

1 **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2 STATE OF OKLAHOMA

3 2nd Session of the 59th Legislature (2024)

4 COMMITTEE SUBSTITUTE
5 FOR ENGROSSED
6 SENATE BILL NO. 1939

By: Paxton of the Senate

and

Echols of the House

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10 COMMITTEE SUBSTITUTE

11 [medical marijuana - licenses - fee - penalty -
12 approval - application - transfer - licensure -
13 rules - codification - effective date]

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16 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

17 SECTION 1. AMENDATORY 63 O.S. 2021, Section 427.14, as
18 last amended by Section 7, Chapter 322, O.S.L. 2023 (63 O.S. Supp.
19 2023, Section 427.14), is amended to read as follows:

20 Section 427.14. A. There is hereby created the medical
21 marijuana business license, which shall include the following
22 categories:

- 23 1. Medical marijuana commercial grower;
24 2. Medical marijuana processor;

- 1 3. Medical marijuana dispensary;
- 2 4. Medical marijuana transporter; and
- 3 5. Medical marijuana testing laboratory.

4 B. The Oklahoma Medical Marijuana Authority, with the aid of
5 the Office of Management and Enterprise Services, shall develop a
6 website for medical marijuana business applications.

7 C. The Authority shall make available on its website in an
8 easy-to-find location, applications for a medical marijuana
9 business.

10 D. 1. The annual, nonrefundable fee for a medical marijuana
11 transporter license shall be Two Thousand Five Hundred Dollars
12 (\$2,500.00).

13 2. The initial, nonrefundable fee for a medical marijuana
14 commercial grower license shall be calculated based upon the total
15 amount of square feet of canopy or acres the grower estimates will
16 be harvested, transferred, or sold for the year. The annual,
17 nonrefundable license fee shall be based upon the total amount of
18 square feet of canopy or acres harvested, transferred, or sold by
19 the grower during the previous twelve (12) months. The amount of
20 the fees shall be determined as follows:

- 21 a. For an indoor, greenhouse, or light deprivation
22 medical marijuana grow facility:

- 1 (1) Tier 1: Up to ten thousand (10,000) square feet
2 of canopy, the fee shall be Two Thousand Five
3 Hundred Dollars (\$2,500.00),
- 4 (2) Tier 2: Ten thousand one (10,001) square feet of
5 canopy to twenty thousand (20,000) square feet of
6 canopy, the fee shall be Five Thousand Dollars
7 (\$5,000.00),
- 8 (3) Tier 3: Twenty thousand one (20,001) square feet
9 of canopy to forty thousand (40,000) square feet
10 of canopy, the fee shall be Ten Thousand Dollars
11 (\$10,000.00),
- 12 (4) Tier 4: Forty thousand one (40,001) square feet
13 of canopy to sixty thousand (60,000) square feet
14 of canopy, the fee shall be Twenty Thousand
15 Dollars (\$20,000.00),
- 16 (5) Tier 5: Sixty thousand one (60,001) square feet
17 of canopy to eighty thousand (80,000) square feet
18 of canopy, the fee shall be Thirty Thousand
19 Dollars (\$30,000.00),
- 20 (6) Tier 6: Eighty thousand one (80,001) square feet
21 of canopy to ninety-nine thousand nine hundred
22 ninety-nine (99,999) square feet of canopy, the
23 fee shall be Forty Thousand Dollars (\$40,000.00),
24 and

1 (7) Tier 7: One hundred thousand (100,000) square
2 feet of canopy and beyond, the fee shall be Fifty
3 Thousand Dollars (\$50,000.00), plus an additional
4 twenty-five cents (\$0.25) per square foot of
5 canopy over one hundred thousand (100,000) square
6 feet.

