



NOTICE OF PROPOSED RULEMAKING
INCLUDING STATEMENT OF NEED & FISCAL IMPACT

CHAPTER 603
DEPARTMENT OF AGRICULTURE

FILED

07/28/2025 12:54 PM
ARCHIVES DIVISION
SECRETARY OF STATE

FILING CAPTION: Allows for co-location of commercial and research hemp

LAST DAY AND TIME TO OFFER COMMENT TO AGENCY: 09/19/2025 5:00 PM

The Agency requests public comment on whether other options should be considered for achieving the rule's substantive goals while reducing negative economic impact of the rule on business.

CONTACT: DaNette Wernette
971-453-2986
rulemaking@oda.oregon.gov

635 Capitol St NE
Salem, OR 97301

Filed By:
Sunny Summers
Rules Coordinator

HEARING(S)

Auxiliary aids for persons with disabilities are available upon advance request. Notify the contact listed above.

DATE: 09/12/2025

TIME: 9:00 AM - 9:30 AM

OFFICER: Sunny Summers

REMOTE HEARING DETAILS

MEETING URL: [Click here to join the meeting](#)

PHONE NUMBER: 503-446-4951

CONFERENCE ID: 2150813807794

SPECIAL INSTRUCTIONS:

Meeting ID: 215 081 380 779 4

Passcode: T54ih7rs

Dial in by phone

+1 503-446-4951,,710584558#

NEED FOR THE RULE(S)

ODA published temporary rules to allow for co-location of research and commercial activities under separate licenses on the same property. Previously, this limitation presented a barrier to research for advancing the understanding and development of hemp varieties, cultivation practices, and product safety.

Due to the time-sensitive nature of planting schedules, growing cycles, and research grant deliverables, ODA found that immediate action was necessary. This rule is needed to provide regulatory clarity and flexibility to support active research while maintaining oversight and compliance. Without this change, research initiatives will be impeded, undermining innovation and scientific advancement in Oregon's hemp industry.

DOCUMENTS RELIED UPON, AND WHERE THEY ARE AVAILABLE

- OAR 603-048 – Oregon Secretary of State website
- ORS 571.260-571.348 – Oregon Legislative website

STATEMENT IDENTIFYING HOW ADOPTION OF RULE(S) WILL AFFECT RACIAL EQUITY IN THIS STATE

The permanent adoption of these rules, allowing for the co-location of research and commercial hemp activities under separate licenses, may have a positive impact on racial equity in Oregon’s agricultural and research sectors. Historically, communities of color have faced systemic barriers to land access, capital, and participation in both commercial agriculture and scientific research. By removing regulatory barriers that previously limited collaboration and resource-sharing on single properties, these rules lower entry barriers and create more equitable opportunities for individuals and organizations—including those led by or serving communities of color.

The increased flexibility may foster more inclusive partnerships between researchers, farmers, and community-based organizations. This could facilitate culturally responsive agricultural innovation, community education, and more diverse participation in hemp-related industries. Supporting research and innovation through these changes also contributes to long-term economic resilience and empowerment for historically marginalized groups. Overall, this rule supports a more inclusive and innovative hemp industry in Oregon.

FISCAL AND ECONOMIC IMPACT:

The permanent rule is expected to have a positive economic impact on Oregon’s hemp industry by reducing regulatory barriers and enabling more efficient use of land and resources for both research and commercial purposes. Allowing co-location of activities under separate licenses facilitates collaboration between licensed growers and researchers, which can lead to improved crop performance, better pest and disease management strategies, and enhanced product safety—all of which contribute to a more competitive and resilient hemp market.

COST OF COMPLIANCE:

(1) Identify any state agencies, units of local government, and members of the public likely to be economically affected by the rule(s). (2) Effect on Small Businesses: (a) Estimate the number and type of small businesses subject to the rule(s); (b) Describe the expected reporting, recordkeeping and administrative activities and cost required to comply with the rule(s); (c) Estimate the cost of professional services, equipment supplies, labor and increased administration required to comply with the rule(s).

