

1 ENGROSSED SENATE
2 BILL NO. 1995

By: Howard of the Senate

3 and

4 Pfeiffer of the House

5
6 An Act relating to multiple versions of medical
7 marijuana statutes; amending, merging, consolidating,
8 and repealing multiple versions of statutes; amending
9 63 O.S. 2021, Section 420, as last amended by Section
10 1, Chapter 584, O.S.L. 2021 (63 O.S. Supp. 2023,
11 Section 420); repealing 63 O.S. 2021, Section 420, as
12 last amended by Section 2, Chapter 312, O.S.L. 2019
13 (63 O.S. Supp. 2023, Section 420); repealing 63 O.S.
14 2021, Section 420, as last amended by Section 1,
15 Chapter 251, O.S.L. 2022 (63 O.S. Supp. 2023, Section
16 420); amending 63 O.S. 2021, Section 421, as last
17 amended by Section 1, Chapter 322, O.S.L. 2023 (63
18 O.S. Supp. 2023, Section 421); repealing 63 O.S.
19 2021, Section 421, as amended by Section 2, Chapter
20 251, O.S.L. 2022 (63 O.S. Supp. 2023, Section 421);
21 amending 63 O.S. 2021, Section 422, as last amended
22 by Section 2, Chapter 322, O.S.L. 2023 (63 O.S. Supp.
23 2023, Section 422); repealing 63 O.S. 2021, Section
24 422, as last amended by Section 1, Chapter 329,
O.S.L. 2022 (63 O.S. Supp. 2023, Section 422);
amending 63 O.S. 2021, Section 423, as last amended
by Section 3, Chapter 322, O.S.L. 2023 (63 O.S. Supp.
2023, Section 423); repealing 63 O.S. 2021, Section
423, as amended by Section 4, Chapter 251, O.S.L.
2022 (63 O.S. Supp. 2023, Section 423); amending 63
O.S. 2021, Section 425, as last amended by Section 2,
Chapter 584, O.S.L. 2021 (63 O.S. Supp. 2023, Section
425); repealing 63 O.S. 2021, Section 425, as last
amended by Section 1, Chapter 10, O.S.L. 2022 (63
O.S. Supp. 2023, Section 425); repealing 63 O.S.
2021, Section 425, as last amended by Section 5,
Chapter 251, O.S.L. 2022 (63 O.S. Supp. 2023, Section
425); repealing 63 O.S. 2021, Section 425, as last
amended by Section 2, Chapter 317, O.S.L. 2022 (63
O.S. Supp. 2023, Section 425); amending 63 O.S. 2021,
Section 426.1, as last amended by Section 6, Chapter
251, O.S.L. 2022 (63 O.S. Supp. 2023, Section 426.1);

1 repealing 63 O.S. 2021, Section 426.1, as amended by
2 Section 3, Chapter 584, O.S.L. 2021 (63 O.S. Supp.
3 2023, Section 426.1); amending 63 O.S. 2021, Section
4 427.2, as last amended by Section 7, Chapter 251,
5 O.S.L. 2022 (63 O.S. Supp. 2023, Section 427.2);
6 repealing 63 O.S. 2021, Section 427.2, as last
7 amended by Section 1, Chapter 141, O.S.L. 2022 (63
8 O.S. Supp. 2023, Section 427.2); repealing 63 O.S.
9 2021, Section 427.2, as last amended by Section 1,
10 Chapter 317, O.S.L. 2022 (63 O.S. Supp. 2023, Section
11 427.2); amending 63 O.S. 2021, Section 427.3, as
12 amended by Section 8, Chapter 251, O.S.L. 2022 (63
13 O.S. Supp. 2023, Section 427.3); repealing 63 O.S.
14 2021, Section 427.3, as amended by Section 30 Chapter
15 228, O.S.L. 2022 (63 O.S. Supp. 2023, Section 427.3);
16 repealing 63 O.S. 2021, Section 427.3, as last
17 amended by Section 4, Chapter 322, O.S.L. 2023 (63
18 O.S. Supp. 2023, Section 427.3); amending 63 O.S.
19 2021, Section 427.6, as last amended by Section 4,
20 Chapter 168, O.S.L. 2023 (63 O.S. Supp. 2023, Section
21 427.6); repealing 63 O.S. 2021, Section 427.6, as
22 amended by Section 2, Chapter 482, O.S.L. 2021 (63
23 O.S. Supp. 2023, Section 427.6); repealing 63 O.S.
24 2021, Section 427.6, as last amended by Section 10,
Chapter 251, O.S.L. 2022 (63 O.S. Supp. 2023, Section
427.6); amending 63 O.S. 2021, Section 427.13, as
last amended by Section 14, Chapter 251, O.S.L. 2022
(63 O.S. Supp. 2023, Section 427.13); repealing 63
O.S. 2021, Section 427.13, as amended by Section 7,
Chapter 584, O.S.L. 2021 (63 O.S. Supp. 2023, Section
427.13); amending 63 O.S. 2021, Section 427.14, as
last amended by Section 7, Chapter 322, O.S.L. 2023
(63 O.S. Supp. 2023, Section 427.14); repealing 63
O.S. 2021, Section 427.14, as amended by Section 8,
Chapter 584, O.S.L. 2021 (63 O.S. Supp. 2023, Section
427.14); repealing 63 O.S. 2021, Section 427.14, as
last amended by Section 2, Chapter 328, O.S.L. 2022
(63 O.S. Supp. 2023, Section 427.14); repealing 63
O.S. 2021, Section 427.14, as last amended by Section
1, Chapter 41, O.S.L. 2023 (63 O.S. Supp. 2023,
Section 427.14); amending 63 O.S. 2021, Section 430,
as last amended by Section 11, Chapter 168, O.S.L.
2023 (63 O.S. Supp. 2023, Section 430); repealing 63
O.S. 2021, Section 430, as amended by Section 12,
Chapter 584, O.S.L. 2021 (63 O.S. Supp. 2023, Section
430); repealing 63 O.S. 2021, Section 430, as last
amended by Section 24, Chapter 251, O.S.L. 2022 (63

1 O.S. Supp. 2023, Section 430); and declaring an
2 emergency.

3
4 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

5 SECTION 1. AMENDATORY 63 O.S. 2021, Section 420, as last
6 amended by Section 1, Chapter 584, O.S.L. 2021 (63 O.S. Supp. 2023,
7 Section 420), is amended to read as follows:

8 Section 420. A. A person in possession of a state-issued
9 medical marijuana patient license shall be able to:

10 1. Consume marijuana legally;

11 2. Legally possess up to three (3) ounces or eighty-four and
12 nine-tenths (84.9) grams of marijuana on their person;

13 3. Legally possess six mature marijuana plants and the
14 harvested marijuana therefrom;

15 4. Legally possess six seedling plants;

16 5. Legally possess one (1) ounce or twenty-eight and three
17 tenths (28.3) grams of concentrated marijuana;

18 6. Legally possess seventy-two (72) ounces or two thousand
19 thirty-seven and six-tenths (2037.6) grams of edible marijuana; ~~and~~

20 7. Legally possess up to eight (8) ounces or two hundred
21 twenty-six and four-tenths (226.4) grams of marijuana in their
22 residence; and

23 8. Legally possess seventy-two (72) ounces of topical
24 marijuana.

