



TO: Joint Interim Committee on Marijuana Legalization
FR: Amy Margolis, Oregon Cannabis Association
DA: January 13, 2016
RE: Testimony on Legislative Concepts for 2016

Chairs Lininger and Burdick, Members of the Committee. My name is Amy Margolis and I represent the Oregon Cannabis Association. The Oregon Cannabis Association is Oregon's largest professional association representing the cannabis business community at the local, state and federal level. Our members include more than 100 cultivators, processors, edible makers, dispensaries, and allied businesses including laboratories, security and transportation companies, and providers of legal and financial services. Thank you for the opportunity to provide input on possible legislative changes for 2016.

While we recognize that there are many tweaks to the recreational and medical licensing programs ahead of us, the Oregon Cannabis Association looks forward to working with the committee to address two key priorities for the 2016 session: enabling expanded access for OMMP patients through OLCC licensed businesses, and addressing the unintended impact that the Legislature's original residency requirement and subsequent OLCC 51% requirement has had upon the cannabis business community as it seeks to meet the state's regulatory structures related costs while attracting investments necessary for long-term growth. Additionally, the Association will support changes to statutes to align the effective date of plant reductions for medical grows with the timing of OLCC licensing, and efforts to implement early sales for regulated edibles in the adult use market.

Residency Requirements

The Oregon Cannabis Association strongly supports repealing all residency requirements for investors in cannabis businesses. Our members have always opposed residency requirements because they have the unintended effect of making it more difficult for smaller, local and family owned businesses to attract investors. Residency requirements also increase barriers faced by Oregon businesses owned by women, people of color, and others who have traditionally had limited access to capital.

We appreciate the Committee's efforts to ensure a level playing field for Oregon businesses and look forward to working together to find ways to support a diverse, robust and healthy cannabis business community in our state.

Expanded access

We are also pleased that the Committee is taking up the issue of expanding access for OMMP patients through businesses licensed in the recreational program. Our members feel strongly that we must ensure access to affordable, safe and high quality medicinal cannabis for patients who are registered with the Oregon Medical Marijuana Program. We do not believe it is necessary or desirable to force business owners to choose between preserving

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that access and making what is really the only viable business decision for many current dispensary owners and cultivators, which is to pursue a recreational license. We point to the current landscape in which, thanks to this Committee's work last year, dispensaries are successfully serving both medical and adult-use customers without duplicative licensing. Let's work together to adjust the regulatory model appropriately to fit the reality of what best serves patients, recreational customers, and our communities.

Aligning OMMP Plant Reductions with OLCC licensing

The Association supports aligning the effective date of medical grow plant reductions with OLCC licensing timelines. The current implementation dates for the new plant limits were set with a transition to OLCC licensing in mind. As that timetable shifts, it makes sense to ensure that farmers and cultivators are not hamstrung by delays in licensing that are beyond their control.

"Early" Sales of Edibles and Extracts

The Association supports moving up the implementation date for cannabis extracts and edible sales in adult use stores. There is very strong consumer desire for edible products and extracts in Oregon's adult use recreational market, and with the Oregon Health Authority's regulatory infrastructure to protect public health soon to be in place, there is no longer a compelling reason to delay the entry of these products into the market.

The Oregon Cannabis Association is thrilled that Oregon's cannabis business community is becoming a strong, emerging opportunity that will help improve Oregon's economy, provide living wage jobs and put Oregon on the map as a premier destination for the best cannabis in the country. It has been our pleasure to participate as an active partner with the Legislature and the Executive Branch, as well as our local governments, to help craft the rules that will propel us forward.

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