7 b. For an outdoor medical marijuana grow facility:

8 (1) Tier 1: Less than two and one-half (2 1/2)
9 acres, the fee shall be Two Thousand Five Hundred
10 Dollars (\$2,500.00),

11 (2) Tier 2: More than two and one-half (2 1/2) acres
12 up to five (5) acres, the fee shall be Five
13 Thousand Dollars (\$5,000.00),

14 (3) Tier 3: More than five (5) acres up to ten (10)
15 acres, the fee shall be Ten Thousand Dollars
16 (\$10,000.00),

17 (4) Tier 4: More than ten (10) acres up to twenty
18 (20) acres, the fee shall be Twenty Thousand
19 Dollars (\$20,000.00),

20 (5) Tier 5: More than twenty (20) acres up to thirty
21 (30) acres, the fee shall be Thirty Thousand
22 Dollars (\$30,000.00),
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- 1 (6) Tier 6: More than thirty (30) acres up to forty
2 (40) acres, the fee shall be Forty Thousand
3 Dollars (\$40,000.00),
4 (7) Tier 7: More than forty (40) acres up to fifty
5 (50) acres, the fee shall be Fifty Thousand
6 Dollars (\$50,000.00), and
7 (8) Tier 8: If the amount of acreage exceeds fifty
8 (50) acres, the fee shall be Fifty Thousand
9 Dollars (\$50,000.00) plus an additional Two
10 Hundred Fifty Dollars (\$250.00) per acre.

11 c. For a medical marijuana commercial grower that has a
12 combination of both indoor and outdoor growing
13 facilities at one location, the medical marijuana
14 commercial grower shall be required to obtain a
15 separate license from the Authority for each type of
16 grow operation and shall be subject to the licensing
17 fees provided for in subparagraphs a and b of this
18 paragraph.

19 d. As used in this paragraph:

- 20 (1) "canopy" means the total surface area within a
21 cultivation area that is dedicated to the
22 cultivation of flowering marijuana plants. The
23 surface area of the plant canopy must be
24 calculated in square feet and measured and must

1 include all of the area within the boundaries
2 where the cultivation of the flowering marijuana
3 plants occurs. If the surface of the plant
4 canopy consists of noncontiguous areas, each
5 component area must be separated by identifiable
6 boundaries. If a tiered or shelving system is
7 used in the cultivation area, the surface area of
8 each tier or shelf must be included in
9 calculating the area of the plant canopy.
10 Calculation of the area of the plant canopy may
11 not include the areas within the cultivation area
12 that are used to cultivate immature marijuana
13 plants and seedlings, prior to flowering, and
14 that are not used at any time to cultivate mature
15 marijuana plants. If the flowering plants are
16 vertically grown in cylinders, the square footage
17 of the canopy shall be measured by the
18 circumference of the cylinder multiplied by the
19 total length of the cylinder,

- 20 (2) "greenhouse" means a structure located outdoors
21 that is completely covered by a material that
22 allows a controlled level of light transmission,
23 and
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1 (3) "light deprivation" means a structure that has
2 concrete floors and the ability to manipulate
3 natural light.

4 3. The initial, nonrefundable fee for a medical marijuana
5 processor license shall be Two Thousand Five Hundred Dollars
6 (\$2,500.00). The annual, nonrefundable license fee for a medical
7 marijuana processor license shall be determined based on the
8 previous twelve (12) months as follows:

- 9 a. Tier 1: The transfer or sale of zero (0) to ten
10 thousand (10,000) pounds of biomass or the production,
11 transfer, or sale of up to one hundred (100) liters of
12 cannabis concentrate, whichever is greater, the annual
13 fee shall be Two Thousand Five Hundred Dollars
14 (\$2,500.00),
- 15 b. Tier 2: The transfer or sale of ten thousand one
16 (10,001) pounds to fifty thousand (50,000) pounds of
17 biomass or the production, transfer, or sale of one
18 hundred one (101) to three hundred fifty (350) liters
19 of cannabis concentrate, whichever is greater, the
20 annual fee shall be Five Thousand Dollars (\$5,000.00),
- 21 c. Tier 3: The transfer or sale of fifty thousand one
22 (50,001) pounds to one hundred fifty thousand
23 (150,000) pounds of biomass or the production,
24 transfer, or sale of three hundred fifty-one (351) to