1 B. Possession of up to one and one-half (1.5) ounces or forty-
2 two and forty-five one-hundredths (42.45) grams of marijuana by
3 persons who can state a medical condition, but are not in possession
4 of a state-issued medical marijuana patient license, shall
5 constitute a misdemeanor offense punishable by a fine not to exceed
6 Four Hundred Dollars (\$400.00) and shall not be subject to
7 imprisonment for the offense. Any law enforcement officer who comes
8 in contact with a person in violation of this subsection and who is
9 satisfied as to the identity of the person, as well as any other
10 pertinent information the law enforcement officer deems necessary,
11 shall issue to the person a written citation containing a notice to
12 answer the charge against the person in the appropriate court. Upon
13 receiving the written promise of the alleged violator to answer as
14 specified in the citation, the law enforcement officer shall release
15 the person upon personal recognizance unless there has been a
16 violation of another provision of law.

17 C. ~~A regulatory office~~ The Oklahoma Medical Marijuana Authority
18 shall be established ~~under the State Department of Health~~ which
19 shall receive applications for medical marijuana patient and
20 caregiver license recipients, dispensaries, growers, and ~~packagers~~
21 processors within sixty (60) days of the passage of this initiative.

22 D. ~~The State Department of Health~~ Authority shall, within
23 thirty (30) days of passage of this initiative, make available on
24 its website, in an easy-to-find location, an application for a

1 medical marijuana patient license. The license shall be ~~good~~ valid
2 for two (2) years. The biannual application fee shall be One
3 Hundred Dollars (\$100.00), or Twenty Dollars (\$20.00) for
4 individuals on Medicaid, Medicare or SoonerCare. The methods of
5 payment shall be provided on the website of the ~~Department~~
6 Authority. Reprints of the medical marijuana patient license shall
7 be Twenty Dollars (\$20.00).

8 E. A short-term medical marijuana patient license application
9 shall also be made available on the website of the ~~State Department~~
10 ~~of Health~~ Authority. A short-term medical marijuana patient license
11 shall be granted to any applicant who can meet the requirements for
12 a two-year medical marijuana patient license, but whose physician
13 recommendation for medical marijuana is only valid for sixty (60)
14 days. Short-term medical marijuana patient licenses shall be issued
15 for sixty (60) days. The fee for a short-term medical marijuana
16 patient license, reprints of the short-term medical marijuana
17 patient license, and the procedure for extending or renewing the
18 license shall be determined by the ~~Department~~ Executive Director of
19 the Authority.

20 F. A temporary medical marijuana patient license application
21 shall also be made available on the website of the ~~Department~~
22 Authority for residents of other states. ~~A temporary~~ Temporary
23 medical marijuana ~~license~~ patient licenses shall be granted to any
24 medical marijuana license ~~holder~~ holders from other states, provided

1 that ~~the state has a~~ such states have state-regulated medical
2 marijuana ~~program~~ programs, and the ~~applicant~~ applicants can prove
3 ~~he or she is a member~~ they are members of such ~~program~~ programs.
4 Temporary medical marijuana patient licenses shall be issued for
5 thirty (30) days. The cost for a temporary license shall be One
6 Hundred Dollars (\$100.00). Renewal shall be granted with
7 resubmission of a new application. No additional criteria shall be
8 required. Reprints of the temporary medical marijuana patient
9 license shall be Twenty Dollars (\$20.00).

10 G. Medical marijuana patient license applicants shall submit
11 ~~his or her~~ their applications to the ~~State Department of Health~~
12 Authority for approval. The applicant shall be ~~an Oklahoma state a~~
13 resident of this state and shall prove residency by a valid driver
14 license, utility bills, or other accepted methods.

15 H. The ~~State Department of Health~~ Authority shall review the
16 medical marijuana patient license application, ~~approve,~~ approve, ~~or reject,~~
17 or deny the application, ~~and mail the approval,~~ and mail the approval, ~~or~~
18 denial letter stating any reasons for rejection, to the applicant
19 within fourteen (14) business days of receipt of the application.
20 Approved applicants shall be issued a medical marijuana patient
21 license which shall act as proof of his or her approved status.
22 Applications may only be rejected or denied based on the applicant
23 not meeting stated criteria or improper completion of the
24 application.

1 I. ~~The State Department of Health shall only keep the following~~
2 ~~records for each approved medical marijuana license:~~

3 ~~1. A digital photograph of the license holder;~~

4 ~~2. The expiration date of the license;~~

5 ~~3. The county where the card was issued; and~~

6 ~~4. A unique 24-character identification number assigned to the~~
7 ~~license.~~

8 ~~J.~~ J. The State Department of Health Authority shall make
9 available, both on its website and through a telephone verification
10 system, an easy method to validate the authenticity of the medical
11 marijuana patient license by the unique ~~24-character~~ twenty-four-
12 character identification number.

13 ~~K.~~ J. The State Department of Health Authority shall ensure
14 that all ~~application~~ medical marijuana patient and caregiver records
15 and information are sealed to protect the privacy of medical
16 marijuana patient license applicants.

17 ~~L.~~ K. A caregiver license shall be made available for qualified
18 caregivers of a medical marijuana patient license holder who is
19 homebound. As provided in Section 427.11 of this title, the
20 caregiver license shall provide the caregiver the same rights as the
21 medical marijuana patient licensee including the ability to possess
22 marijuana, marijuana products and mature and immature plants or
23 cultivated medical marijuana pursuant to the Oklahoma Medical
24 Marijuana and Patient Protection Act, but excluding the ability to

1 use marijuana or marijuana products unless the caregiver has a
2 medical marijuana patient license. ~~An applicant~~ Applicants for a
3 caregiver license shall submit proof of the license status and
4 homebound status of the medical marijuana patient and proof that the
5 applicant is the designee of the medical marijuana patient. The
6 applicant shall also submit proof that he or she is eighteen (18)
7 years of age or older and proof of his or her ~~Oklahoma~~ state
8 residency. This shall be the only criteria for a caregiver license.
9 A licensed caregiver shall not cultivate medical marijuana for more
10 than five medical marijuana patient licensees and shall not charge a
11 medical marijuana patient licensee for cultivating medical marijuana
12 in excess of the actual costs incurred in cultivating the medical
13 marijuana.

14 M. L. All applicants for a medical marijuana patient license
15 shall be eighteen (18) years of age or older. A special exception
16 shall be granted to an applicant under the age of eighteen (18);
17 however, these applications shall be signed by two physicians and
18 the parent or legal guardian of the applicant.

19 N. M. All applications for a medical marijuana patient license
20 shall be signed by an Oklahoma physician licensed by and in good
21 standing with the State Board of Medical Licensure and Supervision,
22 the State Board of Osteopathic Examiners, or the Board of Podiatric
23 Medical Examiners. There are no qualifying conditions. A medical
24 marijuana patient license ~~must~~ shall be recommended according to the

1 accepted standards a reasonable and prudent physician would follow
2 when recommending or approving any medication. No physician may be
3 unduly stigmatized, penalized, subjected to discipline, sanctioned,
4 reprimanded or harassed for signing a medical marijuana patient
5 license application; provided, the physician acted in accordance
6 with the provisions of this subsection and all other rules governing
7 the medical license of the physician in this state.

8 ~~0.~~ N. Counties and cities may enact medical marijuana
9 guidelines allowing medical marijuana patient license holders or
10 ~~caregivers~~ caregiver license holders to exceed the state limits set
11 forth in subsection A of this section.

12 SECTION 2. REPEALER 63 O.S. 2021, Section 420, as last
13 amended by Section 2, Chapter 312, O.S.L. 2019 (63 O.S. Supp. 2023,
14 Section 420), is hereby repealed.

15 SECTION 3. REPEALER 63 O.S. 2021, Section 420, as last
16 amended by Section 1, Chapter 251, O.S.L. 2022 (63 O.S. Supp. 2023,
17 Section 420), is hereby repealed.

