ORDINANCE BILL NO. 12-16

- 2 AN ORDINANCE RELATING TO MARIJUANA; AMENDING SRC 31.001, 31.005, 31.010,
- 3 | 31.015, 31.020, 31.025, 31.030; REPEALING 31.035, 31.040, 31.045, 31.050, 31.055, 31.060,
- 4 | 31.065, 31.070, 31.075, 31.080, 31.085, 31.090, 31.095, 31.100, AND 31.105.
- 5 | The City of Salem ordains as follows:
- 6 **Section 1.** Findings. Whereas marijuana is listed as a controlled substance under federal law,
- 7 and its possession and transfer under some circumstances are illegal under federal law, it is
- 8 | necessary for the public health, safety and welfare to maintain a registry of marijuana businesses
- 9 in the city of Salem.
- 10 | Section 2. SRC 31.001, 31.005, 31.010, 31.015, 31.02, 31.025, and 31.030 are amended to read
- 11 as follows:

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- 12 **31.001. Purpose.** The purpose of this Chapter is to create a licensing and regulatory registration
- 13 program for Medical Marijuana Facilities marijuana businesses that protects the public health,
- 14 safety, and welfare.
- 15 **31.005. Definitions.** Except as the context otherwise specifically requires, as used in this
- 16 | Chapter, the following mean:
- 17 (a) Career school has the meaning as defined on Oregon Administrative Rule 333-008-1010(5).
- 18 (b) Chief means the Chief of the Salem Police Department or the Chief's designee.
- 19 (c) Marijuana has the meaning given that term in ORS 475.302. Elementary school has the
- 20 meaning as defined in Oregon Administrative Rule 333-008-1010(10).
- 21 (d) Marijuana business means a person or entity that operates a business that transfers of sells
- 22 | marijuana, grows commercial marijuana, or manufactures marijuana items. Marijuana business
- 23 does not include individual persons who grow marijuana for their own personal use in
- 24 | compliance with state law. Fire Code Official means the Fire Chief of the Salem Fire Department
- 25 or the Fire Chief's designee.
- 26 (e) Person means any natural person, partnership, corporation, Limited Liability Company,
- 27 government entity, association or other entity in law or fact. License means the written form of
- 28 permission required in order to operate a business or pursue a vocation as required by this
- 29 Chapter, and is not intended to be an endorsement of a particular business or vocation or
- 30 licensee.

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1	(f) Principal means members, partners, or corporate officers, and all stockholders holding more
2	than ten percent of the voting stock for any applicant who is not a natural person. Licensee
3	means a person engaged in the business of furnishing or operating a business defined by this
4	Chapter, whether upon contract or by offering such service to the public generally.
5	(g) Marijuana has the meaning given that term in ORS 475.302475B.015.
6	(h) Medical marijuana means marijuana used for the exclusive benefit of a person to mitigate the
7	symptoms or effects of the person's debilitating medical condition.
8	(i) Medical marijuana facility, or "facility," means a facility that is registered by the Oregon
9	Health Authority and that sells, distributes, transmits, gives, dispenses, or otherwise provides
10	medical marijuana to a natural person with a registry identification card. A "facility" includes all
11	premises, buildings, curtilage, or other structures used to accomplish the storage, distribution and
12	dissemination of marijuana.
13	(j) Person means any natural person, partnership, corporation, Limited Liability Company,
14	government entity, association or other entity in law or fact.
15	(k) Person or persons with a financial interest means any person that has loaned or given money
16	or real or personal property to the applicant, or principal of the applicant for use by the proposed
17	facility within the preceding year.
18	(1) Principal means members, partners, or corporate officers, and all stockholders holding more
19	than ten percent of the voting stock for any applicant who is not a natural person.
20	(m) Registry identification card means a document issued by the Oregon Health Authority that
21	identifies a person authorized to engage in the medical use of marijuana, and the person's
22	designated primary caregiver, if any.
23	31.010. Administration; Rulemaking.
24	(a) The Chief shall administer and enforce the provisions of this Chapter, and shall have the
25	authority to inspect businesses required to be registered under this Chapter, render written and
26	oral interpretations, and to adopt administrative rules and procedures necessary for its proper
27	administration and enforcement.
28	(b) The Chief may investigate any applicant for a license to ensure compliance with the
29	requirements of this Chapter. The Chief may require, as part of any application for a license, that
30	any premises sought to be licensed be inspected to ensure compliance with the requirements of

