Recreational Marijuana Program

Compliance Education Bulletin

Bulletin CE2021-04

December 28, 2021

OLCC Marijuana License Holder

The Oregon Liquor and Cannabis Commission (OLCC) is providing the following information to recreational marijuana licensees, applicants, Oregon Department of Agriculture (ODA) hemp handlers and growers, and hemp vapor item manufacturers.

The bulletin is part of OLCC's compliance education. <u>It is important that you read it, and understand it.</u> If you don't understand it, please contact the OLCC for help.

Marijuana licensees, ODA hemp handlers and growers, and hemp vapor item manufacturers are responsible for reading, understanding, and complying with all applicable rules. This bulletin does not supersede any OLCC rule. Failure to understand and follow the rules referenced in this bulletin *could result in an OLCC administrative violation and/or civil penalty.*

Bulletin CE2021-04 covers the following issues:

- New & Updated Definitions in Division 25;
- Artificially Derived Cannabinoids: Non-OLCC Marketplace;
- Artificially Derived Cannabinoids: OLCC Marketplace;
- Packaging and Labeling Changes;
- Packaging and Labeling: Artificially Derived Cannabinoids;
- Recreational and Medical Marijuana Concentration Limits, Scoring & Labeling;
- Hemp Concentration Limits: OLCC Marketplace;
- Hemp Concentration Limits: Non-OLCC Marketplace;
- Changes to License Privileges;
- Changes to Retailer Delivery;
- Miscellaneous Changes to Division 25; and
- Industrial Hemp-derived Vapor Items: Testing & Labeling

The below summary highlights major rule changes that may affect compliance with certain rule requirements. **This summary is not a comprehensive list of all changes**.

Questions regarding the contents of this bulletin may be sent to <u>marijuana@oregon.gov</u> unless otherwise noted in each section.

New & Updated Definitions in Division 25

The new definitions are summarized below, the exact definitions are found in OAR 845-025-1015.

• Artificially Derived Cannabinoid: Refers to semi-synthetic cannabinoids created from chemical reactions with cannabis-extracted substances. Common examples include Delta-8-THC or CBN made from CBD. This does not include decarboxylation of cannabinoids with heat.

- **Common Ownership:** The existing definition was amended to match the definition of "commonly owned" in <u>Oregon Laws 2021, Chapter 397</u> (SB 408).
- Industrial Hemp-derived Vapor Item: This definition comes from <u>Oregon Laws 2021, Chapter</u> <u>646</u> (SB 96), which gives OLCC authority to require testing and labeling of hemp vape products that are sold outside of the OLCC-licensed system.
- Inhalant Delivery System: A term related to vape devices and components of vape devices.
- Total Delta-9-Tetrahydrocannabinol or Total Delta-9-THC: This matches the definition used elsewhere in rule.

Additionally, the definitions of several cannabinoids were added, including chemical names and CAS numbers.

Artificially Derived Cannabinoids: Non-OLCC Marketplace

Outside the OLCC-licensed marijuana marketplace, **sale of any artificially derived cannabinoids to consumers will be prohibited effective July 1, 2022**. <u>OAR 845-026-0300</u> already prohibits the sale of any product containing artificially derived cannabinoids to minors.

This rule change does not impact export of hemp products from Oregon. A business that wishes to export hemp-derived artificially derived cannabinoids, or products containing hemp-derived artificially cannabinoids to a person other than a consumer can continue to do so.

Artificially Derived Cannabinoids: OLCC Marketplace

New rules explicitly address artificially-derived cannabinoids within the OLCC marketplace.

OAR 845-025-1310

This rule specifies the circumstances where a licensee may transfer, sell, transport, purchase, accept, return, or receive artificially derived cannabinoids or products that contain artificially derived cannabinoids. There are essentially three situations where this is allowed:

- Until July 1, 2022, licensees can continue to transfer, sell, transport, purchase, accept, return, or receive artificially derived cannabinoids and products containing artificially derived cannabinoids so long as:
 - It is manufactured by a Processor or received by a licensee from a Commission-certified hemp handler before January 1, 2022; and
 - Those cannabinoids or products otherwise comply with OLCC rules.

This effectively allows a six month sell-through for artificially-derived cannabinoids and products already in the OLCC system. <u>After July 1, 2022, intoxicating artificially-derived cannabinoids,</u> including Delta-8-THC, are prohibited both inside and outside the OLCC market.