18 SECTION 4. AMENDATORY 63 O.S. 2021, Section 421, as last
19 amended by Section 1, Chapter 322, O.S.L. 2023 (63 O.S. Supp. 2023,
20 Section 421), is amended to read as follows:

21 Section 421. A. The Oklahoma Medical Marijuana Authority shall
22 make available on its website in an easy-to-find location an
23 application for a medical marijuana dispensary license. The
24 application fee to be paid by the applicant shall be in the amounts

1 provided for in Section 427.14 of this title. A method of payment
2 for the application fee shall be provided on the website of the
3 Authority. Dispensary applicants must all be residents of Oklahoma.
4 Any entity applying for a dispensary license must be owned by ~~an~~
5 ~~Oklahoma resident~~ a resident of this state and must be registered to
6 do business in ~~Oklahoma~~ this state. The Authority shall have ninety
7 (90) business days to review the application; approve, reject, or
8 deny the application; and send the approval, rejection, or denial
9 letter stating reasons for the rejection or denial to the applicant
10 in the same method the application was submitted to the Authority.

11 B. The Authority shall approve all applications which meet the
12 following criteria:

13 1. The applicant must be twenty-five (25) years of age or
14 older;

15 2. The applicant, if applying as an individual, must show
16 residency in this state;

17 3. All applying entities must show that all members, managers,
18 and board members are ~~Oklahoma~~ residents of this state;

19 4. An applying entity may show ownership of ~~non-Oklahoma~~
20 nonstate residents, but that percentage ownership may not exceed
21 twenty-five percent (25%);

22 5. All applying individuals or entities must be registered to
23 conduct business in this state; and
24

1 6. All applicants must disclose all ownership interests in the
2 dispensary.

3 Applicants with a nonviolent felony conviction in the last two
4 (2) years, any other felony conviction in the last five (5) years,
5 inmates in the custody of the Department of Corrections or any
6 person currently incarcerated shall not qualify for a medical
7 marijuana dispensary license.

8 C. Licensed medical marijuana dispensaries shall be required to
9 complete a monthly sales report to the Authority. This report shall
10 be due on the fifteenth of each month and provide reporting on the
11 previous month. This report shall detail the weight of marijuana
12 purchased at wholesale and the weight of marijuana sold to licensed
13 medical marijuana patients and licensed caregivers and account for
14 any waste. The report shall show total sales in dollars, tax
15 collected in dollars, and tax due in dollars. The Authority shall
16 have oversight and auditing responsibilities to ensure that all
17 marijuana being grown is accounted for.

18 D. Only a licensed medical marijuana dispensary may conduct
19 retail sales of marijuana or marijuana derivatives. Beginning on
20 November 1, 2021, licensed medical marijuana dispensaries shall be
21 authorized to package and sell pre-rolled marijuana to licensed
22 medical marijuana patients and licensed caregivers. The products
23 described in this subsection shall contain only the ground parts of
24 the marijuana plant and shall not include marijuana concentrates or

1 derivatives. The total net weight of each pre-roll packaged and
2 sold by a medical marijuana dispensary shall not exceed one (1)
3 gram. These products shall be tested, packaged and labeled in
4 accordance with ~~Oklahoma~~ state law and rules promulgated by the
5 Executive Director of the Oklahoma Medical Marijuana Authority.

6 E. No medical marijuana dispensary shall offer or allow a
7 medical marijuana patient licensee, caregiver licensee or other
8 member of the public to handle or otherwise have physical contact
9 with any medical marijuana not contained in a sealed or separate
10 package. Provided, such prohibition shall not preclude an employee
11 of the medical marijuana dispensary from handling loose or
12 nonpackaged medical marijuana to be placed in packaging consistent
13 with the Oklahoma Medical Marijuana and Patient Protection Act and
14 the rules promulgated by the ~~Authority~~ Executive Director for the
15 packaging of medical marijuana for retail sale. Provided, further,
16 such prohibition shall not prevent a medical marijuana dispensary
17 from displaying samples of its medical marijuana in separate display
18 cases, jars or other containers and allowing medical marijuana
19 patient licensees and caregiver licensees the ability to handle or
20 smell the various samples as long as the sample medical marijuana is
21 used for display purposes only and is not offered for retail sale.

22 SECTION 5. REPEALER 63 O.S. 2021, Section 421, as
23 amended by Section 2, Chapter 251, O.S.L. 2022 (63 O.S. Supp. 2023,
24 Section 421), is hereby repealed.

1 SECTION 6. AMENDATORY 63 O.S. 2021, Section 422, as last
2 amended by Section 2, Chapter 322, O.S.L. 2023 (63 O.S. Supp. 2023,
3 Section 422), is amended to read as follows:

4 Section 422. A. The Oklahoma Medical Marijuana Authority shall
5 make available on its website in an easy-to-find location an
6 application for a medical marijuana commercial grower license. The
7 application fee shall be paid by the applicant in the amounts
8 provided for in Section 427.14 of this title. A method of payment
9 for the application fee shall be provided on the website of the
10 Authority. The Authority shall have ninety (90) business days to
11 review the application; approve, reject, or deny the application;
12 and send the approval, rejection, or denial letter stating the
13 reasons for the rejection or denial to the applicant in the same
14 method the application was submitted to the Authority.

15 B. The Authority shall approve all applications which meet the
16 following criteria:

17 1. The applicant must be twenty-five (25) years of age or
18 older;

19 2. The applicant, if applying as an individual, must show
20 residency in this state;

21 3. All applying entities must show that all members, managers,
22 and board members are Oklahoma residents;

23

24

1 4. An applying entity may show ownership of non-Oklahoma
2 residents, but that percentage ownership may not exceed twenty-five
3 percent (25%);

4 5. All applying individuals or entities must be registered to
5 conduct business in this state; and

6 6. All applicants must disclose all ownership interests in the
7 commercial grower operation.

8 Applicants with a nonviolent felony conviction in the last two
9 (2) years, any other felony conviction in the last five (5) years,
10 inmates in the custody of the Department of Corrections or any
11 person currently incarcerated shall not qualify for a commercial
12 grower license.

13 C. A licensed medical marijuana commercial grower may sell
14 marijuana to a licensed medical marijuana dispensary or a licensed
15 medical marijuana processor. Further, sales by a licensed medical
16 marijuana commercial grower shall be considered wholesale sales and
17 shall not be subject to taxation. Under no circumstances may a
18 licensed medical marijuana commercial grower sell marijuana directly
19 to a licensed medical marijuana patient or licensed medical
20 marijuana caregiver. A licensed medical marijuana commercial grower
21 may only sell at the wholesale level to a licensed medical marijuana
22 dispensary, a licensed medical marijuana commercial grower or a
23 licensed medical marijuana processor. If the federal government
24 lifts restrictions on buying and selling marijuana between states,

1 then a licensed medical marijuana commercial grower would be allowed
2 to sell and buy marijuana wholesale from, or to, an out-of-state
3 wholesale provider. A licensed medical marijuana commercial grower
4 shall be required to complete a monthly yield and sales report to
5 the Authority. This report shall be due on the fifteenth of each
6 month and provide reporting on the previous month. This report
7 shall detail the amount of marijuana harvested in pounds, the amount
8 of drying or dried marijuana on hand, the amount of marijuana sold
9 to licensed processors in pounds, the amount of waste in pounds, and
10 the amount of marijuana sold to licensed medical marijuana
11 dispensaries in pounds. Additionally, this report shall show total
12 wholesale sales in dollars. The Authority shall have oversight and
13 auditing responsibilities to ensure that all marijuana being grown
14 by licensed medical marijuana commercial growers is accounted for.