(1) Identify any state agencies, units of local government, and members of the public likely to be economically affected by the rule(s):

The primary economic effects will be felt by licensed hemp growers, researchers, and related businesses. The Oregon Department of Agriculture (ODA) may experience minimal administrative adjustments to accommodate ongoing oversight of co-located licenses, but no significant economic burden is expected. Local governments are unlikely to be directly affected. Members of the public will benefit indirectly through improved public safety, research outcomes, and economic opportunities but are not expected to bear compliance costs.

(2) Effect on small businesses:

(a) Estimate the number and type of small businesses subject to the rule(s):

As of recent licensing data, there are approximately 124 small hemp farms (which likely meet the definition of small business) in Oregon. A portion of these—especially those engaged in collaborative research, seed development, or innovative processing techniques—may take advantage of the co-location rule. This rule is expected to apply to both existing licensees and new entrants interested in research partnerships.

(b) Describe the expected reporting, recordkeeping and administrative activities and cost required to comply with the rule(s):

Compliance requirements remain largely unchanged. Entities operating under co-located licenses will still be subject to existing ODA licensing, inspection, and reporting requirements under current statutes. They will be required to maintain separate documentation of activities for each license as already required under current law. The incremental

administrative burden is expected to be minimal, as most of these requirements are already standard for compliance.

(c) Estimate the cost of professional services, equipment, supplies, labor, and increased administration required to comply with the rule(s):

The rule does not introduce new compliance mechanisms that would necessitate additional professional services or specialized equipment. Any labor or administrative costs incurred (e.g., maintaining distinct records for each license) are expected to be minimal. Most businesses will absorb these tasks through existing staff and processes. There is no anticipated need for additional consultants, legal review, or external compliance contractors beyond what is typically used in standard license management.

DESCRIBE HOW SMALL BUSINESSES WERE INVOLVED IN THE DEVELOPMENT OF THESE RULE(S):

Over the years, the issue of co-location of research and commercial hemp activities has been raised by small hemp farms and university researchers. Both groups have expressed concerns about the limitations imposed by previous regulations, particularly in relation to conducting joint research and commercial activities on the same property under separate licenses.

WAS AN ADMINISTRATIVE RULE ADVISORY COMMITTEE CONSULTED? NO IF NOT, WHY NOT?

No, an administrative rule advisory committee was not consulted for this rule change. This change is limited in scope and focuses primarily on clarifying regulations regarding the co-location of research and commercial hemp activities under separate licenses. Given the targeted nature of the adjustment, which addresses an immediate and specific need to support ongoing research and cultivation activities, the need for a formal advisory committee was not deemed necessary.

RULES PROPOSED:

603-048-0127, 603-048-0200, 603-048-0520, 603-048-0800

AMEND: 603-048-0127

RULE SUMMARY: Updates Grower Research License requirements to allow for co-location of research hemp with other non-research hemp grow sites

CHANGES TO RULE:

603-048-0127

Grower Research License

(1) Beginning on January 1, 2022, a person proposing to grow hemp for research purposes only may apply for a research grower license.¶

(2) All of the provisions regarding growers in these rules apply to licensed research growers except as explicitly exempted or provided otherwise in this rule.¶

(a) When submitting an application for a research grower license, the applicant must include the address of research facilities where cannabis from the licensed grow site may be stored, handled, tested, or otherwise researched.¶

(b) When submitting an application for a research grower license, the applicant must submit the following:¶

(A) A written research plan that identifies the purpose of the research for conducting the research. The plan must identify the amount of cannabis intended to be grown. It must also identify how the applicant will ensure the plants and plant material remains at the grow site and prevent the material from entering the commercial marketplace.¶

(B) A written destruction plan that identifies when and how an applicant will timely dispose of plants grown under the license.¶