- Until July 1, 2023, licensees within the OLCC system can continue to transfer, sell, transport, purchase, accept, return, or receive artificially derived cannabinol (CBN) and products containing artificially derived CBN as long as:
 - The product is not intended for human inhalation;

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- The CBN was manufactured in a facility with an ODA food safety license by an OLCC Processor or ODA Hemp Handler; and
- The artificially-derived CBN products are going to be sold at an OLCC licensed Retailer.
- Licensees can continue to transfer, sell, transport, purchase, accept, return, or receive artificially derived cannabinoids and products containing artificially derived cannabinoids as long as:
 - The artificially derived cannabinoid is not impairing or intoxicating;
 - The cannabinoid or product is not intended for human inhalation;
 - The artificially derived cannabinoid was manufactured in a facility with an ODA food safety license by an OLCC Processor or ODA Hemp Handler;
 - The artificially derived cannabinoid has been reported as a naturally-occurring component of the plant Cannabis family Cannabaceae in at least three peer-reviewed publications; and
 - The manufacturer of the artificially derived cannabinoid provides OLCC with:
 - A "Generally Recognized as Safe" (GRAS) determination for the artificial cannabinoid;
 - A Food and Drug Administration (FDA) letter responding to a GRAS notice for the artificially derived cannabinoid manufactured by the same method that the manufacturer uses, affirming that FDA has no questions about the notice; or
 - An FDA letter of acknowledgement with no objections in response to a New Dietary Ingredient (NDI) notification for the artificially derived cannabinoid manufactured by the same method that the manufacturer uses.
- Beginning July 1, 2022, all products containing artificially derived cannabinoids must comply with new labeling requirements for products containing artificially derived cannabinoids (see OAR 845-025-7140 and page 5 of this Compliance Bulletin).

Regardless of whether they fit into one of those situations, licensees cannot transfer, sell, transport, purchase, accept, return, or receive artificially derived cannabinoids that are a controlled substance in Oregon under OAR Chapter 855, Division 80. The Oregon Board of Pharmacy is responsible for maintaining Oregon's schedule of controlled substances. At this point, OLCC is not aware of Board of Pharmacy determining that any artificially derived cannabinoids are controlled substances. If the Board makes such a determination, licensees will not be eligible to transfer or receive the affected artificially derived cannabinoids.

Here is some additional information about what this means for particular categories of products:

- Concentrates or Extracts processed with Color Remediation Column (CRC): OLCC is aware that
 some Processors treat concentrates or extracts with reactive materials like bleaching clay.
 Bleaching clay reacts with the cannabinoids in a concentrate or extract to generate artificially
 derived cannabinoids. Concentrates or extracts processed in this manner prior to January 1,
 2022 can continue to be sold until July 1, 2022. Concentrates or extracts processed in this
 manner on or after January 1, 2022 are <u>not eligible</u> for transfer to other licensees.
- Delta-8-THC: Until July 1, 2022, a licensee may transfer, sell, transport, purchase, possess, accept, return, or receive any marijuana or hemp item containing artificially derived Delta-8-THC if it was <u>manufactured before January 1, 2022</u> and meets the other requirements of <u>OAR 845-025-1310(3)</u>.

- **Delta-9-THC:** Artificially derived Delta-9-THC (e.g. Delta-9-THC manufactured from CBD) is not eligible to be transferred under these rules.
- "THCO," HHC, etc.: OLCC is aware of a variety of novel artificially derived cannabinoids being sold online in the hemp market. We are not aware of any of these products currently being sold in the OLCC market because they are generally prohibited by <u>OAR 845-025-3220(3)</u>. Sale of these artificially derived cannabinoids will continue to be prohibited because they are impairing or intoxicating so they cannot meet the requirements in <u>OAR 845-025-1310(1)</u>.
- CBN: All existing artificially derived CBN products manufactured prior to January 1, 2022 can continue to be sold until July 1, 2022. Beginning July 1, 2022, artificially derived CBN products made prior to January 1, 2022 can only continue to be sold if they meet the requirements of OAR 845-025-1310(3) and the labeling requirements in OAR 845-025-7140. Artificially derived CBN products made on or after January 1, 2022 also need to meet the requirements of OAR 845-025-1310(3) and, beginning July 1, 2022, comply with the labeling requirements in OAR 845-025-7140. Beginning July 1, 2023, any artificially derived CBN products must meet the same requirements as any other artificially derived cannabinoid. See OAR 845-025-1310(1).

