



Oregon Secretary of State
Elections Division



Dena Dawson
Elections Director

INITIATIVE PETITION

The Elections Division received a certified ballot title from the Attorney General on August 21, 2025, for Initiative Petition 2026-040, proposed for the November 3, 2026, General Election.

CAPTION

Allows “lounges” open to public for consumption of cannabis products; requires licensing process, government outreach

CHIEF PETITIONERS

Justyce Seith, Resident of Portland, OR

APPEAL PERIOD

Any registered voter, who submitted timely written comments on the draft ballot title and is dissatisfied with the certified ballot title issued by the Attorney General, may petition the Oregon Supreme Court to review the ballot title.

If a registered voter petitions the Supreme Court to review the ballot title, the voter must notify the Elections Division by completing and filing form [SEL 324 Notice of Ballot Title Challenge](#). If this notice is not timely filed, the petition to the Supreme Court may be dismissed.

APPEAL DUE

September 5, 2025

HOW TO SUBMIT APPEAL

Refer to Oregon Rules of Appellate Procedure, Rule 12.30 or contact the Oregon Supreme Court for more information at 503.986.5555.

NOTICE DUE

1st business day after appeal filed with Supreme Court, 5 pm

HOW TO SUBMIT NOTICE

Scan and Email: irrlistnotifier.sos@sos.oregon.gov

Fax: 503.373.7414

Mail: 255 Capitol St NE Ste 126, Salem OR 97310

More information is available at www.oregonvotes.gov/irr.

Tobias Read
Oregon Secretary of State

Michael Kaplan
Deputy Secretary

vote!
255 Capitol St NE, Ste 126
Salem, Oregon 97310
OregonVotes.gov



Dena Dawson
Elections Director

CONSTITUTIONAL REQUIREMENT RULING

Initiative Petition No.	Date Filed	Comment Deadline	Certified Ballot Title Due
2026-040	3/20/2025	8/6/2025	8/21/2025

Draft Ballot Title Caption

Allows "lounges" open to public for consumption of cannabis products; requires licensing process, government outreach

Chief Petitioners

Justyce Seith Resident of Portland, OR

Procedural Constitutional Requirement Commentor

None

Certification

I have reviewed the above-captioned initiative petition, including any comments submitted regarding constitutional requirements, and find that:

☒ It **complies** with the procedural constitutional requirements.

☐ It **does not comply** with the procedural constitutional requirements.

Tobias Read, Secretary of State

Dated

8/21/25



DEPARTMENT OF JUSTICE
APPELLATE DIVISION



August 21, 2025

Dena Dawson
Director, Elections Division
Office of the Secretary of State
255 Capitol St. NE, Ste. 126
Salem, OR 97301

Re: Proposed Initiative Petition — Allows “Lounges” Open to Public for Consumption of Cannabis Products; Requires Licensing Process, Government Outreach

DOJ File #BT-40-25; Elections Division #2026-040

Dear Ms. Dawson:

We received comments about the draft ballot title for Initiative Petition 40 (2026) (IP 40) from P Man. We provide the enclosed certified ballot title.

This letter summarizes the comment we received, our responses to that comment, and the reason we did not make changes to the draft ballot title in light of the submitted comment. ORAP 12.30(6) requires this letter to be included in the record if the Oregon Supreme Court is asked to review the ballot title.

A. The Draft Ballot Title

The caption of a ballot title must be “no more than 15 words that reasonably identif[y] the subject matter of the state measure.” ORS 250.035(2)(a). To meet the applicable statutory standard, the caption must “state or describe the proposed measure’s subject matter ‘accurately and in terms that will not confuse or mislead potential petition signers and voters.’” *Kain/Waller v. Myers*, 337 Or 36, 40, 93 P3d 62 (2004) (*quoting Greene v. Kulongoski*, 322 Or 169, 174–75, 903 P2d 366 (1995)). “Subject matter,” refers to the “actual major effect” of a measure or, if the measure has more than one major effect, all such effects (to the limit of the available words). *Swanson v. Rosenblum*, 362 Or 143, 144, 404 P3d 949 (2017); *see also Terhune v. Myers*, 342 Or 475, 480, 154 P3d 1284 (2007) (so holding).

The caption must “inform potential petition signers and voters of the sweep of the measure.” *Terhune*, 342 Or at 479. In identifying the “principal effect” or “actual major effect” of the proposed measure, *id.*, the caption must not be inaccurate or underinclusive. *Hunnicut v. Myers*, 342 Or 491, 495, 155 P3d 870 (2007). Yet, with those requirements, “[t]he Caption is not meant to serve as a comprehensive statement of the measure’s effects.” *Carson v. Myers*, 326 Or 248, 254, 951 P2d 700 (1998).