(C) If co-located with an industrial hemp grow, meet requirements established in OAR 603-048-0520.¶

(D) Any other information pertinent to the research specifically requested by the Department.¶

(c) An applicant for a research grower license must submit the fee for a grower license in OAR 603-48-0700(1)(a) with its application but is not required to submit a fee for a grow site license. The applicant must identify every

grow site in the application.¶¶

(d) A licensed research grower is not required to conduct preharvest testing in accordance with OAR 603-048-0600 except as required for transfers.¶¶

(e) A licensed research grow site or research facility may not be co-located with ~~a non-research grow site~~, a medical marijuana grow site registered under ORS 475C.792 or marijuana producer licensed under ORS 475C.065.¶¶

(3) A licensed research grower must:¶¶

(a) Except as permitted in section 4 of this rule, ensure that all cannabis, and all parts thereof, grown under the license remains at the licensed grow site, research facility listed on the application, or laboratory and that the cannabis does not enter the commercial marketplace or used by a consumer.¶¶

(b) Dispose in accordance with OAR 603-048-0640 all cannabis, and all parts thereof, grown under the license in the grower's possession within 30 days of completing research activities on the cannabis and prior to the termination of the license.¶¶

(4) Sale and Transfers.¶¶

(a) A licensed research grower may not sell or transfer any cannabis, or parts thereof, grown under the research grower license to any other person or otherwise allow the cannabis to enter the commercial marketplace, be used by a consumer, or leave the licensed grow site or research facility listed on the application, except as explicitly permitted in this rule.¶¶

(b) A licensed research grower may send samples of cannabis, or parts thereof, grown under the research grower license to a laboratory for testing.¶¶

(c) A licensed research grower may sell or transfer cannabis, or parts thereof, grown under the research grower license to a licensed grower if the cannabis has passed pre-harvest testing in accordance with OAR 603-048-0600 prior to transfer.¶¶

(d) A licensed research grower may sell or transfer cannabis, or parts thereof, grown under the research grower license to another licensed research grower.¶¶

(5) The Department must deny an application for a research grower license and revoke a research grower licensee if the proposed or licensed grow site or research facility is co-located with ~~a non-research grow site~~, a medical marijuana grow site registered under ORS 475C.792 or a marijuana producer licensed under ORS 475C.065.¶¶

(6) The following are Class 1 violations:¶¶

(a) Failing to comply with any part of this rule.¶¶

(b) Failing to comply with a written research plan.¶¶

(c) Failing to comply with a written destruction plan.¶¶

(d) Failing to comply with any condition placed on the license by the Department.¶¶

(e) Failing to comply with a Department order.¶¶

(7) The Department may impose conditions on the grower research license that the Department determines necessary to be consistent with ORS 571.260 to ORS 571.348 or these rules or to ensure that cannabis does not enter the chain of commerce.

Statutory/Other Authority: ORS 561.190, ORS 571.260-571.348

Statutes/Other Implemented: ORS 571.260-571.348

AMEND: 603-048-0200

RULE SUMMARY: Updates grower licensure applications and review requirements to allow for co-location of research hemp with other non-research hemp grow sites

CHANGES TO RULE:

603-048-0200

Grower Licensure Applications and Review ¶¶

(1) Licenses are valid for a one-year term beginning on January 1 of each calendar year. Licenses granted after January 1 are effective on the date issued.¶¶

(a) An applicant must submit, and the Department must receive, a complete application and applicable fees by no later than May 31 of the calendar year for any grower license.¶¶

(b) An applicant may submit a grower application late if received by the Department by no later than July 31 and submitted with the late fee for each grow site application identified in OAR 603-048-0700.¶¶

(c) An applicant is not subject to the May 31 deadline if the applicant has purchased land with an active grower license. No new production areas or grow sites other than those included in the original license may be added or moved after May 31 unless submitted with the late fee identified in OAR 603-048-0700 for each new grow site before July 31.¶¶