This rule does not prohibit a Processor from manufacturing artificially derived cannabinoids as long as the processing otherwise complies with OLCC rules and Oregon law. That manufacturing is effectively limited to research and development purposes only unless the artificially derived cannabinoid complies with <u>OAR 845-025-1310(1)</u>. The Processor cannot allow any artificially derived cannabinoids to leave their licensed premises except in accordance with <u>OAR 845-025-1310</u>.

Questions related to these rules should be sent to <u>olcc.hemp@oregon.gov</u>.

Packaging and Labeling Changes

There are several notable changes to the packaging and labeling rules:

- On and after January 1, 2022, usable marijuana and hemp (including "plain pre-rolls") are no longer required to be in child resistant packaging before leaving a Retailer; this would include an exit package. Licensees may still use child resistant packaging for usable marijuana and hemp. Note that approved labels must accurately list what package they are using and licensees may need to update their label applications. See <u>OAR 845-025-7020(2)</u>.
- OAR 845-025-7030(3) was amended to clarify that if the package or container is 1.75 inches or less in height and has a lid with a width of 2 inches or less, then the principal display panel must be on the top of the lid. This requirement is mandatory <u>on or after July 1, 2022</u> for generic labels and labels subject to pre-approval.
- <u>OAR 845-025-7160(8)</u> was amended to allow a marijuana Wholesaler or Retailer with an approved label for usable marijuana or usable hemp to change the Producer's business name, trade name, or license number without resubmission and pre-approval. This permission *only* applies to usable marijuana and usable hemp labels.

Packaging and Labeling: Artificially Derived Cannabinoids

If a marijuana or hemp item contains an artificially derived cannabinoid that is allowed by rule, there are several notable changes to the labeling rules and deadlines.

- <u>On or after July 1, 2022</u>, licensees may no longer use a generic label for marijuana or hemp items that contains an artificially derived cannabinoid allowed by <u>OAR 845-025-1310</u>. See <u>OAR 845-025-7000(22)</u>.
- On or after July 1, 2022, a label for a marijuana or hemp item that contains an artificially derived cannabinoid allowed by rule must include in the product identity the words "artificially derived cannabinoid". For example, "Hemp Tincture with an Artificially Derived Cannabinoid" or "Marijuana Edible with Artificially Derived Cannabinoids." If the applicable labeling rule requires an ingredient listing, the ingredient listing must identify any artificially derived cannabinoid by its full name and use the words "artificially derived" in the description of the specific ingredient. For example, "Artificially derived cannabinol hemp extract." See <u>OAR 845-025-7140</u>.
- As part of the label submission process, <u>OAR 845-025-7160(1)(D)</u> was created to require additional submission materials for label applications for marijuana or hemp items that contain an artificially derived cannabinoid allowed by rule. Licensees must submit the applicable FDA or GRAS documentation required by <u>OAR 845-025-1310(1)</u>, a copy of the food establishment license issued by ODA to the manufacturer of the artificially derived cannabinoid, and, using the <u>Artificially Derived Cannabinoid Label Application Form</u>, supply the citations to the peer reviewed studies required by <u>OAR 845-025-1310(1)</u>.
- There is a limited label "sell down" period. A marijuana or hemp item that contains an artificially derived cannabinoid allowed by <u>OAR 845-025-1310</u> and is sold or transferred <u>on or after July 1,</u>
 <u>2022</u>, must have a label that has been pre-approved by the OLCC according to the new rules. See <u>OAR 845-025-7190</u>.

Questions related to the changes in these rules should be sent to <u>marijuana.packaging@oregon.gov</u>.

Recreational and Medical Marijuana Concentration Limits, Scoring, & Labeling

OLCC now sets the serving size and concentration limits for marijuana items. The Oregon Health Authority (OHA) formerly set these limits. <u>OAR 845-026-0210</u> contains the recreational marijuana item concentration and serving size limits and <u>OAR 845-026-0220</u> contains the medical concentration limits (the medical limits have not been changed). There are several notable modifications to the recreational limits:

- On or after April 1, 2022, marijuana edibles can now have up to 100 mg THC in the package and up to 10 mg THC per serving;
- On or after January 1, 2022, marijuana transdermal patches can now have up to 100 mg THC in the package and up 10 mg THC per serving; and
- On or after January 1, 2022, marijuana concentrates and extracts can now have up to 2,000 mg THC in the package (there is no serving size limitation).