1 six hundred fifty (650) liters of cannabis
2 concentrate, whichever is greater, the annual fee
3 shall be Ten Thousand Dollars (\$10,000.00),

4 d. Tier 4: The transfer or sale of one hundred fifty
5 thousand one (150,001) pounds to three hundred
6 thousand (300,000) pounds of biomass or the
7 production, transfer, or sale of six hundred fifty-one
8 (651) to one thousand (1,000) liters of cannabis
9 concentrate, whichever is greater, the annual fee
10 shall be Fifteen Thousand Dollars (\$15,000.00), and

11 e. Tier 5: The transfer or sale of more than three
12 hundred thousand one (300,001) pounds of biomass or
13 the production, transfer, or sale in excess of one
14 thousand one (1,001) liters of cannabis concentrate,
15 the annual fee shall be Twenty Thousand Dollars
16 (\$20,000.00).

17 For purposes of this paragraph only, if the cannabis concentrate
18 is in nonliquid form, every one thousand (1,000) grams of
19 concentrated marijuana shall be calculated as one (1) liter of
20 cannabis concentrate.

21 4. The initial, nonrefundable fee for a medical marijuana
22 dispensary license shall be Two Thousand Five Hundred Dollars
23 (\$2,500.00). The annual, nonrefundable license fee for a medical
24 marijuana dispensary license shall be calculated at ten percent

1 (10%) of the sum of twelve (12) calendar months of the combined
2 annual state sales tax and state excise tax of the dispensary during
3 the previous twelve (12) months. The minimum fee shall be not less
4 than Two Thousand Five Hundred Dollars (\$2,500.00) and the maximum
5 fee shall not exceed Ten Thousand Dollars (\$10,000.00).

6 5. The annual, nonrefundable license fee for a medical
7 marijuana testing laboratory shall be Twenty Thousand Dollars
8 (\$20,000.00).

9 E. All applicants seeking licensure or licensure renewal as a
10 medical marijuana business shall comply with the following general
11 requirements:

12 1. All applications for licenses and registrations authorized
13 pursuant to this section shall be made upon forms prescribed by the
14 Authority;

15 2. Each application shall identify the city or county in which
16 the applicant seeks to obtain licensure as a medical marijuana
17 business;

18 3. Applicants shall submit a complete application to the
19 Authority before the application may be accepted or considered;

20 4. All applications shall be complete and accurate in every
21 detail;

22 5. All applications shall include all attachments or
23 supplemental information required by the forms supplied by the
24 Authority;

1 6. All applications for a transporter license, initial
2 dispensary license, initial processor license, or laboratory license
3 shall be accompanied by a full remittance for the whole amount of
4 the license fee as set forth in subsection D of this section. All
5 submissions of grower applications, renewal processor applications,
6 and renewal dispensary applications shall be accompanied by a
7 remittance of a fee of Two Thousand Five Hundred Dollars
8 (\$2,500.00). The Authority shall invoice license applicants, if
9 applicable, for any additional licensing fees owed pursuant to
10 subsection D of this section prior to approval of a license
11 application. License fees are nonrefundable;

12 7. All applicants shall be approved for licensing review that,
13 at a minimum, meet the following criteria:

- 14 a. twenty-five (25) years of age or older,
- 15 b. if applying as an individual, proof that the applicant
16 is an Oklahoma resident pursuant to paragraph 11 of
17 this subsection,
- 18 c. if applying as an entity, proof that seventy-five
19 percent (75%) of all members, managers, executive
20 officers, partners, board members or any other form of
21 business ownership are Oklahoma residents pursuant to
22 paragraph 11 of this subsection,

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- 1 d. if applying as an individual or entity, proof that the
2 individual or entity is registered to conduct business
3 in this state,
4 e. disclosure of all ownership interests pursuant to the
5 Oklahoma Medical Marijuana and Patient Protection Act,
6 and
7 f. proof that the medical marijuana business, medical
8 marijuana research facility, medical marijuana
9 education facility and medical marijuana waste
10 disposal facility applicant or licensee has not been
11 convicted of a nonviolent felony in the last two (2)
12 years, or any other felony conviction within the last
13 five (5) years, is not a current inmate in the custody
14 of the Department of Corrections, or currently
15 incarcerated in a jail or corrections facility.