(2) The Department shall review and act on applications in the order they are received. An individual is not licensed with the Department until the Department has approved the license and notified the applicant of licensure.¶¶

(3) To apply for a grower license, an applicant must submit to the Department:¶¶

(a) A complete grower license application on a form provided by the Department;¶¶

(b) A complete grow site application on a form provided by the Department for each proposed grow site;¶¶

(c) All applicable fees as described in OAR 603-048-0700; and¶¶

(d) Consent to a criminal records check by fingerprint identification for the applicant or if the applicant is a legal entity, submit a consent for every key participant in the applicant entity in accordance with ORS 181A.195, ORS 181A.200 and OAR chapter 125, division 7 and the Department's directives. To complete the criminal records check, the Department may require additional information, documents, or action including, but not limited to, fingerprint identification, proof of identity, or additional criminal, judicial, or other background information.¶¶

(e) An informed consent form prescribed by the Department if the applicant is not the owner of the premises where the grow site will be located. The consent form:¶¶

(A) Is valid for only the grower or growers named on the consent form.¶¶

(B) Must be signed by the owner of the premises or the property owner's legal representative for the grow site and must not have been terminated.¶¶

(f) Documentation of lawful participation in a pilot program prior to December 20, 2018, if the applicant or any key participant is disqualified due to a felony conviction relating to a controlled substance within the last ten years from the date of application but asserts the convicted individual was growing hemp lawfully under a pilot program authorized by Section 7606 of the Agricultural Act of 2014 before December 20, 2018.¶¶

(g) Any other documents or information requested by the Department.¶¶

(4) A person seeking to produce or process agricultural hemp seed must separately apply for and obtain an agricultural hemp seed producer license as described in OAR 603-048-0300.¶¶

(5) A grower license application must include the following information:¶¶

(a) The name, legal type of applicant (individual, corporation, etc.).¶¶

(b) Contact information for the applicant.¶¶

(c) For business entities, principal place of business for licensee, Oregon Secretary of State registry number, names of all key participants, employer identification number, and contact information, including phone number and e-mail of all key participants;¶¶

(d) A primary contact person who the Department can contact to arrange for onsite inspections or for questions regarding the application or license and contact information (phone number, email) for the primary contact person.¶¶

(e) The address of each grow site;¶¶

(f) Other information specified by the Department in the application, including but not limited to:¶¶

(A) The intended use of the industrial hemp (flower, seed, and/or fiber); and¶¶

(B) The intended number of acres or square feet to be cultivated.¶¶

(g) Any other information or forms required by the Department.¶¶

(h) For each proposed grow site location, a completed grow site application form with the following information:¶¶