15 D. There shall be no limits on how much marijuana a licensed
16 medical marijuana commercial grower can grow.

17 E. Beginning on November 1, 2021, licensed medical marijuana
18 commercial growers shall be authorized to package and sell pre-
19 rolled marijuana to licensed medical marijuana dispensaries. The
20 products described in this subsection shall contain only the ground
21 parts of the marijuana plant and shall not include marijuana
22 concentrates or derivatives. The total net weight of each pre-roll
23 packaged and sold by licensed medical marijuana commercial growers
24 shall not exceed one (1) gram. These products must be tested,

1 packaged and labeled in accordance with Oklahoma law and rules
2 promulgated by the Authority.

3 F. Beginning November 1, 2022, all medical marijuana commercial
4 grower licensees who operate an outdoor medical marijuana production
5 facility shall be required to register with the Oklahoma Department
6 of Agriculture, Food, and Forestry as an environmentally sensitive
7 crop owner. Registration shall provide notice to commercial and
8 private pesticide applicators of the locations of medical marijuana
9 crops and help minimize the potential for damaging pesticide drift.
10 Medical marijuana commercial grower licensees shall provide their
11 business name, address, Global Positioning System (GPS) coordinates
12 for all outdoor medical marijuana production facilities, and any
13 other information required by the Department when registering with
14 the Environmentally Sensitive Area Registry.

15 SECTION 7. REPEALER 63 O.S. 2021, Section 422, as last
16 amended by Section 1, Chapter 329, O.S.L. 2022 (63 O.S. Supp. 2023,
17 Section 422), is hereby repealed.

18 SECTION 8. AMENDATORY 63 O.S. 2021, Section 423, as last
19 amended by Section 3, Chapter 322, O.S.L. 2023 (63 O.S. Supp. 2023,
20 Section 423), is amended to read as follows:

21 Section 423. A. The Oklahoma Medical Marijuana Authority shall
22 make available on its website in an easy-to-find location an
23 application for a medical marijuana processing license. The
24 Authority shall be authorized to issue two types of medical

1 marijuana processor licenses based on the level of risk posed by the
2 type of processing conducted:

- 3 1. Nonhazardous medical marijuana processor license; and
- 4 2. Hazardous medical marijuana processor license.

5 The application fee for a nonhazardous or hazardous medical
6 marijuana processor license shall be paid by the applicant in the
7 amounts provided for in Section 427.14 of this title. A method of
8 payment shall be provided on the website of the Authority. The
9 Authority shall have ninety (90) business days to review the
10 application; approve, reject, or deny the application; and send the
11 approval, rejection, or denial letter stating the reasons for the
12 rejection or denial to the applicant in the same method the
13 application was submitted to the Authority.

14 B. The Authority shall approve all applications which meet the
15 following criteria:

16 1. The applicant must be twenty-five (25) years of age or
17 older;

18 2. The applicant, if applying as an individual, must show
19 residency in this state;

20 3. All applying entities must show that all members, managers,
21 and board members are Oklahoma residents of this state;

22 4. An applying entity may show ownership of ~~non-Oklahoma~~
23 nonstate residents, but that percentage ownership may not exceed
24 twenty-five percent (25%);

1 5. All applying individuals or entities must be registered to
2 conduct business in this state; and

3 6. All applicants must disclose all ownership interests in the
4 processing operation.

5 Applicants with a nonviolent felony conviction in the last two
6 (2) years, any other felony conviction in the last five (5) years,
7 inmates in the custody of the Department of Corrections or any
8 person currently incarcerated shall not qualify for a medical
9 marijuana processing license.

10 C. 1. A licensed processor may take marijuana plants and
11 distill or process these plants into concentrates, edibles, and
12 other forms for consumption.

13 2. ~~As required by subsection D of this section, the~~ The
14 Executive Director of the Authority shall make available a set of
15 standards which shall be used by licensed processors in the
16 preparation of edible marijuana products. The standards should be
17 in line with current food preparation guidelines. No excessive or
18 punitive rules may be established by the ~~Authority~~ Executive
19 Director.

20 3. Up to two times a year, the Authority may inspect a
21 processing operation and determine its compliance with the
22 preparation standards. If deficiencies are found, a written report
23 of the deficiency shall be issued to the licensed processor. The
24 licensed processor shall have one (1) month to correct the

1 deficiency or be subject to a fine of Five Hundred Dollars (\$500.00)
2 for each deficiency.

3 4. A licensed processor may sell marijuana products it creates
4 to a licensed dispensary or any other licensed processor. All sales
5 by a licensed processor shall be considered wholesale sales and
6 shall not be subject to taxation.

7 5. Under no circumstances may a licensed processor sell
8 marijuana or any marijuana product directly to a licensed medical
9 marijuana patient or licensed caregiver. However, a licensed
10 processor may process cannabis into a concentrated form for a
11 licensed medical marijuana patient for a fee.

12 6. Licensed processors shall be required to complete a monthly
13 yield and sales report to the Authority. This report shall be due
14 on the fifteenth of each month and shall provide reporting on the
15 previous month. This report shall detail the amount of marijuana
16 and medical marijuana products purchased in pounds, the amount of
17 marijuana cooked or processed in pounds, and the amount of waste in
18 pounds. Additionally, this report shall show total wholesale sales
19 in dollars. The Authority shall have oversight and auditing
20 responsibilities to ensure that all marijuana being processed is
21 accounted for.

22 D. The Authority shall oversee the inspection and compliance of
23 licensed processors producing products with marijuana as an
24 additive. ~~The Authority shall be compelled to, within thirty (30)~~

1 ~~days of passage of this initiative, appoint twelve (12) Oklahoma~~
2 ~~residents to the Medical Marijuana Advisory Council, who are~~
3 ~~marijuana industry experts, to create a list of food safety~~
4 ~~standards for processing and handling medical marijuana in Oklahoma.~~
5 ~~These standards shall be adopted by the Authority and the Authority~~
6 ~~may enforce these standards for licensed processors. The Authority~~
7 ~~shall develop a standards review procedure and these standards can~~
8 ~~be altered by calling another council of twelve (12) Oklahoma~~
9 ~~marijuana industry experts. A signed letter of twenty operating,~~
10 ~~licensed processors shall constitute a need for a new council and~~
11 ~~standards review.~~

12 ~~E.~~ If it becomes permissible under federal law, marijuana may
13 be moved across state lines.

14 ~~F.~~ E. Any device used for the processing or consumption of
15 medical marijuana shall be considered legal to be sold,
16 manufactured, distributed and possessed. No merchant, wholesaler,
17 manufacturer or individual may be unduly harassed or prosecuted for
18 selling, manufacturing or possessing marijuana paraphernalia.

19 SECTION 9. REPEALER 63 O.S. 2021, Section 423, as
20 amended by Section 4, Chapter 251, O.S.L. 2022 (63 O.S. Supp. 2023,
21 Section 423), is hereby repealed.

22 SECTION 10. AMENDATORY 63 O.S. 2021, Section 425, as
23 last amended by Section 2, Chapter 584, O.S.L. 2021 (63 O.S. Supp.
24 2023, Section 425), is amended to read as follows:

1 Section 425. A. No school or landlord may refuse to enroll or
2 lease to and may not otherwise penalize a person solely for his or
3 her status as a licensed medical marijuana patient, unless failing
4 to do so would cause the school or landlord the potential to lose a
5 monetary or licensing-related benefit under federal law or
6 regulations.

7 B. 1. Unless a failure to do so would cause an employer the
8 potential to lose a monetary or licensing-related benefit under
9 federal law or regulations, an employer may not discriminate against
10 a person in hiring, termination or imposing any term or condition of
11 employment or otherwise penalize a person based upon the status of
12 the person as a licensed medical marijuana patient.