16 Upon reasonable suspicion that a medical marijuana business licensee
17 is illegally growing, processing, transferring, selling, disposing,
18 or diverting marijuana, the Authority, the Oklahoma State Bureau of
19 Narcotics and Dangerous Drugs Control, the Oklahoma State Bureau of
20 Investigation (OSBI), or the Attorney General may subpoena documents
21 necessary to establish the personal identifying information of all
22 owners and individuals with any ownership interest in the business;

23 8. There shall be no limit to the number of medical marijuana
24 business licenses or categories that an individual or entity can

1 apply for or receive, although each application and each category
2 shall require a separate application, application fee, or license
3 fee. A commercial grower, processor and dispensary, or any
4 combination thereof, are authorized to share the same address or
5 physical location, subject to the restrictions set forth in the
6 Oklahoma Medical Marijuana and Patient Protection Act;

7 9. No medical marijuana business premises is permitted to have
8 multiple licenses of the same type pursuant to the licensing
9 requirements of this section, excluding the following:

- 10 a. a commercial grower with a combination of an indoor or
11 outdoor growing facility on one parcel of land,
12 b. a licensed medical marijuana processor used by
13 multiple licensees, and
14 c. a licensed medical marijuana business that has an
15 approved application by the Authority while the new
16 business seeks registration from the Oklahoma State
17 Bureau of Narcotics and Dangerous Drugs Control
18 pursuant to Section 2 of this act;

19 10. All applicants for a medical marijuana business license,
20 research facility license or education facility license authorized
21 by the Oklahoma Medical Marijuana and Patient Protection Act, or for
22 a renewal of such license, shall undergo a national fingerprint-
23 based background check conducted by the Oklahoma State Bureau of
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1 Investigation ~~(OSBI)~~ within thirty (30) days prior to the
2 application for the license, including:

- 3 a. individual applicants applying on their own behalf,
- 4 b. individuals applying on behalf of an entity,
- 5 c. all principal officers of an entity, and
- 6 d. all owners of an entity as defined by the Oklahoma
7 Medical Marijuana and Patient Protection Act;

8 ~~10.~~ 11. All applicable fees charged by the OSBI are the
9 responsibility of the applicant and shall not be higher than fees
10 charged to any other person or industry for such background checks;

11 ~~11.~~ 12. In order to be considered an Oklahoma resident for
12 purposes of a medical marijuana business application, all applicants
13 shall provide proof of Oklahoma residency for at least two (2) years
14 immediately preceding the date of application or five (5) years of
15 continuous Oklahoma residency during the preceding twenty-five (25)
16 years immediately preceding the date of application. Sufficient
17 documentation of proof of residency shall include a combination of
18 the following:

- 19 a. an unexpired Oklahoma-issued driver license,
- 20 b. an Oklahoma identification card,
- 21 c. a utility bill preceding the date of application,
22 excluding cellular telephone and Internet bills,
- 23 d. a residential property deed to property in this state,
24 and

1 e. a rental agreement preceding the date of application
2 for residential property located in this state.