(A) The address of the grow site;¶¶

- (B) Information for each non-contiguous production area, as described in subsection (C) and (D) of this rule.¶
- (C) If in the production area is a field:¶
- (i) The global positioning system (GPS) coordinates provided in decimal of degrees and taken at the approximate center of the growing field;¶
 - (ii) The number of square feet or acres of each cultivated field; and¶
 - (iii) A map of the grow site showing clear boundaries of the production area;¶
- (D) If in the production areas is a greenhouse or other building:¶
- (i) The global positioning system (GPS) coordinates provided in decimal of degrees and taken at the approximate center of the greenhouse or other building;¶
 - (ii) The approximate dimension or square feet of the greenhouse or other building; and¶
 - (iii) A map of the grow site showing clear boundaries of each production area.¶
- (6) (a) To add a grow site or a production area to an existing grower license during the licensed calendar year, the licensed grower must:¶
- (A) For additions submitted by May 31 of the license year, submit a complete grow site application form or change form and change fee identified in OAR 33603-048-0700 to the Department.¶
 - (B) For additions submitted after May 31 but no later than July 31, submit a complete grow site application form or change form and a late fee identified in OAR 33603-048-0700 for each grow site application.¶
- (b) A grower may request that the Department remove a grow site or productions area at any time without a fee. The Department may approve or deny the request. Grow sites and production areas may not be moved or relocated.¶
- (c) A grow site or production area may not be added after July 31.-¶
- (7) Renewal Application.¶
- (a) A person with a current valid license may apply for a renewal license by submitting a complete renewal application on a form provided by the Department. The Department must receive the complete renewal application and all applicable fees described in OAR 603-048-0700 by no later than December 1 of the current license year.¶
 - (b) All application requirements for an initial license apply to a renewal application.¶
 - (c) The Department shall deny an applicant for a renewal if the applicant fails to report the information required in OAR 603-048-0400(7).¶
 - (8) In addition to the requirements in sections (3) to (7), all applicants must acknowledge and agree that:¶
- (a) Any information provided to the Department may be publicly disclosed and may be provided to law enforcement agencies without notice to the applicant or licensee;¶
 - (b) The Department, or its designee, may enter any field, facility or greenhouse used for the production or handling of industrial hemp or agricultural hemp seed and may take samples of industrial hemp or agricultural hemp seed as necessary for the administration of the Department's laws.¶
 - (c) All fees lawfully due to the Department will be timely paid.¶
 - (d) The information provided is true and correct and that applicant's signature is an attestation of that fact.¶
- (9) The Department, in its discretion, may require an inspection of the grow site prior to licensure. The inspection may include sampling for THC testing.¶
- (10) Incomplete Applications.¶
- (a) If an applicant does not provide all information or documentation required by rule or pay the applicable fee, the Department shall reject the application as incomplete.¶
 - (b) If an application is illegible or is substantially incomplete, the Department may summarily reject the application as incomplete. If an applicant fails to provide all information or documentation required, the Department may notify the applicant of the missing information or documentation and allow the applicant 15 days to submit the missing information or documentation. If the applicant fails to timely submit all the missing information or documentation, the Department shall reject the application as incomplete.¶
 - (c) The Department may verify the information submitted, verify any accompanying documentation submitted with an application, or request additional information, documentation, or attestation from the applicant to ensure compliance with ORS 571.260 to ORS 571.348. If an applicant fails to timely submit information, documentation, criminal history check, or attestation requested by the Department, the Department shall reject the application as incomplete.¶
 - (d) An applicant whose application is rejected as incomplete may reapply until May 31 of the calendar year or July 31 with the late fee identified in OAR 603-048-0700. If the individual reapplies by May 31 of the calendar year or July 31 with the late fee identified in OAR 603-048-0700, the application fee may be applied to a new application. An applicant who reapplies after May 31 shall be denied unless they apply by July 31 and submit the late fee identified in OAR 603-048-0700.¶
- (11) Denial.¶
- (a) The Department must deny an initial or renewal application if:¶