Before April 1, 2022, marijuana edibles can have up to 50 mg THC in the package and 5 mg THC per serving. This is the same concentration and serving size limit previously set by OHA. When the increased potency limit becomes operative on April 1, 2022, it does not require marijuana edibles to have 100 mg THC in the package or 10 mg THC per serving; these allowances are optional.

OAR 845-026-0210 Table 1

RETAIL ADULT USE CANNABIS CONCENTRATION AND SERVING SIZE LIMITS					
Type of Marijuana Item	Maximum Amount of Total Delta-9-THC Per Serving	Maximum Concentration or Amount of Total Delta- 9-THC in a Container			
Cannabinoid Product – Edibles	Before April 1, 2022: 5 mg On or after April 1, 2022: 10 mg	Before April 1, 2022: 50 mg On or after April 1, 2022: 100 mg			
Cannabinoid Product – Topicals	N/A	6%			
Cannabinoid Product – Transdermal Patches	10 mg	100 mg			
Cannabinoid Product – Tinctures	N/A	1,000 mg			
Cannabinoid Product – Capsules	10 mg	100 mg			
Cannabinoid Concentrates or Extracts	N/A	2,000 mg			
Cannabinoid Products Other than Cannabinoid Edibles, Topicals, Tinctures, Capsules, or Transdermal Patches and Not Intended for Human Consumption	N/A	1,000 mg			
Cannabinoid Products Other than Cannabinoid Edibles, Topicals, Tinctures, Capsules, or Transdermal Patches and Intended for Human Consumption; or Cannabinoid Suppositories	Before April 1, 2022: 5 mg On or after April 1, 2022: 10 mg	Before April 1, 2022: 5 mg On or after April 1, 2022: 10 mg			

If a marijuana edible is **solid and exceeds 55 mg THC in the** <u>container</u>, it <u>must</u> be scored. "Serving diagrams" (visual examples on the label of how to portion) will not be allowed for edibles that exceed 55 mg THC in the container. If the edible is solid, but is incapable of being scored due to its texture or consistency, then the scoring requirement does not apply. This exception is *very limited* and is based solely upon the physical characteristics of the edible (e.g. powders or a viscous solid like honey). See <u>OAR 845-026-0210</u>.

"Scored" is defined in <u>OAR 845-026-0100(45)</u> and means "to **permanently physically** demark a cannabinoid edible in a way that enables a reasonable person to: (a) **intuitively determine** how much of the product constitutes a single serving; and (b) **easily physically separate** the edible into single servings either by hand or with a common utensil, such as a knife" (emphasis added). Examples of "scored" would include:

- Loose gummies in a package where each gummy contains up to 10 mg THC per serving;
- 100 mg THC chocolate bar that is physically demarked into up to 10 mg THC servings and can be portioned by hand or a knife; or
- An individual cake or brownie bite that contains up to 10 mg THC per serving.

If the edible is solid and does not exceed 55 mg THC in the package, the item may be sold and packaged with a measuring device that measures single servings, or placed in packaging that clearly enables a consumer to determine when a single serving has been consumed (e.g. a "serving diagram" on the

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label). For edibles that are liquids, the OLCC has not changed any requirements previously implemented by OHA.

Label applications must be accompanied by a <u>photograph of the edible</u>. Licensees should provide clear and accurate photos of the edible in their submission materials. Licensees with existing approved edible labels may utilize their existing label applications for edibles that exceed 55 mg THC in the package. Most changes to the label do require resubmission and pre-approval. For example, **a change in serving size or an increase of the "target potency" on the front from 50 to 100 mg THC would require resubmission and pre-approval**. See <u>OAR 845-025-7160(8)</u> for what can be changed on a label without resubmission and pre-approval. If you have questions about packaging and labeling compliance, email <u>marijuana.packaging@oregon.gov</u>.

Hemp Concentration Limits: OLCC Marketplace

The concentration limits for hemp products in the OLCC marketplace have been amended to allow larger amounts of THC in several categories of hemp products, including topicals. See <u>OAR 845-025-2760</u>.

Previously, hemp topicals were limited to no more than 10 mg total THC per container. These rules remove that milligram cap and instead allow hemp topicals to contain up to 0.3% total THC by weight.