3 Applicants that were issued a medical marijuana business license
4 prior to August 30, 2019, are hereby exempt from the two-year or
5 five-year Oklahoma residence requirement mentioned above;

6 ~~12.~~ 13. All license applicants shall be required to submit a
7 registration with the Oklahoma State Bureau of Narcotics and
8 Dangerous Drugs Control as provided in Sections 2-302 through 2-304
9 of this title;

10 ~~13.~~ 14. All applicants shall establish their identity through
11 submission of a color copy or digital image of one of the following
12 unexpired documents:

- 13 a. front of an Oklahoma driver license,
- 14 b. front of an Oklahoma identification card,
- 15 c. a United States passport or other photo identification
16 issued by the United States government, or
- 17 d. a tribal identification card approved for
18 identification purposes by the Department of Public
19 Safety; and

20 ~~14.~~ 15. All applicants shall submit an applicant photograph;
21 and

22 16. All applicants for a medical marijuana business license
23 seeking to operate a commercial growing operation shall file along
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1 with their application a bond as prescribed by Section 427.26 of
2 this title.

3 F. The Authority shall review the medical marijuana business
4 application; approve, reject, or deny the application; and send the
5 approval, rejection, denial, or status-update letter to the
6 applicant in the same method the application was submitted to the
7 Authority within ninety (90) business days of receipt of the
8 application.

9 G. 1. The Authority shall review the medical marijuana
10 business applications, conduct all investigations, inspections, and
11 interviews, and collect all license and application fees before
12 approving the application.

13 2. Approved applicants shall be issued a medical marijuana
14 business license for the specific category applied under, which
15 shall act as proof of their approved status. Rejection and denial
16 letters shall provide a reason for the rejection or denial.
17 Applications may only be rejected or denied based on the applicant
18 not meeting the standards set forth in the provisions of the
19 Oklahoma Medical Marijuana and Patient Protection Act and Sections
20 420 through 426.1 of this title, improper completion of the
21 application, unpaid license or application fees, or for a reason
22 provided for in the Oklahoma Medical Marijuana and Patient
23 Protection Act and Sections 420 through 426.1 of this title. If an
24 application is rejected for failure to provide required information,

1 the applicant shall have thirty (30) days to submit the required
2 information for reconsideration. Unless the Authority determines
3 otherwise, an application that has been resubmitted but is still
4 incomplete or contains errors that are not clerical or typographical
5 in nature shall be denied.

6 3. Status-update letters shall provide a reason for delay in
7 either approval, rejection or denial should a situation arise in
8 which an application was submitted properly but a delay in
9 processing the application occurred.

10 4. Approval, rejection, denial or status-update letters shall
11 be sent to the applicant in the same method the application was
12 submitted to the Authority.

13 H. A license for a medical marijuana business, medical
14 marijuana research facility, medical marijuana education facility or
15 medical marijuana waste disposal facility shall not be issued to or
16 held by:

17 1. A person until all required fees have been paid;

18 2. A person who has been convicted of a nonviolent felony
19 within two (2) years of the date of application, or within five (5)
20 years for any other felony;

21 3. A corporation, if the criminal history of any of its
22 officers, directors or stockholders indicates that the officer,
23 director or stockholder has been convicted of a nonviolent felony

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1 within two (2) years of the date of application, or within five (5)
2 years for any other felony;

3 4. A person under twenty-five (25) years of age;

4 5. A person licensed pursuant to this section who, during a
5 period of licensure, or who, at the time of application, has failed
6 to:

7 a. file taxes, interest or penalties due related to a
8 medical marijuana business, or

9 b. pay taxes, interest or penalties due related to a
10 medical marijuana business;

11 6. A sheriff, deputy sheriff, police officer or prosecuting
12 officer, or an officer or employee of the Authority or municipality;

13 7. A person whose authority to be a caregiver, as defined in
14 Section 427.2 of this title, has been revoked by the Authority; or

15 8. A person who was involved in the management or operations of
16 any medical marijuana business, medical marijuana research facility,
17 medical marijuana education facility or medical marijuana waste
18 disposal facility that, after the initiation of a disciplinary
19 action, has had a medical marijuana license revoked, not renewed, or
20 surrendered during the five (5) years preceding submission of the
21 application and for the following violations:

22 a. unlawful sales or purchases,

23 b. any fraudulent acts, falsification of records or

24 misrepresentation to the Authority, medical marijuana

1 patient licensees, caregiver licensees or medical
2 marijuana business licensees,

3 c. any grossly inaccurate or fraudulent reporting,

4 d. threatening or harming any medical marijuana patient,
5 caregiver, medical practitioner or employee of the
6 Authority,

7 e. knowingly or intentionally refusing to permit the
8 Authority access to premises or records,

9 f. using a prohibited, hazardous substance for processing
10 in a residential area,

11 g. criminal acts relating to the operation of a medical
12 marijuana business, or

13 h. any violations that endanger public health and safety
14 or product safety.