13 2. Employers may take action against a licensed medical
14 marijuana patient if the licensed medical marijuana patient uses or
15 possesses marijuana while in his or her place of employment or
16 during the hours of employment. Employers may not take action
17 against the licensed medical marijuana patient solely based upon the
18 status of an employee as a licensed medical marijuana patient or the
19 results of a drug test showing positive for marijuana or its
20 components.

21 C. For the purposes of medical care, including organ
22 transplants, the authorized use of marijuana by a licensed medical
23 marijuana patient shall be considered the equivalent of the use of
24 any other medication under the direction of a physician and does not

1 constitute the use of an illicit substance or otherwise disqualify a
2 registered qualifying patient from medical care.

3 D. No licensed medical marijuana patient may be denied custody
4 of or visitation or parenting time with a minor child, and there is
5 no presumption of neglect or child endangerment for conduct allowed
6 under this law, unless the behavior of the person creates an
7 unreasonable danger to the safety of the minor child.

8 E. No licensed medical marijuana patient may unduly be withheld
9 from holding a state-issued license by virtue of their being a
10 licensed medical marijuana patient including, but not limited to, a
11 concealed carry permit.

12 F. 1. No city or local municipality may unduly change or
13 restrict zoning laws to prevent the opening of a medical marijuana
14 dispensary.

15 2. For purposes of this subsection, an undue change or
16 restriction of municipal zoning laws means an act which entirely
17 prevents medical marijuana dispensaries from operating within
18 municipal boundaries as a matter of law. Municipalities may follow
19 their standard planning and zoning procedures to determine if
20 certain zones or districts would be appropriate for locating
21 marijuana-licensed premises, medical marijuana businesses or any
22 other premises where marijuana or its by-products are cultivated,
23 grown, processed, stored or manufactured.

24

1 3. For purposes of this section, a medical marijuana dispensary
2 does not include those other entities licensed by the ~~Department~~
3 Oklahoma Medical Marijuana Authority as marijuana-licensed premises,
4 medical marijuana businesses or other facilities or locations where
5 marijuana or any product containing marijuana or its by-products are
6 cultivated, grown, processed, stored or manufactured.

7 G. 1. Except as otherwise provided in this subsection, the
8 location of any ~~retail~~ medical marijuana dispensary is specifically
9 prohibited within one thousand (1,000) feet of any school entrance.
10 On and after the effective date of this act, for purposes of
11 calculating the 1,000-foot setback distance, the measurement shall
12 be determined by calculating the distance in a straight line from
13 the school door nearest the front door of the retail marijuana
14 dispensary to the front door of the retail marijuana dispensary.

15 ~~1.~~ 2. On and after June 26, 2018, if any school is established
16 within one thousand (1,000) feet of any retail marijuana dispensary
17 after a license has been issued by the Authority for that location,
18 the setback distance between properties shall not apply as long as
19 the licensed property is used for its original licensed purpose.
20 The licensed location shall be grandfathered in as to the setback
21 distance as long as the property is used in accordance with the
22 original licensed purpose.

23 ~~2.~~ 3. On and after June 26, 2018, the Authority, due to an
24 error in measurement of the setback distance or failure to measure

1 the setback distance by the Authority prior to issuance of an
2 original license at a location, shall not:

- 3 a. deny any issuance or renewal of a license at that
4 location,
- 5 b. deny any transfer of license pursuant to a change in
6 ownership at that location, or
- 7 c. revoke any license due to an error in measurement or
8 failure to measure the setback distance, except as
9 otherwise provided by law.

10 The retail marijuana dispensary shall be grandfathered in as to
11 the setback distance, subject only to the municipal compliance
12 provisions of Section 426.1 of this title.

13 ~~3.~~ 4. For purposes of this subsection and subsection H of this
14 section:

- 15 a. "school" means the same as defined in Section 427.2 of
16 this title, and
- 17 b. "error in measurement" means a mistake made by the
18 Authority or a municipality in the setback measurement
19 process where either the distance between a retail
20 marijuana dispensary and a school is miscalculated due
21 to mathematical error or the method used to measure
22 the setback distance is inconsistent with this
23 section. The setback measurement process is allowed
24 an error in measurement up to and including five

1 hundred (500) feet when remeasured after an original
2 license has been issued.

3 H. The location of any medical marijuana commercial grower
4 shall not be within one thousand (1,000) feet of any school as
5 measured from the nearest property line of such school to the
6 nearest property line of the licensed premises of such medical
7 marijuana commercial grower. Additionally, the location of the
8 medical marijuana commercial grower shall not adjoin to any school
9 or be located at the same physical address as the school. If a
10 medical marijuana commercial grower met the requirements of this
11 subsection at the time of its initial licensure, the medical
12 marijuana commercial grower licensee shall be permitted to continue
13 operating at the licensed premises in the same manner and not be
14 subject to nonrenewal or revocation due to subsequent events or
15 changes in regulations occurring after licensure that would render
16 the medical marijuana commercial grower in violation of this
17 subsection. If any school is established within one thousand
18 (1,000) feet of any medical marijuana commercial grower after such
19 medical marijuana commercial grower has been licensed, or if any
20 school is established adjoining to or at the same physical address
21 as any medical marijuana commercial grower after such medical
22 marijuana commercial grower has been licensed, the provisions of
23 this subsection shall not be a deterrent to the renewal of such
24 license or warrant revocation of the license. For purposes of this

1 subsection, a property owned, used, or operated by a school that is
2 not used for classroom instruction on core curriculum, such as an
3 administrative building, athletic facility, ballpark, field, or
4 stadium, shall not constitute a school unless such property is
5 located on the same campus as a building used for classroom
6 instruction on core curriculum.

7 SECTION 11. REPEALER 63 O.S. 2021, Section 425, as last
8 amended by Section 1, Chapter 10, O.S.L. 2022 (63 O.S. Supp. 2023,
9 Section 425), is hereby repealed.

10 SECTION 12. REPEALER 63 O.S. 2021, Section 425, as last
11 amended by Section 5, Chapter 251, O.S.L. 2022 (63 O.S. Supp. 2023,
12 Section 425), is hereby repealed.

13 SECTION 13. REPEALER 63 O.S. 2021, Section 425, as last
14 amended by Section 2, Chapter 317, O.S.L. 2022 (63 O.S. Supp. 2023,
15 Section 425), is hereby repealed.

16 SECTION 14. AMENDATORY 63 O.S. 2021, Section 426.1, as
17 last amended by Section 6, Chapter 251, O.S.L. 2022 (63 O.S. Supp.
18 2023, Section 426.1), is amended to read as follows:

19 Section 426.1. A. All licensure revocation hearings conducted
20 pursuant to marijuana licenses established in the Oklahoma Statutes
21 shall be recorded. A party may request a copy of the recording of
22 the proceedings. Copies shall be provided to local law enforcement
23 if the revocation was based on alleged criminal activity.

24

1 B. The Oklahoma Medical Marijuana Authority shall assist any
2 law enforcement officer in the performance of his or her duties upon
3 such request by the law enforcement officer or the request of other
4 local officials having jurisdiction. Except for license information
5 concerning licensed patients, as defined in Section 427.2 of this
6 title, the Authority shall share information with law enforcement
7 agencies upon request without a subpoena or search warrant.

8 C. The Authority shall make available all information on
9 whether ~~or not~~ a medical marijuana patient or caregiver license is
10 valid to law enforcement electronically through an online
11 verification system.