A ballot title must also include “[a] simple and understandable statement of not more than 25 words that describes the result if the state measure is approved.” ORS 250.035(2)(b). The “yes” vote result statement should identify “the most significant and immediate” effects of the measure. *Novick/Crew v. Myers*, 337 Or 568, 574, 100 P3d 1064 (2004).

A ballot title must include “[a] simple and understandable statement of not more than 25 words that describes the result if the state measure is rejected.” ORS 250.035(2)(c). The “no” vote result statement “should ‘address[] the substance of current law *on the subject matter of the proposed measure*’ and ‘summarize [] the current law accurately.’” *McCann v. Rosenblum*, 354 Or 701, 707, 320 P3d 548 (2014) (quoting *Novick/Crew*, 337 Or at 577) (emphasis added in *Novick/Crew*).

Finally, ORS 250.035(2)(d) requires a “concise and impartial statement of not more than 125 words summarizing the state measure and its major effect.” “The purpose of a ballot title’s summary is to give voters enough information to understand what will happen if the initiative is adopted.” *McCann v. Rosenblum*, 354 Or 701, 709, 320 P3d 548 (2014).

The draft ballot title provides:

Allows “lounges” open to public for consumption of cannabis products; requires licensing process, government outreach

Result of “Yes” Vote: “Yes” vote allows “microbusiness” operated “lounges” open to public (21 or older) for consumption of cannabis products; creates licensing process; local oversight; mandates government outreach.

Result of “No” Vote: “No” vote retains current law prohibiting public consumption of cannabis products.

Summary: Currently, federal/state law prohibits the public consumption of cannabis products. Measure amends state law, requires Oregon Liquor and Cannabis Commission (OLCC) to establish/issue licenses to qualified applicants for operation of “social lounges” where adults may consume certain cannabis products in public. Only “microbusinesses” (undefined) eligible for license; cannabis retail dispensaries may not operate under license and legal entity name. Adults must bring own cannabis for consumption, no on-premises cannabis sales allowed. Operator may sell non-cannabis food/beverages if certified by local health department; may sell products containing hemp-derived CBD. Alcohol/tobacco products/consumption prohibited on premises. Local governments may issue permits, impose additional limitations/restrictions. Requires OLCC/public health authorities provide “educational materials and outreach programs” regarding purpose and rules governing lounges.

Commenter Man objects that the word “lounges” is “too ambiguous” and should be replaced with an “objective, legally relevant term like ‘business establishments.’” We disagree. “Lounge” is commonly used to describe public rooms in hotels or bars, and is a neutral descriptor. Further, any ambiguity in the definition of “lounge” is appropriately captured by the

quotation marks, which signals to voters that the measure specifically defines that term and uses it in that specifically defined sense. *Carley/Towers v. Myers*, 340 Or 222, 229, 132 P3d 651 (2006).

We certify the following ballot title:

Allows “lounges” open to public for consumption of cannabis products; requires licensing process, government outreach

Result of “Yes” Vote: “Yes” vote allows “microbusiness” operated “lounges” open to public (21 or older) for consumption of cannabis products; creates licensing process; local oversight; mandates government outreach.

Result of “No” Vote: “No” vote retains current law prohibiting public consumption of cannabis products.

Summary: Currently, federal/state law prohibits the public consumption of cannabis products. Measure amends state law, requires Oregon Liquor and Cannabis Commission (OLCC) to establish/issue licenses to qualified applicants for operation of “social lounges” where adults may consume certain cannabis products in public. Only “microbusinesses” (undefined) eligible for license; cannabis retail dispensaries may not operate under license and legal entity name. Adults must bring own cannabis for consumption, no on-premises cannabis sales allowed. Operator may sell non-cannabis food/beverages if certified by local health department; may sell products containing hemp-derived CBD. Alcohol/tobacco products/consumption prohibited on premises. Local governments may issue permits, impose additional limitations/restrictions. Requires OLCC/public health authorities provide “educational materials and outreach programs” regarding purpose and rules governing lounges.

B. Conclusion

We certify the attached ballot title.

Sincerely,

/s/ Shannon T. Reel

Shannon T. Reel
Assistant Attorney General
shannon.t.reel@doj.oregon.gov

Enclosure

Justyce Seith
Portland, OR 97236

Certified by Attorney General on August 21, 2025.

/s/ Shannon T. Reel
Assistant Attorney General

BALLOT TITLE



**Allows “lounges” open to public for consumption of cannabis products; requires
licensing process, government outreach**

Result of “Yes” Vote: “Yes” vote allows “microbusiness” operated “lounges” open to public (21 or older) for consumption of cannabis products; creates licensing process; local oversight; mandates government outreach.

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