLCC. You can also <u>sign up</u> <u>for email alerts</u> about OLCC job opportunities through our website.

Q: Has Measure 91 been changed from what voters approved?

A: Yes. The 2015 session of the Oregon Legislature made technical changes to Measure 91. It also authorized the sale of small amounts of recreational marijuana through medical marijuana dispensaries starting October 1. The Legislature also changed the way recreational marijuana is taxed. Instead of the OLCC imposing the tax at the grower level, it will be imposed at the retail level and collected by the Department of Revenue.

Q: Where can I get more information?

A: As updates occur and information is available, we will share that information with you on this website. To keep up to date, <u>click here</u>.

Q: What if I have additional questions?

A: Please send additional questions to marijuana@oregon.gov.

MEDICAL MARIJUANA

Q. What impact does the new recreational marijuana law have on the current Medical Marijuana Program?

A. Beginning in 2016 medical marijuana growers may apply for an OLCC license to sell their excess product into the recreational market. Beginning in October 2015, medical dispensaries can sell a one quarter ounce of marijuana flower to any adult over the age of 21. This provision sunsets on December 31, 2016.

Q. Should I get a new OMMP card or renew my existing card?

A. Only you as an individual can determine answer that question. The OLCC cannot advise you about if or how to make that determination on this matter.

Q: What is the difference between recreational marijuana and medical marijuana?

A: Medical marijuana is for patients with qualifying medical conditions. Recreational marijuana, whether grown at a residence, obtained free from an acquaintance, or purchased legally is for personal use for adults 21 years of age or older. For more information on medical marijuana see www.mmj.oregon.gov.

PERSONAL USE

Q: When can I smoke/use recreational marijuana?

A: As of July 1, 2015, Oregonians are allowed to grow up to four plants on their property, possess up to eight ounces of usable marijuana in their homes and up to one ounce on their person. Recreational marijuana cannot be sold or smoked in public. For more information go to:

www.whatslegaloregon.com.

Q: Where and when can I buy marijuana?

A: Limited amounts of recreational marijuana will be available for purchase through medical marijuana dispensaries starting October 1, 2015. Retail stores licensed by the OLCC will open sometime in the second half of 2016.

Q: Where and when can I buy edibles and extracts?

A: Edibles will eventually be available at retail outlets licensed by the OLCC, hopefully at the same time that the stores open in the second half of 2016.

Q: Is synthetic marijuana legal?

A: No, the Oregon Board of Pharmacy has voted to ban sale and possession of synthetic marijuana. Synthetic marijuana is comprised of a number of different chemicals, none of which are derived from the plant Cannabis family Cannabaceae, any part of the plant Cannabis family Cannabaceae and the seeds of the plant Cannabis family Cannabaceae. The chemicals contained in synthetic marijuana have been added to the Oregon Board of Pharmacy's list of controlled substances.

Q: How much marijuana can I have?

A: As of July 1, 2015, recreational marijuana users can possess up to eight ounces of useable marijuana and four plants per residence in Oregon. An individual can carry up to one ounce in public, but smoking using marijuana in public is prohibited.

Q: What is meant by "useable" marijuana?

A: Useable marijuana refers to dried marijuana flowers or leaves. In other words, marijuana that is ready to smoke.

Q: Can I grow marijuana at home and when?

A: Yes, with limits. As of July 1, 2015, Oregonians can home grow up to four plants per residence, regardless of how many people live in the residence. Four adults in one residence does not mean 16 plants. The limit is four per residence.

Q: Where can I obtain marijuana seeds or starts after July 1, 2015?

A: The OLCC can provide no guidance on that issue.

Q. Can a landlord tell tenants not to grow recreational marijuana or smoke it rental units?

A. Measure 91 does not affect existing landlord/tenant laws.

Q: What if an employer requires drug testing?

A: Measure 91 does not affect existing employment law. Employers who require drug testing can continue to do so.

Q: Can I smoke marijuana in a bar/restaurant?

A: No. Marijuana cannot be smoked or used in a public place. The OLCC considers any establishment with a state liquor license to be public, including patios or decks set aside for smokers. Allowing marijuana use on may put an establishment's liquor license in jeopardy.

Q: What is the definition of a public place?

A: Measure 91 defines a public place as "a place to which the general public has access and includes, but is not limited to, hallways, lobbies, and other parts of apartment houses and hotels not constituting rooms or apartments designed for actual residence, and highways, streets, schools, places of amusement, parks, playgrounds and premises used in connection with public passenger transportation."