12 D. The Authority shall make available to state agencies and
13 political subdivisions a list of marijuana-licensed premises,
14 medical marijuana businesses or any other premises where marijuana
15 or its by-products are licensed to be cultivated, grown, processed,
16 stored or manufactured to aid state agencies and county and
17 municipal governments in identifying locations within their
18 jurisdiction and ensuring compliance with applicable laws, rules and
19 regulations.

20 E. 1. Any marijuana-licensed premises, medical marijuana
21 business or any other premises where marijuana or its by-products
22 are licensed to be cultivated, grown, processed, stored or
23 manufactured shall submit with its application or request to change
24 location, after notifying the political subdivision of its intent, a

1 certificate of compliance from the political subdivision where the
2 facility of the applicant or licensee is to be located certifying
3 compliance with zoning classifications, applicable municipal
4 ordinances and all applicable safety, electrical, fire, plumbing,
5 waste, construction and building specification codes.

6 2. Beginning on May 28, 2021, upon the initial request for
7 renewal or transfer of a retail marijuana dispensary license, a
8 municipal government may object to the continued licensure of the
9 medical marijuana dispensary if the municipal government determines
10 it is operating contrary to the required setback distance from a
11 school including the error in measurement allowance authorized by
12 Section 425 of this title.

13 3. To prevent the granting of the grandfather provisions of
14 Section 425 of this title as a matter of law, the municipal
15 government shall provide the following documentation prior to the
16 initial renewal or transfer of a license:

17 a. a municipal resolution finding that the marijuana
18 dispensary is located within the prohibited setback
19 distance from a school that was openly in existence in
20 such a way that the public generally would have known
21 of the school's existence and operation in that
22 location prior to the original marijuana dispensary
23 being licensed. For purposes of this subparagraph,
24 "openly in existence" means any building, location or

1 structure on a school site that has visible outward
2 markings indicating the building, location or
3 structure was operating as a school which would serve
4 as sufficient notice of the existence of the school or
5 a reason for further inquiry on the part of the
6 marijuana dispensary license applicant. Openly in
7 existence shall not mean any school that operated
8 secretly or discreetly without any signs or other
9 markings on any building, location or structure on the
10 school site, undeveloped land or a structure owned by
11 a school that was not openly used and marked as a
12 school site, or any school site that was established
13 after the marijuana dispensary had been established
14 and licensed by the Authority, and

15 b. documentation of the measured distance from the school
16 to the marijuana dispensary utilizing the method for
17 determining the setback distance less any allowable
18 error in measurement calculated and remeasured on and
19 after the effective date of this act as authorized by
20 Section 425 of this title.

21 4. Prior to initial renewal or transfer of a license and upon
22 receipt of documentation required by paragraph 3 of this subsection,
23 if the Authority determines that the medical marijuana dispensary is
24 operating contrary to the required setback distance from a school

1 including the error in measurement allowance authorized by Section
2 425 of this title, the Authority may deny the renewal or transfer of
3 the medical marijuana dispensary license and shall cause the license
4 to be revoked.

5 5. For purposes of this subsection, "school" means the same as
6 defined in Section 427.2 of this title.

7 Once a certificate of compliance has been submitted to the
8 Oklahoma Medical Marijuana Authority showing full compliance as
9 outlined in this subsection, no additional certificate of compliance
10 shall be required for license renewal unless a change of use or
11 occupancy occurs, or there is any change concerning the facility or
12 location that would, by law, require additional inspection,
13 licensure or permitting by the state or municipality.

14 SECTION 15. REPEALER 63 O.S. 2021, Section 426.1, as
15 amended by Section 3, Chapter 584, O.S.L. 2021 (63 O.S. Supp. 2023,
16 Section 426.1), is hereby repealed.

17 SECTION 16. AMENDATORY 63 O.S. 2021, Section 427.2, as
18 last amended by Section 7, Chapter 251, O.S.L. 2022 (63 O.S. Supp.
19 2023, Section 427.2), is amended to read as follows:

20 Section 427.2. As used in the Oklahoma Medical Marijuana and
21 Patient Protection Act:

22 1. "Advertising" means the act of providing consideration for
23 the publication, dissemination, solicitation, or circulation, of
24 visual, oral, or written communication to induce directly or

1 indirectly any person to patronize a particular medical marijuana
2 business, or to purchase particular medical marijuana or a medical
3 marijuana product. Advertising includes marketing, but does not
4 include packaging and labeling;

5 2. "Authority" means the Oklahoma Medical Marijuana Authority;

6 3. "Batch number" means a unique numeric or alphanumeric
7 identifier assigned prior to testing to allow for inventory tracking
8 and traceability;

9 4. "Cannabinoid" means any of the chemical compounds that are
10 active principles of marijuana;

11 5. "Caregiver" means a family member or assistant who regularly
12 looks after a medical marijuana patient license holder whom a
13 physician attests needs assistance;

14 6. "Child-resistant" means special packaging that is:

15 a. designed or constructed to be significantly difficult
16 for children under five (5) years of age to open and
17 not difficult for normal adults to use properly as
18 defined by 16 C.F.R. 1700.15 (1995) and 16 C.F.R.
19 1700.20 (1995), and

20 b. ~~opaque so that the outermost packaging does not allow~~
21 ~~the product to be seen without opening the packaging~~
22 ~~material, and~~

23 e. resealable to maintain its child-resistant
24 effectiveness for multiple openings for any product

1 intended for more than a single use or containing
2 multiple servings;

3 7. "Clone" means a nonflowering plant cut from a mother plant
4 that is capable of developing into a new plant and has shown no
5 signs of flowering;

6 8. "Complete application" means a document prepared in
7 accordance with the provisions set forth in the Oklahoma Medical
8 Marijuana and Patient Protection Act, rules promulgated pursuant
9 thereto, and the forms and instructions provided by the Oklahoma
10 Medical Marijuana Authority including any supporting documentation
11 required and the applicable license application fee;

12 9. "Director" means the Executive Director of the Oklahoma
13 Medical Marijuana Authority;

14 10. "Dispense" means the selling of medical marijuana or a
15 medical marijuana product to a qualified patient or the designated
16 caregiver of the patient that is packaged in a suitable container
17 appropriately labeled for subsequent administration to or use by a
18 qualifying patient;

19 11. "Dispensary" means a medical marijuana dispensary, an
20 entity that has been licensed by the Authority pursuant to the
21 Oklahoma Medical Marijuana and Patient Protection Act to purchase
22 medical marijuana or medical marijuana products from a licensed
23 medical marijuana commercial grower or licensed medical marijuana
24 processor, to prepare and package noninfused pre-rolled medical

1 marijuana, and to sell medical marijuana or medical marijuana
2 products to licensed patients and caregivers as defined in this
3 section, or sell or transfer products to another licensed
4 dispensary;

5 12. "Edible medical marijuana product" means any medical-
6 marijuana-infused product for which the intended use is oral
7 consumption including, but not limited to, any type of food, drink
8 or pill;

9 13. "Entity" means an individual, general partnership, limited
10 partnership, limited liability company, trust, estate, association,
11 corporation, cooperative or any other legal or commercial entity;

12 14. "Flower" means the reproductive organs of the marijuana or
13 cannabis plant referred to as the bud or parts of the plant that are
14 harvested and used for consumption in a variety of medical marijuana
15 products;

16 15. "Flowering" means the reproductive state of the marijuana
17 or cannabis plant in which there are physical signs of flower or
18 budding out of the nodes of the stem;

19 16. "Exit package" means an opaque bag that is provided at the
20 point of sale in which pre-packaged medical marijuana is placed;

21 17. "Food-based medical marijuana concentrate" means a medical
22 marijuana concentrate that was produced by extracting cannabinoids
23 from medical marijuana through the use of propylene glycol,
24