THC CONCENTRATION LIMITS FOR INDUSTRIAL HEMP AND HEMP ITEMS					
	Maximum Amount	Maximum Amount	Maximum		
Category of Hemp or Hemp Item	of Total Delta-9-	of Total Delta-9-	Concentration of		
	THC Per Serving	THC per Container	Total Delta-9-THC		
Harvested Industrial Hemp	N/A	NA	1%		
Usable Hemp	N/A	NA	1%		
Hemp Concentrates or Extracts	N/A	100 mg	5%		
Hemp Cannabinoid Product – Tincture	N/A	100 mg	1%		
Hemp Cannabinoid Product – Topical	N/A	NA	0.3%		
Hemp Cannabinoid Products Other than Tinctures or Topicals	2 mg	20 mg	1%		

OAR 845-025-2760 Table 1

Hemp Concentration Limits: Non-OLCC Marketplace

In 2021, the Oregon Legislature directed OLCC to establish two sets of concentration and serving size limits on hemp products sold outside of the OLCC market: one limiting how much THC and other cannabinoids can be present in a product sold to minors under 21 years of age, the other limiting how much THC and other cannabinoids can be present in a product sold to adults age 21 and over.

Sales to Minors

A hemp product can be sold to minors as long as it contains **less than 0.5 mg total THC** or other adult use cannabinoids, and does not contain any artificially derived cannabinoids. Any product sold to minors must be compliance tested in accordance with ORS 571.330 or 571.339, and the testing must be adequate to demonstrate that there is less than 0.5 mg THC in the item. See <u>OAR 845-026-0300</u> and the

Information on No Sales to Minors that was previously released by OLCC, OHA, and ODA for additional details.

Sales to Adults

<u>OAR 845-026-0400</u> establishes concentration and serving size limits for hemp products sold to consumers. The limits for usable hemp (smokable hemp flower, including plain unflavored pre-rolls), hemp concentrate, hemp extracts, and hemp topicals remain unchanged: these products can contain up to 0.3% total THC. Hemp tinctures can contain up to 100 mg total THC, but cannot exceed 0.3% total THC by weight. Hemp edibles, transdermal patches, and other hemp cannabinoid products can contain up to 2 mg total THC per serving and 20 mg total THC per container, but cannot exceed 0.3% total THC by weight. These limits also prohibit hemp products from containing any artificially-derived cannabinoids.

The limits apply only to hemp products that contain cannabinoids or are made from hemp flower. They do not apply to hemp grain and fiber products that do not contain added cannabinoids. Examples of products that are not subject to these limits include: hemp hearts, hemp milk, soaps or cosmetics made from hemp seed oil, and hemp textiles and clothing.

These limits become operative on July 1, 2022. This allows a six month sell-down period for existing products on the market that exceed the limits in <u>OAR 845-026-0400</u>.

Products that contain more than 0.5 mg total THC, but less than the limits in <u>OAR 845-026-0400</u>, can only be sold to consumers age 21 and over. **Beginning July 1, 2022**, products that exceed these limits cannot be sold to any consumers.

These rules do not affect exported hemp materials. Hemp and hemp products containing less than 0.3% total THC can continue to be exported out of state to a person other than a consumer. Companies exporting hemp products should be mindful of the limits in federal law and any limitations other states may have on imported hemp products.

OAR 845-026-0400 Table 3

INDUSTRIAL HEMP PRODUCT THC CONCENTRATION AND SERVING SIZE LIMITS					
Type of Industrial Hemp Product		Maximum Amount of Total Delta-9- THC per Container	Maximum Concentration of Total Delta-9-THC		
Hemp Edibles	2 mg	20 mg	0.3%		
Hemp Topicals	N/A	N/A	0.3%		
Hemp Transdermal Patches	2 mg	20 mg	0.3%		
Hemp Tinctures	N/A	100 mg	0.3%		
Usable Hemp	N/A	N/A	0.3%		
Industrial Hemp Concentrates or Extracts	N/A	N/A	0.3%		
Cannabinoid Hemp Products Other than Hemp Edibles, Topicals, Tinctures, or Transdermal Patches	2 mg	20 mg	0.3%		

*These limits do not become operative until July 1, 2022.

Changes to License Privileges

This rule package expands transfer privileges for several license types.

