

1 Sections 1 through 4 of this act shall be known and may be cited
2 as the "Oklahoma Cap on Medical Marijuana Businesses Act of 2021".

3 SECTION 2. NEW LAW A new section of law to be codified
4 in the Oklahoma Statutes as Section 431.1 of Title 63, unless there
5 is created a duplication in numbering, reads as follows:

6 A. On July 1, 2021, or fifteen (15) days from the effective
7 date of this act, the Oklahoma Medical Marijuana Authority shall
8 announce publicly that the number of medical marijuana dispensary
9 licenses, medical marijuana processor licenses and medical marijuana
10 commercial grower licenses authorized in the State of Oklahoma shall
11 be capped beginning September 1, 2021.

12 B. Beginning September 1, 2021, the number of medical marijuana
13 dispensary licenses, medical marijuana processor licenses and
14 medical marijuana commercial grower licenses authorized in the State
15 of Oklahoma shall be capped at the total number of licenses active
16 in each category as of September 1, 2021, combined with the total
17 number of applications pending in each category with the Oklahoma
18 Medical Marijuana Authority which were submitted prior to September
19 1, 2021. In order to determine the final amount of authorized
20 medical marijuana dispensary licenses, medical marijuana processor
21 licenses and medical marijuana commercial grower licenses in this
22 state, the Authority shall first process all pending applications
23 for each license category received prior to September 1, 2021, and
24 add that number to the total number of active licenses in each

1 category as of September 1, 2021. Applications for a medical
2 marijuana dispensary license, medical marijuana processor license or
3 medical marijuana commercial grower license shall not be accepted
4 beginning September 1, 2021, except as provided in subsection C of
5 this section.

6 C. All applicants submitting an application for an active
7 medical marijuana dispensary license, medical marijuana processor
8 license or medical marijuana commercial grower license, prior to
9 September 1, 2021, shall meet all requirements to hold a medical
10 marijuana business license at the time of application. However,
11 such applicant shall not be required to submit a Certificate of
12 Compliance prior to submitting an application under the provisions
13 of this subsection and each applicant shall have one hundred eighty
14 (180) days from the date such license is provisionally approved to
15 submit a Certificate of Compliance to the Oklahoma Medical Marijuana
16 Authority. Only upon submission and acceptance by the Authority of
17 the Certificate of Compliance, and provided the applicant continues
18 to meet all other requirements provided for in Sections 421 through
19 423 of Title 63 of the Oklahoma Statutes and the Oklahoma Medical
20 Marijuana and Patient Protection Act, shall the applicant be awarded
21 an active business license. In the event an applicant does not
22 submit a Certificate of Compliance or fails to meet any other
23 requirements for licensure within one hundred eighty (180) days of
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1 being awarded a license, the license shall automatically terminate
2 and shall not be extended.

3 SECTION 3. NEW LAW A new section of law to be codified
4 in the Oklahoma Statutes as Section 431.2 of Title 63, unless there
5 is created a duplication in numbering, reads as follows:

6 A. 1. Beginning September 1, 2021, the number of medical
7 marijuana dispensary licensees authorized to operate in the State of
8 Oklahoma shall be automatically reduced by the number of medical
9 marijuana dispensary licenses surrendered, canceled or otherwise
10 terminated, until such time as the total number of active medical
11 marijuana dispensary licenses is equal in number to two thousand.

12 2. Beginning September 1, 2022, any medical marijuana
13 dispensary licensee who does not actively use the medical marijuana
14 dispensary license for a period of eighteen (18) months shall not be
15 authorized to renew the license. For purposes of this subsection,
16 the active use of a medical marijuana dispensary license shall
17 require that a dispensary licensee have a minimum of Five Thousand
18 Dollars (\$5,000.00) per month in gross monthly sales calculated on a
19 twelve-month rolling average. Gross monthly sales shall be
20 calculated by taking the total amount of income and subtracting all
21 discounts and sales and excise tax collected on medical marijuana
22 and medical marijuana products.

23 B. 1. Beginning September 1, 2021, the number of medical
24 marijuana commercial grower licensees authorized in the State of

1 Oklahoma shall be automatically reduced by the number of medical
2 marijuana commercial grower licenses surrendered, canceled or
3 otherwise terminated, until the total number of active medical
4 marijuana commercial grower licenses is equal in number to or less
5 than five thousand.

6 2. Beginning September 1, 2022, any medical marijuana
7 commercial grower licensee who does not actively use the license for
8 a period of eighteen (18) months shall not be authorized to renew
9 the license. For purposes of this subsection, active use of a
10 medical marijuana commercial grower license shall require that a
11 commercial grower licensee have under cultivation a minimum of fifty
12 marijuana plants per month, calculated on a twelve-month rolling
13 average.

14 C. 1. Beginning September 1, 2021, the number of medical
15 marijuana processor licensees authorized in the State of Oklahoma
16 shall be automatically reduced by the number of medical marijuana
17 processor licenses surrendered, canceled or otherwise terminated,
18 until the total number of active medical marijuana processor
19 licenses is equal in number to or less than one thousand.

20 2. Beginning September 1, 2022, any medical marijuana processor
21 licensee who does not actively use the license for a period of
22 eighteen (18) months shall not be authorized to renew the license.
23 For purposes of this subsection, active use of a medical marijuana
24 processor license shall require that a processor licensee have a

1 minimum of Five Thousand Dollars (\$5,000.00) per month in gross
2 monthly sales calculated on a twelve-month rolling average. Gross
3 monthly sales shall be calculated by taking the total amount of
4 income and subtracting all discounts.

5 SECTION 4. NEW LAW A new section of law to be codified
6 in the Oklahoma Statutes as Section 431.3 of Title 63, unless there
7 is created a duplication in numbering, reads as follows:

8 The Authority shall, within ninety (90) days of the effective
9 date of this act, promulgate rules and regulations to govern an
10 impartial, number-based lottery to govern issuance of all available
11 medical marijuana business licenses up to the cap amount for the
12 specific medical marijuana business license category.

13 SECTION 5. It being immediately necessary for the preservation
14 of the public peace, health or safety, an emergency is hereby
15 declared to exist, by reason whereof this act shall take effect and
16 be in full force from and after its passage and approval.

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18 COMMITTEE REPORT BY: COMMITTEE ON ALCOHOL, TOBACCO AND CONTROLLED
19 SUBSTANCES, dated 02/22/2021 - DO PASS, As Amended and Coauthored.

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