1 glycerin, butter, olive oil, coconut oil or other typical food-safe
2 cooking fats;

3 ~~17.~~ 18. "Harvest batch" means a specifically identified
4 quantity of medical marijuana that is uniform in strain, cultivated
5 utilizing the same cultivation practices, harvested at the same time
6 from the same location and cured under uniform conditions;

7 ~~18.~~ 19. "Harvested marijuana" means postflowering medical
8 marijuana not including trim, concentrate or waste;

9 ~~19.~~ 20. "Heat- or pressure-based medical marijuana concentrate"
10 means a medical marijuana concentrate that was produced by
11 extracting cannabinoids from medical marijuana through the use of
12 heat or pressure;

13 ~~20.~~ 21. "Immature plant" means a nonflowering marijuana plant
14 that has not demonstrated signs of flowering;

15 ~~21.~~ 22. "Inventory tracking system" means the required tracking
16 system that accounts for the entire life span of medical marijuana
17 and medical marijuana products including any testing samples thereof
18 and medical marijuana waste;

19 ~~22.~~ 23. "Licensed patient" or "patient" means a person who has
20 been issued a medical marijuana patient license by the Oklahoma
21 Medical Marijuana Authority;

22 ~~23.~~ 24. "Licensed premises" means the premises specified in an
23 application for a medical marijuana business license, medical
24 marijuana research facility license or medical marijuana education

1 facility license pursuant to the Oklahoma Medical Marijuana and
2 Patient Protection Act that are owned or in possession of the
3 licensee and within which the licensee is authorized to cultivate,
4 manufacture, distribute, sell, store, transport, test or research
5 medical marijuana or medical marijuana products in accordance with
6 the provisions of the Oklahoma Medical Marijuana and Patient
7 Protection Act and rules promulgated pursuant thereto;

8 ~~24.~~ 25. "Manufacture" means the production, propagation,
9 compounding or processing of a medical marijuana product, excluding
10 marijuana plants, either directly or indirectly by extraction from
11 substances of natural or synthetic origin, or independently by means
12 of chemical synthesis, or by a combination of extraction and
13 chemical synthesis;

14 ~~25.~~ 26. "Marijuana" shall have the same meaning as such term is
15 defined in Section 2-101 of this title and shall not include any
16 plant or material containing delta-8 or delta 10
17 tetrahydrocannabinol which is grown, processed, or sold pursuant to
18 the provisions of the Oklahoma Industrial Hemp Program;

19 ~~26.~~ 27. "Material change" means any change that would affect
20 the qualifications for licensure of an applicant or licensee;

21 ~~27.~~ 28. "Mature plant" means a harvestable female marijuana
22 plant that is flowering;

23 ~~28.~~ 29. "Medical marijuana business (MMB)" means a licensed
24 medical marijuana dispensary, medical marijuana processor, medical

1 marijuana commercial grower, medical marijuana laboratory, medical
2 marijuana business operator or a medical marijuana transporter;

3 ~~29.~~ 30. "Medical marijuana concentrate" or "concentrate" means
4 a specific subset of medical marijuana that was produced by
5 extracting cannabinoids from medical marijuana. Categories of
6 medical marijuana concentrate include water-based medical marijuana
7 concentrate, food-based medical marijuana concentrate, solvent-based
8 medical marijuana concentrate, and heat- or pressure-based medical
9 marijuana concentrate;

10 ~~30.~~ 31. "Medical marijuana commercial grower" or "commercial
11 grower" means an entity licensed to cultivate, prepare and package
12 medical marijuana or package medical marijuana as pre-rolls, and
13 transfer or contract for transfer medical marijuana and medical
14 marijuana pre-rolls to a medical marijuana dispensary, medical
15 marijuana processor, any other medical marijuana commercial grower,
16 medical marijuana research facility or medical marijuana education
17 facility. A commercial grower may sell seeds, flower or clones to
18 commercial growers pursuant to the Oklahoma Medical Marijuana and
19 Patient Protection Act;

20 ~~31.~~ 32. "Medical marijuana education facility" or "education
21 facility" means a person or entity approved pursuant to the Oklahoma
22 Medical Marijuana and Patient Protection Act to operate a facility
23 providing training and education to individuals involving the
24 cultivation, growing, harvesting, curing, preparing, packaging or

1 testing of medical marijuana, or the production, manufacture,
2 extraction, processing, packaging or creation of medical-marijuana-
3 infused products or medical marijuana products as described in the
4 Oklahoma Medical Marijuana and Patient Protection Act;

5 ~~32.~~ 33. "Medical-marijuana-infused product" means a product
6 infused with medical marijuana including, but not limited to, edible
7 products, ointments and tinctures;

8 ~~33.~~ 34. "Medical marijuana product" or "product" means a
9 product that contains cannabinoids that have been extracted from
10 plant material or the resin therefrom by physical or chemical means
11 and is intended for administration to a qualified patient including,
12 but not limited to, oils, tinctures, edibles, pills, topical forms,
13 gels, creams, vapors, patches, liquids, and forms administered by a
14 nebulizer, excluding live plant forms which are considered medical
15 marijuana;

16 ~~34.~~ 35. "Medical marijuana processor" means a person or entity
17 licensed pursuant to the Oklahoma Medical Marijuana and Patient
18 Protection Act to operate a business including the production,
19 manufacture, extraction, processing, packaging or creation of
20 concentrate, medical-marijuana-infused products or medical marijuana
21 products as described in the Oklahoma Medical Marijuana and Patient
22 Protection Act;

23 ~~35.~~ 36. "Medical marijuana research facility" or "research
24 facility" means a person or entity approved pursuant to the Oklahoma

1 Medical Marijuana and Patient Protection Act to conduct medical
2 marijuana research. A medical marijuana research facility is not a
3 medical marijuana business;

4 ~~36.~~ 37. "Medical marijuana testing laboratory" or "laboratory"
5 means a public or private laboratory licensed pursuant to the
6 Oklahoma Medical Marijuana and Patient Protection Act to conduct
7 testing and research on medical marijuana and medical marijuana
8 products;

9 ~~37.~~ 38. "Medical marijuana transporter" or "transporter" means
10 a person or entity that is licensed pursuant to the Oklahoma Medical
11 Marijuana and Patient Protection Act. A medical marijuana
12 transporter does not include a medical marijuana business that
13 transports its own medical marijuana, medical marijuana concentrate
14 or medical marijuana products to a property or facility adjacent to
15 or connected to the licensed premises if the property is another
16 licensed premises of the same medical marijuana business;

17 ~~38.~~ 39. "Medical marijuana waste" or "waste" means unused,
18 surplus, returned or out-of-date marijuana, plant debris of the
19 plant of the genus Cannabis including dead plants and all unused
20 plant parts ~~and roots~~, except the term shall not include roots,
21 stems, stalks and fan leaves;

22 ~~39.~~ 40. "Medical use" means the acquisition, possession, use,
23 delivery, transfer or transportation of medical marijuana, medical
24 marijuana products, medical marijuana devices or paraphernalia

1 relating to the administration of medical marijuana to treat a
2 licensed patient;

3 ~~40.~~ 41. "Mother plant" means a marijuana plant that is grown or
4 maintained for the purpose of generating clones, and that will not
5 be used to produce plant material for sale to a medical marijuana
6 processor or medical marijuana dispensary;

7 ~~41.~~ 42. "Oklahoma physician" or "physician" means a physician
8 licensed by and in good standing with the State Board of Medical
9 Licensure and Supervision, the State Board of Osteopathic Examiners
10 or the Board of Podiatric Medical Examiners;