Q: Who can smoke recreational marijuana? What is the minimum age?

A: As of July 1, 2015, anyone 21 years of age and older can consume recreational marijuana in Oregon. Marijuana use or possession of recreational marijuana by anyone under 21 years of age is illegal. That includes home consumption.

Q: Who will enforce recreational marijuana laws?

A: Enforcement of the home grow/personal possession provisions of Measure 91 will be at the discretion of local jurisdictions, the state police and possibly other law enforcement agencies. The OLCC is responsible for enforcement actions against businesses that the OLCC licenses to grow, process, wholesale and sell recreational marijuana and related products.

Q: How much will recreational marijuana cost?

A: The retail price of recreational marijuana will be determined through a competitive marketplace.

Q: Can Oregon recreational marijuana be taken to the state of Washington where it is also legal?

A: No. Taking marijuana across state lines is a federal offense.

Q: Is it legal to possess or use recreational marijuana on Federal or Tribal land in Oregon?

A: No. It is illegal until either the Federal government or Tribes take action otherwise.

Q: How will children be protected from recreational marijuana and marijuana products?

A: Measure 91 prohibits the sale of recreational marijuana to anyone under the age of 21. The act also gives OLCC authority to regulate or prohibit advertising. In writing the rules necessary to implement the new law, the OLCC may also regulate packages and labels to ensure public safety and prevent appeal to minors.

Q: Can I get a DUII while under the influence of marijuana?

A: Yes. Current laws for DUII have not changed. Driving under the influence of intoxicants (DUII) refers to operating a motor vehicle while intoxicated or drugged, including impairment from the use of marijuana. In addition, Measure 91 requires OLCC to examine, research and present a report to the Legislature on driving under the influence of marijuana. The OLCC will do this in conjunction with the Department of Justice Criminal Investigation Division and Oregon State Police.

Q: Can I lose my job for using marijuana?

A: That depends on who you work for and what your employers says about the use of marijuana by employees. Passage of Measure 91 does not change existing employment law in Oregon.

Q: Where will marijuana stores be located?

A: Marijuana retailers may not be located within 1000 feet of a school. All licensed business must be located in an area that is appropriately zoned. Also, local jurisdictions have authority to adopt reasonable regulations regarding the location of marijuana businesses, including regulations requiring that the businesses be located no more than 1000 feet from one another. To keep up to date, click here.

Q: What impact does the new recreational marijuana law have on the current Medical Marijuana Program?

A: Beginning in 2016, medical marijuana growers may apply for an OLCC license to sell their excess product into the recreational market. Beginning in October 2015, medical dispensaries can sell a one-quarter ounce of marijuana flower to any adult over the age of 21. This provision sunsets on December 31, 2016.

Q: Who collects the tax on recreational marijuana?

A: Taxes on recreational marijuana will be collected by the Oregon Department of Revenue at the retail level.

Q: How is Washington state's recreational marijuana law different than Oregon's? A: See Oregon/Washington/Colorado Comparison

LICENSING

Q: What licenses will be available?

A: The measure lists four types of recreational marijuana licenses: Producer, Processor, Wholesaler, and Retail. A producer is also known as the grower. A processor is a business that will transform the raw marijuana into another product or extract. Processors are also responsible for packaging and labeling of recreational marijuana. A wholesaler is a business that buys in bulk and sells to resellers rather than to consumers. A retailer is a business that sells directly to consumers. The Oregon Legislature also created a license for the laboratories that test marijuana. The OLCC will issue licenses to labs that are certified by the Oregon Health Authority.

Q: When will the OLCC begin accepting license applications?

A: The OLCC will begin accepting license applications for recreational marijuana on January 4, 2016. It will be an online-only application process.

Q. How will OLCC decide who to grant or deny license applications?

A. Undetermined at this point. The OLCC is in the process of writing the rules necessary to implement Measure 91. The agency has appointed an advisory committee that will write the rules and send its recommendations to the Commission sometime this fall for approval.

Q. If I want to apply for a recreational marijuana license, what should I do now?

A. Be patient. The OLCC won't be accepting applications until January 4, 2016. In the meantime, to keep up to date on process, <u>click here</u>.

Q: How much are the licensing fees?

A: Undetermined at this point. Measure 91 established an annual license fee of \$1,000 plus a non-refundable application fee of \$250 per license application. However, the Oregon Legislature made the determination that license fees need to cover the cost of the recreational marijuana program. That means fees are likely to be higher than what Measure 91 envisioned, but how much higher remains to be seen.

