City of Portland
Marijuana Policy Program
Marijuana Policy Program Mission

In partnership with our community and the marijuana industry, to lead Portland’s marijuana policy development toward ensuring the safety and livability of our neighborhoods, and supporting economic development for Portland businesses.
FOCUSES INCLUDE

• Regulation through City Code: Collaborative enforcement
• Partnership with the state and our community
• Working with Portland constituents and the marijuana industry to shape policy
• Adapting to realities on the ground as the marijuana landscape, and the needs of our City, continue to change
IDENTIFIED CONCERNS FROM THE PORTLAND COMMUNITY

• The Illegal Market
• Oversaturation of Dispensaries / Marijuana Businesses
• Youth Access Prevention
• Hours of Operation
• Zoning Restrictions
• Consumer Safety
• ...and more
Robust public involvement was critical

A series of *Community Town Halls* were launched in mid-2015 in three major areas of the City (SW, North, and outer SE)

A series of *Community Stakeholder Workgroup Meetings* were also held in mid-2015
Where We Are Now

<table>
<thead>
<tr>
<th>APPLICATIONS/LICENSES</th>
<th>INSPECTIONS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Apps: 487</td>
<td>Total Inspects.: 271</td>
</tr>
<tr>
<td>Lic. Approved: 92</td>
<td>Passed: 138</td>
</tr>
<tr>
<td>Lic. Denied: 21</td>
<td>Pending Inspect.: 33</td>
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Most applications pending approval are incomplete; some are in process of approval (review, verification, inspection, etc.)
Looking Ahead

• The City has committed to making changes to Code and Policy as the marijuana industry changes
• The City sits on OLCC’s Rules Advisory Committee to ensure partnership with the State
• The City’s Marijuana Policy Oversight Team (MPOT) recommends changes and offers input to guide Portland’s own marijuana regulation
Looking Ahead

EMERGING ISSUES

• Recreational Marijuana Delivery in Portland
• Social Consumption (not PUBLIC consumption) in Portland, including events and lounges/Cafes
• Other issues: as State policies change and recreational retailers begin becoming licensed by the State and the City, and as Portland’s marijuana industry continues to grow and change
Marijuana & the Public Right of Way

PUBLIC CONSUMPTION IS NOT ALLOWED IN THE PUBLIC RIGHT OF WAY. THIS INCLUDES, BUT IS NOT LIMITED TO:

• Parks
• Hallways in Buildings
• Bars, Restaurants, Event Spaces
• In the Street/Sidewalks
THE CITY CONVENES A MONTHLY MARIJUANA POLICY OVERSIGHT TEAM (MPOT)

- Composed of community and industry members
- Informs the conversation about the City’s marijuana policy, and addresses specific marijuana-related questions and concerns, including:
  - Social Consumption
  - Equity in Practice
  - Youth Access Prevention
  - Reducing the Illegal Market
  - Marijuana Tourism
  - Application Process
  - Licensing
Marijuana Policy Program

GET INVOLVED

• Website/Info: portlandoregon.gov/marijuana
• Concerns/Comments: marijuana@portlandoregon.gov
  503-823-WEED (9333)
• Policy Recommendations: MPOT
• Policy Changes: Portland City Council
Recreational Marijuana

LAWS, RULES, POLICIES

FOR

BIG VILLAGE COALITION EDUCATIONAL MARIJUANA TRAINING – OCTOBER 10, 2016
What’s Legal?

- You can possess and use recreational marijuana if you are 21 and older. If you are younger than 21, it's illegal!

- Approved medical dispensaries may sell small amounts of marijuana to recreational users of legal age through December 31, 2016.

- You can possess up to 8 oz of useable marijuana in your home and 1 oz of useable marijuana outside the home.

- You can grow up to 4 plants per residence – out of public view.

- Driving under the influence of marijuana remains illegal.

- You can’t take marijuana in or out of the state.
What’s Legal?

- Recreational marijuana can be used at home or on private property. Marijuana consumption is not allowed in public, any place or business where the public has access, use of recreational marijuana is prohibited.

- Edibles - effective June 2, 2016 registered medical marijuana dispensaries participating in early start retail sales are allowed to sell expanded limited marijuana retail products.

- Currently allowed to make edible products at home or receive them as a gift - can only use edibles in private places.
OLCC’s Role in Recreational Marijuana

- **OLCC responsibilities:**
  - Issue licenses for recreational marijuana (growers, processors, wholesalers, retailers and laboratories)
  - Ensure licensee compliance with state laws and rules governing recreational marijuana
  - Grant research certificates and marijuana worker permits

- **Not responsible for:**
  - Personal possession, personal use, home grow, or medical marijuana
  - Local land use decisions and municipal ordinances
State Agency Coordination

- **Oregon Health Authority (OHA)**: Responsible for overseeing all medical marijuana activities and businesses, as well as setting testing standards, labeling and serving size in both the medical and recreational markets.

- **Oregon Department of Revenue (DOR)**: Responsible for tax collection on recreational marijuana sales.