- (A) The applicant fails to satisfy any of the requirements for initial licensure.¶
- (B) The applicant or any key participant has been convicted of a felony relating to a controlled substance within the last ten years from the date of application unless the conviction also occurred before December 20, 2018, the convicted individual was growing hemp lawfully under a pilot program authorized by Section 7606 of the Agricultural Act of 2014 before December 20, 2018, and documentation of the participation is submitted with the application.¶
- (C) The applicant or any key participant plants an industrial hemp crop or commits a violation of ORS 571.260 to ORS 571.348 prior to applying for a grower license unless:¶
 - (i) the applicant disposes the industrial hemp crop in accordance with OAR 603-048-0640 within 14 days of the Department's notification to the applicant, unless the Department grants an extension in writing; and¶
 - (ii) the Department determines the violation is resolved.¶
- (D) Required to deny under OAR 603-048-0126.¶
- (E) The applicant or any key participant materially falsifies any information or documentation submitted in or with an application.¶
- ~~(F) The proposed grow site is at the same location as a licensed researcher grower grow site.¶~~
- (b) The Department may deny an initial or renewal application if:¶
 - (A) The applicant or any key participant violated or has a history of noncompliance with:¶
 - (i) A provision of ORS 571.260 to ORS 571.348;¶
 - (ii) A rule adopted under a provision of ORS 571.260 to ORS 571.348;¶
 - (iii) An order issued by the Department pursuant to a provision of ORS 571.260 to ORS 571.348 or a rule adopted thereunder, including a detentionment order;¶
 - (iv) Any statutory law or Department rule related to agricultural activities other than industrial hemp operations.¶
 - (B) The application, or material submitted with or to supplement the application, contains false, misleading, or incorrect information;¶
 - (C) The applicant is a legal entity that is required to be registered with the Oregon Secretary of State but does not have an active registration;¶
 - (D) The owner of the proposed grow site or the property owner's legal representative notifies the Department in writing that they have withdrawn consent for applicant to produce hemp at the proposed grow site location; or¶
 - (E) The applicant, or any key participant, has a history of noncompliance with OLCC statutes or rules regarding the prohibition on the unregulated commerce of marijuana items including but not limited to any violation or disciplinary action under ORS 475C.185 or OAR 845-025-8590(2)(e).¶
 - (F) Issuing the license would be a violation of or inconsistent with the Agriculture Improvement Act of 2018 (P.L. 115-334) or 7 CFR Part 990.¶
- (12) Ineligibility based on past noncompliance.¶
 - (a) A grower, and all key participants, is ineligible for a grower license for a period of five years if the grower commits three of any of the violations below over a five-year-period:¶
 - (A) the grower produces cannabis that exceeds 1.0 percent THC on a dry weight basis;¶
 - (B) the grower fails to provide a legal description of land on which the grower produces hemp;¶
 - (C) the grower fails to obtain a license under these rules prior to producing hemp.¶
 - (b) Only for the purposes of determining ineligibility under subsection (a) of this rule:¶
 - (A) A grower shall accrue a maximum of one violation per year.¶
 - (B) The period of ineligibility begins on the date that the last violation is found in a final order by the Department.¶
 - (c) A grower, and all key participants, is ineligible for a grower license for a period of two year from the date a final order is entered revoking the grower's license, except for final orders issued pursuant to subsection (a) of this rule where the ineligibility period of five years.¶
 - (d) A grower or key participant whose application is denied under OAR 603-048-0126(1)(a) or section (11)((b), (B), or (E) of this rule, is ineligible for a period of two year from the date a final order is entered denying the grower's license, except for final orders issued pursuant to subsection (a) of this rule where the ineligibility period is five years.¶
 - (e) A grower or key participant ineligible under this rule may not apply or reapply for a grower license during the period of ineligibility.¶
 - (f) The Department must deny any grower application submitted by a person ineligible under this rule and shall revoke the license of a person who is ineligible under this rule.¶
 - (g) Nothing in this rule prevents the Department from assessing multiple violations or from taking other action to revoke or deny a license or impose civil penalties.¶
- (13) The Department may place an application on hold if the applicant, licensee, or any key participant is currently under investigation for violation of ORS 571.260 to 571.348, these rules, other cannabis laws or statutes, or pending a disciplinary action with the Department,¶
- (14) The Department may not issue a license to an applicant that is a legal entity if it is required to be registered

with the Oregon Secretary of State but does not have an active registration.