Q: How many licenses can I have?

A: A licensee may hold multiple licenses and multiple license types.

Q: Can an out-of-state resident hold an Oregon recreational marijuana license?

A: There is a two-year state residency requirement for all recreational license applicants. See <u>House Bill 3400</u> for more information.

Q: Who will be eligible for a marijuana license?

A: Anyone over 21 years of age and older will be eligible for a recreational marijuana license if they meet certain conditions outlined in section 29 of Measure 91. Under those conditions, the OLCC may refuse a license if it believes the applicant:

- Is in the habit of using alcoholic beverages, habit-forming drugs, marijuana, or controlled substances to excess.
- Has made false statements to the commission.
- Is incompetent or physically unable to carry on the management of the establishment proposed to be licensed.
- Has been convicted of violating a general or local law of this state or another state, or of violating a federal law, if the conviction is substantially related to the fitness and ability of the applicant to lawfully carry out activities under the license.
- Has maintained an insanitary establishment.
- Is not of good repute and moral character.
- Did not have a good record of compliance with sections 3 to 70 of this Act or any rule of the commission adopted pursuant thereto.
- Is not the legitimate owner of the business proposed to be licensed, or other persons

- have ownership interests in the business which have not been disclosed.
- Is not possessed of or has not demonstrated financial responsibility sufficient to adequately meet the requirements of the business proposed to be licensed.
- Is unable to understand the laws of Oregon relating to marijuana or the rules of the commission.

Q: What if my city/county wants to go "dry?"

A: Measure 91 states that local governments may not prohibit licenses in their jurisdiction except with a vote at a general election. Measure 91 allows local governments to adopt reasonable time, place and manner restrictions to regulate public nuisance. The Oregon Legislature created an additional provision that allows certain local governments to opt out of the program depending on how the jurisdiction voted on Measure 91.

Q: What kinds of testing will OLCC require?

A: Undetermined at this point. Under Measure 91, the OLCC has the authority to set testing requirements, but this is a policy question that will be determined during the rule-making process.

RETAIL STORES

Q: When will marijuana stores be open?

A: Undetermined at this point, but the most likely time is during the third quarter of 2016.

Q: Will the OLCC distribute marijuana out of a central warehouse?

A: No. Marijuana will be distributed by those who hold an OLCC recreational marijuana license.

Q: Will there be a quota for how many retail outlets will be allowed?

A: The measure does not specifically address the number of retail outlets allowed. Specifics for licensing retail outlets will be part of the rule-making process that is currently underway.

Q: What will OLCC be doing to get ready for marijuana-related businesses?

A: The OLCC has held listening sessions throughout the state to gain a better understanding of what Oregonians expect in the implementation of Measure 91. In addition to getting legislative approval of the marijuana budget for 2015-17 and preparing to hire staff for the program, the OLCC has also selected a vendor to build the online application process and selecting a second vendor for the traceability (seed-to-sale) system to track recreational marijuana. The OLCC has appointed an advisory committee to help write the rules necessary to implement Measure 91 and several subgroups to address specific issues. The goal is have the rules adopted by October or November of this year, after which the agency will hold seminars around the state to familiarize people with the application process in advance of accepting applications on January 4, 2016.

TAXES

Q: How much are the taxes on recreational marijuana?

A: When recreational marijuana is sold in recreational stores, the taxes will range from 17 to 20

percent. The legislature set the base tax rate at 17 percent, however, they made provisions under certain circumstances for cities and counties to add up to an additional 3 percent tax. The retailer can retain 2 percent of the tax to cover their expenses. The tax will be 25 percent for the limited time that recreational marijuana will be sold in medical dispensaries. Recreational sales in medical dispensaries are slated to start on October 1, 2015, and end on December 31, 2016. The tax will be imposed on sales after January 4, 2016.

Q: How much money will marijuana bring in taxes?

A: The OLCC estimates \$10.7 million in revenue for the 2015-2017 biennium.

Q: Where will the tax money go?

A: Measure 91 provides distribution of revenue after costs to the following:

- 40 percent to Common School Fund
- 20 percent to Mental Health Alcoholism and Drug Services
- 15 percent to State Police
- 10 percent to Cities for enforcement of the measure
- 10 percent to Counties for enforcement of the measure
- 5 percent to Oregon Health Authority for alcohol and drug abuse prevention