- **Oregon Department of Agriculture (DOA)**: Responsible for licensing food establishments, weights and measures and pesticide use.

- Many others as well, including local law enforcement and governing bodies. The Business Readiness Guide is a helpful tool in navigating oversight agencies' responsibilities.
2016 Timeline

- Oregon Legislative Session - February 2016 - expanded mandatory MJ education to entire Rec MJ Industry

- Grower, Processor, Lab Licenses issued – beginning in April, 2016

- Commission adopts Temporary rules for MJ testing requirements and prohibits words & labeling attractive to minors – September 30, 2016

- Retail store licensing – October 2016 – first OLCC recreational marijuana retail licenses issued

- Medical dispensaries can continue to sell recreational marijuana until December 31, 2016
Retailers

- A retailer is the only license type that can sell directly to a consumer
- Access by minors is restricted on a licensed premises
- OLCC licensed retailers will be allowed to carry recreational and medical-grade products (medical card holder tax exemption)
- Daily limits on amounts sold per consumer
- Cannot be located within 1,000 feet of a school
- Retailers submit taxes on marijuana products to the Department of Revenue
- Must check the ID of every customer
Retailers

- Retail sales may occur only between the hours of 7:00 am and 10:00 pm

- Recreational Retailer may only sell to a single customer in a single 24 hour period the following amounts:
  - 1 ounce (28 grams) of usable marijuana
  - 16 ounces of solid cannabinoid product
  - 72 ounces of liquid cannabinoid product
  - 5 grams of cannabinoid extract or concentrate
  - 4 immature plants
  - 10 marijuana seeds
Dispensaries v OLCC Retail Outlets

Current Dispensaries

- **410 Medical Dispensaries in Oregon**
- **370 of these selling recreational marijuana**
- **167 Medical Dispensaries in Portland**
- **139 of these selling recreational marijuana**

OLCC Applications

- **Total Applications:** 1466
  - Producers: 862
  - Processors: 152
  - Wholesalers: 84
  - Laboratories: 20
  - Researchers: 1
  - Retailers: 347

As of 10/07/16

For 2016, OLCC projected 1,200 applications with 850 licenses issued
OLCC Licenses Approved

Total Number of Licenses Approved: 368

By License Type

- Producers 293
- Laboratories 14
- Processors 4
- Wholesalers 9
- Retailers 48

As of 10/07/16
Packaging

- A package is the immediate container or wrapping in which any marijuana item is contained for ultimate sale to a consumer and includes any outer container or wrapping used in the retail display of any such substance to consumers.
Packaging – General Requirements

- Packaging cannot be attractive to minors
  - No designs, brands, or names that resemble a product that is marketed towards children
  - No designs, brands, symbols, or celebrities typically used to market products to minors
  - No cartoons
  - No images of minors
Packaging cannot have any false or misleading statements

- Health claims must be substantiated by scientific evidence
- Cannot use the word “organic” if the product has not been properly certified
- Cannot claim that the product is gluten-free unless the product follows FDA labeling requirements
Packaging – General Requirements

Packaging must protect the marijuana item

- Containers and packaging that hold marijuana items must protect those items from contamination and must not expose the marijuana item to any toxic or harmful substance.
The type of marijuana item determines the type of child-resistant package:

- **Resealable & Continually Child-Resistant Package**
  - All Concentrates & Extracts
  - More than 15 mg THC of: Edibles, Topicals, Tinctures

- **Child-Resistant when Product Leaves the Store (Single Use)**
  - Usable Marijuana
  - 15 mg or less of THC of: Edibles, Topicals, Tinctures

- **Child-Resistant Packaging Not Required**
  - Plants & Seeds
Required for all Packaging
Taxes & Revenue

Taxes:
- OLCC licensed retailers: 17% state tax; up to 3% additional local tax
- OHA Medical Marijuana Dispensaries: 25% tax on recreational products

Revenue:
- January 2016: $3.48M  Early start sales (OHA MMDs)

Projected Revenue:
- FY 2017:  $10.75M
- FY 2018:  $30.37M
- FY 2019:  $32.04M

Revenue Distribution:
- 40% Common School Fund
- 20% Mental Health Alcoholism and Drug Services
- 15% State Police Account
- 10% Cities for law enforcement duties under recreational marijuana
- 10% Counties for law enforcement duties under recreational marijuana
- 5% Oregon Health Authority
For Information and Questions

**OLCC Marijuana Program**
marijuana@oregon.gov

**Marijuana Public Affairs**
mark.pettinger@oregon.gov

**OLCC Education Program**
steve.sander@oregon.gov

**OLCC E-Mail Alerts**
http://www.oregon.gov/olcc
Cannabis Policy: The Balance between Public Safety and Industry Growth

Beau R Whitney
VP Regulatory and Governmental Affairs
Economist, Whitney Economics
Agenda

• The Market
• The Rules
• How the Industry Conforms to the Rules
• Balancing Public Safety Policies with Economics Growth
The Market

• The USA cannabis market is a $46B market (illicit + regulated combined)
  – Larger than all annual US wine sales, distilled spirits sales and chicken sales
  – Larger than the GDP of Panama, Afghanistan and Libya
  – Five times larger than the NFL