15 I. In investigating the qualifications of an applicant or a
16 licensee, the Authority and municipalities may have access to
17 criminal history record information furnished by a criminal justice
18 agency subject to any restrictions imposed by such an agency.

19 J. The failure of an applicant or licensee to provide the
20 requested information by the Authority deadline may be grounds for
21 denial of the application.

22 K. All applicants and licensees shall submit information to the
23 Authority in a full, faithful, truthful and fair manner. The
24 Authority may recommend denial of an application where the applicant

1 or licensee made misstatements, omissions, misrepresentations or
2 untruths in the application or in connection with the background
3 investigation of the applicant. This type of conduct may be grounds
4 for administrative action against the applicant or licensee. Typos
5 and scrivener errors shall not be grounds for denial.

6 L. A licensed medical marijuana business premises shall be
7 subject to and responsible for compliance with applicable provisions
8 consistent with the zoning where such business is located as
9 described in the most recent versions of the Oklahoma Uniform
10 Building Code, the International Building Code and the International
11 Fire Code, unless granted an exemption by a municipality or
12 appropriate code enforcement entity.

13 M. All medical marijuana business, medical marijuana research
14 facility, medical marijuana education facility and medical marijuana
15 waste disposal facility licensees shall pay the relevant licensure
16 fees prior to receiving licensure to operate.

17 N. A medical marijuana business, medical marijuana research
18 facility, medical marijuana education facility or medical marijuana
19 waste disposal facility that attempts to renew its license after the
20 expiration date of the license shall pay a late renewal fee ~~in an~~
21 ~~amount to be determined by the Authority to reinstate the license of~~
22 Five Hundred Dollars (\$500.00) per week that the license is expired.
23 Late renewal fees are nonrefundable. A license that has been
24 expired for more than ~~ninety (90)~~ sixty (60) calendar days shall not

1 be renewed. Only license renewal applications submitted at least
2 sixty (60) calendar days prior to the expiration date shall be
3 considered timely submitted and subject to the provisions of
4 subsection F of this section. A medical marijuana business license
5 shall remain unexpired during the pendency of the application for
6 renewal provided that such application was timely submitted. The
7 Authority shall allow renewal applications to be submitted at least
8 one hundred twenty (120) calendar days prior to the expiration date
9 of a medical marijuana business license.

10 O. ~~No medical marijuana business, medical marijuana research~~
11 ~~facility, medical marijuana education facility or medical marijuana~~
12 ~~waste disposal facility shall possess, sell or transfer medical~~
13 ~~marijuana or medical marijuana products without a valid, unexpired~~
14 ~~license issued by the Authority~~ Except as provided by this section,
15 immediately upon expiration of a license, any medical marijuana
16 business, medical marijuana research facility, medical marijuana
17 education facility, or medical marijuana waste disposal facility
18 shall cease all possession, transfer, or sale of medical marijuana
19 or medical marijuana products. Any continued possession, sale, or
20 transfer shall subject the business owners and operators to felony
21 prosecution pursuant to the Uniform Controlled Dangerous Substances
22 Act.

23 P. ~~No more than one medical marijuana commercial grower license~~
24 ~~shall be issued for any one property~~ A medical marijuana business

1 license holder shall require all individuals employed under his or
2 her license to be issued a credential pursuant to the provisions of
3 Section 427.14b of this title prior to employment.