Statutory/Other Authority: ORS 561.120, 561.200, 561.275, 561.190, 569.445, ORS 571.260-571.348, 633.511-633.996

Statutes/Other Implemented: ORS 571.260-571.348

RULE SUMMARY: Adds ability to co-locate research hemp with other hemp grow sites

CHANGES TO RULE:

603-048-0520

Co-Location of Hemp Production ~~with Marijuana Production~~

(1) For the purposes of this rule, the following definitions apply:¶

(a) "Medical marijuana grower registration" means a grower registration issued under ORS 475C.792.¶

(b) "Medical marijuana plot" means an area designated at a hemp grow site for producing cannabis plants under a medical marijuana grower registration.¶

(c) "Hemp research plot" means an area designated at a hemp grow site for producing cannabis plants under a licensed research grower license.¶

(d) "Personal grow plot" means an area designated at a hemp grow site for producing cannabis plants pursuant to ORS 475C.305.¶

(2) Medical Marijuana. If a grower produces cannabis pursuant to a medical marijuana grower registration at the grow site, the grower must:¶

(a) Complete and implement a control plan, on a form provided by the Department, that describes how plants grown pursuant to the industrial hemp license shall be separated from plants grown pursuant to a medical marijuana grower registration. The control plan must identify how harvested plant material will be maintained and stored separately. Medical marijuana plots may not be in the same location or overlap with a production area.¶

(b) Maintain a copy of the control plan at the grow site at all times and immediately provide upon request.¶

(c) Ensure that only plants grown pursuant the industrial hemp license are grown in production areas and only plants grown pursuant to a medical marijuana grower registration are grown in medical marijuana plots;¶

(d) Post a grow site plan that identifies the location of the hemp production areas and medical marijuana plots;¶

(e) Visually demarcate the boundaries of hemp production areas and medical marijuana plots through signs, fencing, or cordoning.¶

(3) OLCC-Licensed Marijuana. If a grower produces cannabis pursuant to a license issued under ORS 475C.065, the grower shall submit a copy of the OLCC-approved control plan as described in OAR 845-025-1115(2)(g) to the Department.¶

(4) Research Hemp. If a grower produces cannabis pursuant to a licensed research grower license at the grow site, the grower must:¶

(a) Complete and implement a control plan, on a form provided by the Department, that describes how plants grown pursuant to the industrial hemp grower license shall be separated from plants grown pursuant to a licensed research grower license. The control plan must identify how harvested plant material will be maintained and stored separately. Hemp research plots may not be in the same location or overlap with a production area.¶

(b) Maintain a copy of the control plan at the grow site at all times and immediately provide to the Department upon request.¶

(c) Ensure that only plants grown pursuant the industrial hemp grower license are grown in production areas and only plants grown pursuant to a research grower license are grown in hemp research plots;¶

(d) Post a grow site plan that identifies the location of the hemp production areas and hemp research plots;¶

(e) Visually demarcate the boundaries of hemp production areas and hemp research plots through signs, fencing, or cordoning.¶

(5) Personal Grows. Cannabis plants grown pursuant to ORS 475C.305 may not be located in a hemp production area. A grower that produces cannabis plants pursuant to ORS 475B.301 must:¶

(a) Ensure that only plants grown pursuant the industrial hemp license are grown only in production areas and only plants grown pursuant to ORS 475C.305 are grown in personal use plots;¶

(b) Post a grow site plan that identifies the location of the hemp production areas and any personal use plots.¶

(c) Visually demarcate the boundaries of hemp production areas and any personal use plots through signs, fencing, or cordoning.¶

(56) Any and all cannabis grown in a hemp production area identified in a grower application or later identified to the Department as a hemp production area is subject to sampling and testing by the Department or its designee.¶

(67) A grower that stores cannabis grown pursuant to a medical marijuana grower registration, a licensed research grower, or under ORS 475C.305 must ensure that the harvested cannabis is segregated from its harvested industrial hemp. The grower must:¶

(a) Comply with the storage requirements in OAR 603-048-0540;¶

(b) Label all cannabis harvested from plants grown pursuant to a medical marijuana grower registration, a licensed research grower, or under ORS 475C.305 with the following:¶

(A) Identify the cannabis as grown pursuant to a medical marijuana grower registration, licensed research grower,

or as cannabis from a "personal grow";¶

(B) The date the cannabis was harvested.