• There are currently 4 states that allow recreational sales and use, 5 more with recreational on the ballot in November and 25 states that allow for medical sales and use

• **Question:** How to balance the growth of an emerging industry with sound public safety policies
Cannabis Regulatory and Legislative Rules

- Federal
  - Schedule 1 drug. Federally illegal
  - Cole Memorandum provides guidelines on how states need to operate to avoid federal intervention

- States (Oregon)
  - Cannot sell or give to anyone under 21 years old
  - Cannot have anyone on site under the age of 21 years old
  - Cannot have packaging or naming conventions that appeal to minors
  - Retail outlets must use child resistant packaging, exit bags
How Industry Supports the Public Safety Issues

• The Industry takes public safety issues very seriously, particularly when it comes to youth

• Ex. Golden Leaf employee handbook lists the Cole Memorandum on page 2.
  – All employees must adhere to these principles or risk immediate termination

• Industry partners will regulators, legislators and community leaders to ensure there are strong policies in place that protect the youth

• All cannabis businesses are required to check identification at all locations. Will not allow underage to enter the facility
Balancing Public Safety Policy with Growth

• Policy must allow for the normalization of common business practices
  – If regulations are too strict, prices increase and the black market flourishes
  – If taxes or cost of compliance is too high, the price for cannabis cannot compete with the illicit market and black market sales will continue
• With policies allowing for best practices and growth, prices will go down, driving out the black market and reducing access to minors
  – Statistics from Colorado and Washington demonstrate that usage has declined where cannabis markets are regulated, Cannabis loses its underground appeal
• By driving out the black market, products become safer to the end user
  – Products are scientifically tested for pesticides and other harmful content, dosage limits are regulated,

Summary:
• Overall a good start, but we still have a long way to go
• Usage by even one minor is one too many
Questions?

- For more information contact Beau Whitney at bwhitney@goldenxtrx.com or at 503-724-3084
Ensuring that responsible legal adult marijuana consumers are provided the same rights, privileges, and responsibilities as adult alcohol consumers.
MY BACKGROUND – KING COUNTY BAR ASSOCIATION DRUG POLICY PROJECT

- King County Bar Association
- Church Council of Greater Seattle
- King County Medical Society
- League of Women Voters of Washington
- Loren Miller Bar Association
- Municipal League of King County
- National Alliance on Mental Illness of Washington
- Seattle League of Women Voters
- Washington Academy of Family Physicians
- Washington Osteopathic Medical Association
- Washington Physicians for Social Responsibility
- Washington Society of Addiction Medicine
- Washington State Bar Association
- Washington State Chapter of the American Academy of Pediatrics
- Washington State Medical Association
- Washington State Pharmacy Association
- Washington State Psychiatric Association
- Washington State Psychological Association
- Washington State Public Health Association

www.KCBA.org/druglaw
BIG VILLAGE YOUTH EMPOWERMENT COMMITTEE

- **Educating youth, parents, schools and communities about substance use and effective prevention approaches.**

- **Advocating for increased prevention services, including upstream, asset building strategies that build resilience among youth.**

- **Advocating for fair, appropriate and non-punitive but effective and accountable best practices that enable robust intervention and treatment options for underage users.**

- **Reducing underage access to alcohol and marijuana.**

- **Reducing promotion of alcohol and marijuana to minors.**
REDUCING PROMOTION TO YOUTH

• Cannabis carries a stigma so more scrutiny
• Confusion about what is marketing to youth vs. what adults also like
• Consumers getting mixed messages when they see alcohol marketing when we know Cannabis is safer than alcohol
  • http://www.nytimes.com/2015/03/17/upshot/alcohol-or-marijuana-a-pediatrician-faces-the-question.html
NOT THE IMAGE THE CANNABIS INDUSTRY NEEDS TO PROJECT
BUT NOT THE IMAGE THE ALCOHOL INDUSTRY SHOULD PROJECT EITHER...
ARE THEY ANY DIFFERENT?
REDDUCING ACCESS TO YOUTH

- **Strict regulations on stores, packaging materials, security procedures, tracking, checking IDs**
- **Removing the black/illicit market - price**
- **Educating parents about safe storage**
- **Concerns about accidental ingestion/poisoning**
TYPES OF CANNABIS

• Flower/Buds – must be heated for psychoactive effects
• Concentrates – vape pens, dabs
• Edibles – candies, chocolate, ice cream, baked goods, etc.
• **Children consume dishwasher pods**
• **Reported to poison control every 45 minutes**
INTELLECTUALLY HONEST CONVERSATION AROUND MARIJUANA AND ALCOHOL

- Knee jerk reactions are a waste of scarce resources rather than evidence based policies and programs
- Let’s do a better job with Cannabis than we have with alcohol
- Build a healthy respect for Cannabis in order to “build positive norms”
- Recognizing that Cannabis is ultimately safer than alcohol when considering where we focus our resources
FOR MORE INFORMATION:

www.portlandnorml.org

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