4 Q. The Executive Director of the Authority may promulgate rules
5 to implement the provisions of this section including, but not
6 limited to, required application materials to be submitted by the
7 applicant and utilized by the Authority to determine medical
8 marijuana business licensing fees pursuant to this section.

9 SECTION 2. NEW LAW A new section of law to be codified
10 in the Oklahoma Statutes as Section 427.14c of Title 63, unless
11 there is created a duplication in numbering, reads as follows:

12 A. After the effective date of this act, no medical marijuana
13 business shall be transferred without written approval of an
14 application by the Oklahoma Medical Marijuana Authority.

15 B. A licensee intending to transfer ownership of a medical
16 marijuana business shall submit an application to the Authority.
17 Upon approval by the Authority, the applicant shall submit all
18 necessary documentation to the Oklahoma State Bureau of Narcotics
19 and Dangerous Drugs Control (OBNDD) consistent with an application
20 for a registration pursuant to the Uniform Controlled Dangerous
21 Substances Act and rules promulgated by OBNDD, including the
22 approved application issued by the Authority. The medical marijuana
23 business license and the OBNDD registration of the original owner
24 shall terminate fifteen (15) business days after issuance of the new

1 OBNDD registration. Upon approval of the new registration by OBNDD,
2 the prior owner and new owner shall effectuate the transfer of
3 medical marijuana products utilizing the state authorized seed-to-
4 sale tracking system within fifteen (15) business days.

5 C. Nothing in this section shall prevent the Authority from
6 denying an application, or the OBNDD from denying an application to
7 register pursuant to the laws and rules of this state. Application
8 or registration denial shall not affect the existing licensee and
9 registrant. The existing licensee and registrant shall be required
10 to submit timely and sufficient renewal applications for the
11 business to continue to operate during the pendency of any business
12 transfer.

13 D. Nothing in this section shall authorize any new owner to
14 take possession of medical marijuana, medical marijuana concentrate,
15 or medical marijuana product or exercise control over any activities
16 involving the medical marijuana business unless and until the
17 application has been approved by the Authority and the new ownership
18 is registered with OBNDD.

19 E. Nothing in this section shall prohibit the prospective new
20 owners from being employed by the current owner during the transfer
21 process so long as the prospective new owner holds all proper
22 employee credentials in accordance with Section 427.14b of Title 63
23 of the Oklahoma Statutes.

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1 F. The new medical marijuana business owner shall provide the
2 Authority with a detailed inventory of any and all items enumerated
3 in the Oklahoma Medical Marijuana and Patient Protection Act
4 including, but not limited to, all seeds, plant tissue, clones,
5 plants, usable medical marijuana or trim, leaves, and other plant
6 matter, batches of extract, medical marijuana, medical marijuana
7 concentrate, and medical marijuana products upon taking control of
8 the business.

9 G. Any attempt to transfer a medical marijuana business,
10 medical marijuana, medical marijuana concentrate, or medical
11 marijuana products of a medical marijuana business without approval
12 from the Authority shall be grounds for revocation or nonrenewal of
13 the license and denial, revocation, or nonrenewal of current or
14 future licenses or license applications with ownership held by any
15 such person involved in the unlawful transfer.

16 H. The application fee shall be the annual license or
17 application fee established under Section 427.14 of Title 63 of the
18 Oklahoma Statutes for medical marijuana business license types.

19 I. Any medical marijuana business with a pending application to
20 transfer a business license on the effective date of this act shall
21 have thirty (30) days from the effective date of this act to submit
22 a new application pursuant to this section. The Authority shall
23 refund the application fee to any applicant with a pending
24 application to transfer upon receipt of the new application.

1 J. The Authority shall promulgate rules necessary for the
2 approval and denial of transfers of medical marijuana businesses.

3 SECTION 3. This act shall become effective November 1, 2024.
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5 COMMITTEE REPORT BY: COMMITTEE ON ALCOHOL, TOBACCO AND CONTROLLED
6 SUBSTANCES, dated 04/11/2024 - DO PASS, As Amended.
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