Some of these changes are specific to licenses under "common ownership." The definition of common ownership in <u>OAR 845-025-1015(21)</u> has been updated to match recent legislative changes (SB 408). Specifically, "common ownership" means any commonality between individuals or legal entities named as "applicants" or persons with a financial interest in a license that also have a financial interest or management responsibilities for an additional license or licenses. For the purpose of this definition, "financial interest" does not include leasing property to a licensee at a commercially reasonable rate.

Changes for Producers

There are many modifications that expand Producer transfer privileges. This is not an exhaustive list and licensees should review <u>OAR 845-025-2020</u>. Producers should also review the "Miscellaneous Changes to Division 25" below for amendments to UID tagging and cultivation batch requirements.

- Producers may now sell, transfer, transport, and deliver usable marijuana, whole, non-living marijuana plants that have been entirely removed from any growing medium, mature marijuana plants, or kief to the licensed premises of a Producer under <u>common ownership</u>;
- Producers may now sell, transfer, transport, and deliver cannabinoid products, cannabinoid extracts and cannabinoid concentrates that were made using <u>only</u> marijuana produced by the Producer to the licensed premises of a Processor, Wholesaler, or Retailer;
- Producers may now purchase and receive: marijuana and mature marijuana plants from a Producer under <u>common ownership</u>, marijuana produced by the licensee that was not processed by a Processor; cannabinoid products, cannabinoid extracts, and cannabinoid concentrates from a marijuana Processor that were made using <u>only</u> marijuana produced by the receiving Producer; and up to 200 marijuana seeds in total per month from any sources within the State of Oregon other than a licensee, Laboratory licensee, or Research Certificate Holder;
- Retailers may now sell, transfer, or deliver marijuana seeds to a Producer. See <u>OAR 845-025-2800</u>;
- Producers may now also provide trade samples of a cannabinoid product, cannabinoid extract, or cannabinoid concentrate that was made using <u>only</u> marijuana produced by the Producer to a marijuana Processor, Wholesaler, or Retailer. <u>See OAR 845-025-1330</u>; and
- Producers may now test usable marijuana that was transferred to them from a Producer license that is under <u>common ownership</u>. Producers must still follow OHA's testing rules in <u>OAR 333</u> <u>division 7</u>, including testing every batch from a harvest lot.

Changes for Retailers

- Retailers may now sell up to two ounces per day of usable marijuana and five grams of cannabinoid products intended for inhalation (e.g. infused pre-rolls or inhalable cannabinoid products with non-cannabis additives) to an individual at any one time or within one day;
- Retailers may now sell, transfer, or deliver marijuana seeds to a Producer;
- Retailers may now purchase, possess, or receive cannabinoid products, cannabinoid extracts and cannabinoid concentrates from a marijuana Producer that were made using <u>only</u> marijuana produced by the Producer; and

• Retailers may now purchase, possess, or receive marijuana items from a Retailer under common ownership.

See OAR 845-025-2800 for the changes.

Changes for Processors

• A Processor with an industrial hemp endorsement may transfer hemp items to an unlicensed person subject to the requirements of <u>OAR 845-025-3320</u>. Generally, these requirements are related to total Delta-9-THC in hemp items and CTS and camera requirements. Licensees should review the rule for specific details.

Changes for Wholesalers

• Wholesalers may purchase, possess, or receive cannabinoid products, cannabinoid extracts, and cannabinoid concentrates from a marijuana Producer that were made using <u>only</u> marijuana produced by the Producer. <u>See OAR 845-025-3500</u>.

Changes for Laboratories

<u>OAR 845-025-5045</u> contains a new requirement that Laboratory licensees will be responsible for tracking and entering information into CTS regarding the testing of industrial hemp-derived vapor items. If a Laboratory licensee is receiving a sample from a person who does not have a CTS account, the Laboratory will need to create an external transfer in CTS to track the transfer and use a tag to track and enter test results related to the industrial hemp-derived vapor item sample. See "Industrial Hemp-derived Vapor Items: Testing & Labeling Requirements" below for more details.

Changes to Retailer Home Delivery

<u>OAR 845-025-2800</u> was amended to make several notable changes for Retailer home delivery. This is a summary of the changes; see the rule for the specific details.