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1	this Chapter. The Chief may require the fingerprinting of any natural person whose name is
2	required to be furnished in connection with any application, may require the submission of a
3	criminal history including, but not limited to, an FBI Identification Record, and may require an
4	applicant to provide such additional information that the Chief determines is necessary to
5	evaluate the application. The applicant is responsible for any fees or costs associated with the
6	eriminal background check.
7	31.015. License Required. A license issued pursuant to this Chapter shall be required for any
8	person engaging in the operation of a medical marijuana facility. Registration Required. All
9	marijuana businesses must register with the Chief.
10	(a) Registration Requirements. All marijuana businesses required to register under this section
11	must provide;
12	(1) The name and address of the business and the names and residence addresses of all
13	principals of the business;
14	(3) The name and address of the location of the business;
15	(4) The signature of the business, if a natural person, or otherwise the signature of an
16	authorized agent of the business, if the applicant is other than a natural person;
17	(5) If the business is leasing the property where the business will be located, the name
18	and address of the owner, landlord, and property manager of the location of the business;
19	(6) Certification that the business has obtained, and is in full compliance with, all
20	required permissions of the State of Oregon,
21	(6) Certification that the business, at the location indicated in the application, is allowed
22	in the applicable zoning district, and will comply with all applicable land use regulations,
23	and;
24	(7) Other information deemed reasonably necessary by the Chief to complete review of
25	the application.
26	(b) The Chief shall register a marijuana business upon a finding by the Chief that the applicant
27	has provided all the information and certifications required by this section.
28	(c) Registrations shall be renewed annually.
29	(d) A marijuana business shall present its registration upon request of the Chief.

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1	(e) A marijuana business shall update its registration with the City upon the occurrence of any of
2	the following:
3	(1) Change in ownership of the business;
4	(2) Change in location of the business;
5	(3) Change in type of business, or;
6	(4) Revocation or suspension (temporary or otherwise) of any state-issued license, permit
7	or registration required by law for the business to operate.
8	(f) A registration may be revoked or suspended upon a finding by the Chief that the business is in
9	violation of this Chapter or any applicable state law. The Chief shall provide written notice of
10	revocation or suspension to the business. The written notice shall state the basis for revocation or
11	suspension of the registration and shall inform the business of the right to appeal as set forth in
12	SRC Chapter 20J.
13	(g) The denial of a registration, or the revocation or suspension of a registration may be appealed
14	pursuant to the procedures for constested cases set forth in SRC Chapter 20J.
15	31.020. License Fees; Proration. Registration Fee. The initial registration fee and any
16	renewal fee shall be \$100.00 per location.
17	(a) Fees for licenses required by this Chapter shall be set by resolution of the City Council in an
18	amount not to exceed \$2,000.00.
19	31.025. License Term and Renewal. Inspection.
20	(a) The Chief may inspect the location of a marijuana business to determine compliance with
21	this Chapter and other applicable law.
22	(b) A marijuana business shall be open for inspection by any law enforcement officer during all
23	operating hours.
24	(a) A license shall be valid from the date of issuance for a period of one year.
25	(b) A license may be renewed for additional one year terms as provided by this Chapter.
26	31.030. Transferability. Licenses issued under this Chapter shall not be transferred to any
27	other person. Unlawful Activity by a Marijuana Business.
28	(a) It shall be unlawful for a person to operate in the City, or to allow or permit the employees or
	wy it shall be allowed person to operate in the city, of to allow of person the employees of
29	agents of a marijuana business to operate on behalf of the business unless the business has
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1	(b) It shall be unlawful for a person to refuse to permit an inspection of a marijuana business by
2	any law enforcement officer during operating hours.
3	(c) A violation of this section is a misdemeanor.
4	(d) Upon conviction for the above offense, the court may in addition to any other sanction or
5	condition of probation authorized by law, prohibit the defendant from operating, being
6	employed, volunteering or having a financial interest in the marijuana business within the City.
7	Section 3. SRC 31.035, 31.040, 31.045, 31.050, 31.055, 31.060, 31.065, 31.070, 31.075,
8	31.080, 31.085, 31.090, 31.095, and 31.105 are repealed.
9	Section 4. Codification. In preparing this ordinance for publication and distribution, the City
10	Recorder shall not alter the sense, meaning, effect or substance of this ordinance, but within such
11	limitations, may:
12	(a) Renumber sections and parts of sections of the ordinance;
13	(b) Rearrange sections;
14	(c) Change reference numbers to agree with renumbered chapters, sections or other parts;
15	(d) Delete references to repealed sections;
16	(e) Substitute the proper subsection, section or chapter, or other division numbers;
17	(f) Change capitalization and spelling for the purpose of uniformity;
18	(g) Add headings for purposes of grouping like sections together for ease of reference; and
19	(h) Correct manifest clerical, grammatical or typographical errors.
20	Section 5. Severability. Each section of this ordinance, and any part thereof, is severable, and
21	if any part of this ordinance is held invalid by a court of competent jurisdiction, the remainder of
22	this ordinance shall remain in full force and effect.
23	PASSED by the City Council this day of, 2016.
24	ATTEST:
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27	City Recorder
28	Approved by City Attorney:
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30	Checked by: D.Atchison
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