Statutory/Other Authority: ORS 561.190, ORS 571.260-571.348

Statutes/Other Implemented: ORS 571.260-571.348

AMEND: 603-048-0800

RULE SUMMARY: Removes violation for co-locating research hemp on a non-research grow site.

CHANGES TO RULE:

603-048-0800

Enforcement and Civil Penalty for Industrial Hemp Law Violation

(1) A licensee is responsible for:¶

(a) All activities that occur at the grow site, research facility, vendor site or handling site and for ensuring that all activities at the site comply with ORS 571.260 to 571.348 and these rules. If a licensee no longer is operating at a grow site, research facility, vendor site or handling site, the licensee must notify the Department as described in OAR 603-048-0400(2)(b).¶

(b) Any act or omission of a licensee representative in violation of these rules or any provision of ORS 571.260 to 571.348.¶

(2) In addition to any other liability or penalty provided by law, the Department may impose a civil penalty not to exceed \$2,500 on any person who violates any provision of ORS 571.260 to 571.348, a rule adopted pursuant thereto, or order issued by the Department under ORS 571.260 to 571.348 or a rule adopted pursuant thereto, including a detainment order.¶

(3) The Department shall issue a written notice to the person being assessed the penalty consistent with ORS Ch. 183. Any contested case to contest the civil penalty will be conducted pursuant to ORS Ch. 183. Each violation may be considered a separate and distinct offense.¶

(4) Subject to the provisions of ORS Ch. 183, the Department may revoke a license issued under these rules if the licensee violates:¶

(a) A provision of ORS 571.260 to 571.348;¶

(b) A rule adopted under a provision of ORS 571.260 to 571.348;¶

(c) An order issued by the Department for violation of a provision of ORS 571.260 to 571.348 or any rule adopted thereunder including a detainment order;¶

(d) Any statutory law or Department rule related to agricultural activities other than industrial hemp operations.¶

(5) Subject to the provisions of ORS Ch. 183, the Department may revoke a license for any reason that the Department may deny an initial or renewal application.¶

(6) Subject to the provisions of ORS Ch. 183, the Department must revoke a license if:¶

(a) A grower licensee or a key participant is convicted of a felony relating to a controlled substance within the last ten years unless the convicted individual was growing hemp lawfully under a pilot program authorized by Section 7606 of the Agricultural Act of 2014 before December 20, 2018 if the conviction also occurred before December 20, 2018;¶

(b) A licensed research grow site or research facility is co-located with ~~a non-research grow site~~, a medical marijuana grow site registered under ORS 475C.792 or marijuana producer licensed under ORS 475C.065.¶

(7) Corrective Action Plans.¶

(a) If the Department identifies violations by a licensee, the Department in writing may require a licensee to enter a corrective action plan as an alternative or in addition to disciplinary action.¶

(b) The licensee must submit a corrective action plan to the Department within 10 days of receiving the Department's written directive to submit a corrective action plan.¶

(c) The licensee must correct all identified violations by the deadline established by the Department. Licensee may request a longer time period to correct violations in the corrective action plan.¶

(d) The Department shall review and determine if the proposed corrective action plan is acceptable. The corrective action plan must include all elements required by the Department in writing.¶

(A) If the corrective action plan is not acceptable, the Department shall notify the licensee in writing which provisions in the Department finds unacceptable.¶

(B) Licensee shall submit a revised corrective action plan to the Department within 10 days of receiving the Department's notification. The Department shall review the revised plan in accordance with this rule. If the plan is still unacceptable, the Department may take the actions described in subsection (e) of this rule.¶

(e) If the licensee fails to submit a corrective action plan, fails to comply with any deadline in subsection (7) of this rule or other deadline established by the Department for the corrective action plan process, or fails to timely correct all identified violations, the Department may take action to revoke or deny licensee's license or impose civil penalties.

Statutory/Other Authority: ORS 561.190, 569.445, ORS 571.260 - 571.348

Statutes/Other Implemented: ORS 571.260 - 571.348