- A licensee representative must be able to communicate with the marijuana Retailer while making deliveries;
- The delivery vehicle must be equipped with an active Global Positioning System (GPS);
- A Retailer may deliver marijuana items within the city limit of an adjacent city or unincorporated areas of an adjacent county that has <u>adopted an ordinance</u> allowing for interjurisdictional deliveries from adjacent cities or counties. At the time this bulletin was published, no cities or counties have an ordinance allowing for interjurisdictional delivery; when the OLCC receives an ordinance, we will update the website to reflect the allowances; and
- The delivery vehicle must not have any markings or signage that indicate the vehicle is transporting marijuana; however, the vehicle may have markings or signage that includes a trade name or branding.
- <u>OAR 845-025-7700</u> was amended to clarify that a marijuana worker permit is required for workers delivering marijuana items from a Retailer (see also <u>OAR 845-025-5500</u>).

Miscellaneous Changes to Division 25

The changes are <u>summarized</u> below:

- <u>OAR 845-025-7520</u> and <u>OAR 845-025-7570</u> was amended to increase the plant size from 24 to 36 inches for cultivation batches and UID tagging requirements;
- <u>OAR 845-025-7580</u> was amended to allow the wet weight of each harvested marijuana plant to be entered into CTS as the mean average of the plants being harvested, rather than the wet weight of each individual plant;
- <u>OAR 845-025-7700</u> was amended to allow marijuana items to be transported by a licensee or licensee representative under common ownership with the originating licensee;
- <u>OAR 845-025-7700</u> was amended to relax the manifest requirements so that no route is required except for overnight stops; and
- <u>OAR 845-025-8550</u> is a new rule which describes a violation for having a history of lack of institutional control, which means that violations of OLCC rules or statutes have been observed at the premises and the licensee failed to show adequate compliance measures, failed to educate employees, agents or representatives of the licensee on those compliance measures, and failed to take prompt action upon learning of deficiencies in compliance matters.

Industrial Hemp-derived Vapor Items: Testing & Labeling Requirements

<u>On and after July 1, 2022</u>, all "industrial hemp-derived vapor items" for sale to consumers in Oregon must be tested and labeled according to new rules in <u>Division 26</u>.

These rules are only applicable to industrial hemp-derived vapor items that are not being sold in the OLCC marketplace. Examples include industrial hemp-derived vapor items being sold at grocery and convenience stores, gas stations, and smoke shops. Generally, an "industrial hemp-derived vapor item" is a hemp extract or concentrate that has been placed in a vaporizing device, such as a "vape cartridge" – it is not bulk hemp extract or concentrate that is placed in a jar.

These new rules have several important definitions which can be found in OAR 845-026-0100:

- "Hemp Vapor Item Manufacturer": means a person responsible for the labeling or manufacturing of an industrial hemp-derived vapor item sold in Oregon and includes: (a) a hemp handler licensed with the Oregon Department of Agriculture under ORS 571.281 to process industrial hemp into commodities or products and (b) any other person responsible for the labeling of an industrial hemp-derived vapor item sold in Oregon.
- "Industrial Hemp-derived Vapor Item": means an industrial hemp concentrate or industrial hemp extract, as those terms are defined in ORS 571.269, whether alone or combined with non-cannabis additives, that is intended for use in an inhalant delivery system.
- "Inhalant Delivery System" has the meaning given that term in ORS 431A.175.

<u>OAR 845-026-5700</u> requires a hemp vapor item manufacturer to comply with OHA's testing rules in OAR 333-007-0300 to 333-007-0490 and OAR 333, division 64 prior to the sale or transfer of an industrial hemp-derived vapor item. <u>OAR 845-026-5760</u> gives the OLCC audit, compliance, and random testing authority over industrial hemp-derived vapor items.

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<u>OAR 845-026-7000 – 7070</u> set the labeling standards for industrial hemp-derived vapor items. These requirements more or less mirror existing requirements for hemp extracts and concentrates sold in the OLCC marketplace. Hemp vapor item manufacturers who are using additives (such as non-cannabis terpenes and flavorings) should review <u>Compliance Bulletin CE2020-07</u> and <u>OAR 845-026-7040</u> for how to compliantly label these products.

The OLCC is creating a guide for hemp vapor item manufacturers; in the meantime review the <u>Packaging</u> <u>and Labeling Guide</u>.

Questions related to testing can be sent to <u>olcc.labs@oregon.gov</u>. Questions related to labeling can be sent to <u>marijuana.packaging@oregon.gov</u>.