11 ~~42.~~ 43. "Oklahoma resident" means an individual who can provide
12 proof of residency as required by the Oklahoma Medical Marijuana and
13 Patient Protection Act;

14 ~~43.~~ 44. "Owner" means, except where the context otherwise
15 requires, a direct beneficial owner including, but not limited to,
16 all persons or entities as follows:

- 17 a. all shareholders owning an interest of a corporate
18 entity and all officers of a corporate entity,
- 19 b. all partners of a general partnership,
- 20 c. all general partners and all limited partners that own
21 an interest in a limited partnership,
- 22 d. all members that own an interest in a limited
23 liability company,

24

- 1 e. all beneficiaries that hold a beneficial interest in a
2 trust and all trustees of a trust,
3 f. all persons or entities that own interest in a joint
4 venture,
5 g. all persons or entities that own an interest in an
6 association,
7 h. the owners of any other type of legal entity, and
8 i. any other person holding an interest or convertible
9 note in any entity which owns, operates or manages a
10 licensed facility;

11 ~~44.~~ 45. "Package" or "packaging" means any container or wrapper
12 that may be used by a medical marijuana business to enclose or
13 contain medical marijuana;

14 ~~45.~~ 46. "Person" means a natural person, partnership,
15 association, business trust, company, corporation, estate, limited
16 liability company, trust or any other legal entity or organization,
17 or a manager, agent, owner, director, servant, officer or employee
18 thereof, except that person does not include any governmental
19 organization;

20 ~~46.~~ 47. "Pesticide" means any substance or mixture of
21 substances intended for preventing, destroying, repelling or
22 mitigating any pest or any substance or mixture of substances
23 intended for use as a plant regulator, defoliant or desiccant,
24 except that the term pesticide shall not include any article that is

1 a "new animal drug" as designated by the United States Food and Drug
2 Administration;

3 ~~47.~~ 48. "Production batch" means:

4 a. any amount of medical marijuana concentrate of the
5 same category and produced using the same extraction
6 methods, standard operating procedures and an
7 identical group of harvest batch of medical marijuana,
8 or

9 b. any amount of medical marijuana product of the same
10 exact type, produced using the same ingredients,
11 standard operating procedures and the same production
12 batch of medical marijuana concentrate;

13 ~~48.~~ 49. "Public institution" means any entity established or
14 controlled by the federal government, state government, or a local
15 government or municipality including, but not limited to,
16 institutions of higher education or related research institutions;

17 ~~49.~~ 50. "Public money" means any funds or money obtained by the
18 holder from any governmental entity including, but not limited to,
19 research grants;

20 ~~50.~~ 51. "Recommendation" means a document that is signed or
21 electronically submitted by a physician on behalf of a patient for
22 the use of medical marijuana pursuant to the Oklahoma Medical
23 Marijuana and Patient Protection Act;

24

1 ~~51.~~ 52. "Registered to conduct business" means a person that
2 has provided proof that the business applicant or licensee is in
3 good standing with the Secretary of State;

4 ~~52.~~ 53. "Remediation" means the process by which a harvest
5 batch or production batch that fails testing undergoes a procedure
6 to remedy the harvest batch or production batch and is retested in
7 accordance with state laws, rules and regulations;

8 ~~53.~~ 54. "Research project" means a discrete scientific endeavor
9 to answer a research question or a set of research questions related
10 to medical marijuana and is required for a medical marijuana
11 research license. A research project shall include a description of
12 a defined protocol, clearly articulated goals, defined methods and
13 outputs, and a defined start and end date. The description shall
14 demonstrate that the research project will comply with all
15 requirements in the Oklahoma Medical Marijuana and Patient
16 Protection Act and rules promulgated pursuant thereto. All research
17 and development conducted by a medical marijuana research facility
18 shall be conducted in furtherance of an approved research project;

19 ~~54.~~ 55. "Revocation" means the final decision by the Authority
20 that any license issued pursuant to the Oklahoma Medical Marijuana
21 and Patient Protection Act is rescinded because the individual or
22 entity does not comply with the applicable requirements set forth in
23 the Oklahoma Medical Marijuana and Patient Protection Act or rules
24 promulgated pursuant thereto;

1 ~~55.~~ 56. "School" means a public or private elementary, middle
2 or high school, or technology center school which is primarily used
3 for ~~school classes and~~ classroom instruction. A homeschool, daycare
4 or child-care facility shall not be considered a school as used in
5 the Oklahoma Medical Marijuana and Patient Protection Act;

6 ~~56.~~ 57. "Shipping container" means a hard-sided container with
7 a lid or other enclosure that can be secured in place. A shipping
8 container is used solely for the transport of medical marijuana,
9 medical marijuana concentrate, or medical marijuana products between
10 medical marijuana businesses, a medical marijuana research facility,
11 or a medical marijuana education facility;

12 ~~57.~~ 58. "Solvent-based medical marijuana concentrate" means a
13 medical marijuana concentrate that was produced by extracting
14 cannabinoids from medical marijuana through the use of a solvent
15 approved by the Executive Director;

16 ~~58.~~ 59. "State Question" means Oklahoma State Question No. 788,
17 Initiative Petition No. 412, approved by a majority vote of the
18 citizens of Oklahoma on June 26, 2018;

19 ~~59.~~ 60. "Strain" means the name given to a particular variety
20 of medical marijuana that is based on a combination of factors which
21 may include, but is not limited to, botanical lineage, appearance,
22 chemical profile and accompanying effects. An example of a "strain"
23 would be "OG Kush" or "Pineapple Express";

24

1 ~~60.~~ 61. "THC" means tetrahydrocannabinol, which is the primary
2 psychotropic cannabinoid in marijuana formed by decarboxylation of
3 naturally tetrahydrocannabinolic acid, which generally occurs by
4 exposure to heat;

5 ~~61.~~ 62. "Transporter agent" means a person who transports
6 medical marijuana or medical marijuana products as an employee of a
7 licensed medical marijuana business and holds a transporter agent
8 license specific to that business pursuant to the Oklahoma Medical
9 Marijuana and Patient Protection Act;

10 ~~62.~~ 63. "Universal symbol" means the image established by the
11 Oklahoma Medical Marijuana Authority and made available to licensees
12 through its website indicating that the medical marijuana or the
13 medical marijuana product contains THC;

14 ~~63.~~ 64. "Usable marijuana" means the dried leaves, flowers,
15 oils, vapors, waxes and other portions of the marijuana plant and
16 any mixture or preparation thereof, excluding seeds, roots, stems,
17 stalks and fan leaves; and

18 ~~64.~~ 65. "Water-based medical marijuana concentrate" means a
19 concentrate that was produced by extracting cannabinoids from
20 medical marijuana through the use of only water, ice or dry ice.

21 SECTION 17. REPEALER 63 O.S. 2021, Section 427.2, as
22 last amended by Section 1, Chapter 141, O.S.L. 2022 (63 O.S. Supp.
23 2023, Section 427.2), is hereby repealed.

24

1 SECTION 18. REPEALER 63 O.S. 2021, Section 427.2, as
2 last amended by Section 1, Chapter 317, O.S.L. 2022 (63 O.S. Supp.
3 2023, Section 427.2), is hereby repealed.

4 SECTION 19. AMENDATORY 63 O.S. 2021, Section 427.3, as
5 amended by Section 8, Chapter 251, O.S.L. 2022 (63 O.S. Supp. 2023,
6 Section 427.3), is amended to read as follows:

7 Section 427.3. A. There is hereby created the Oklahoma Medical
8 Marijuana Authority which shall address issues related to the
9 medical marijuana program in this state including, but not limited
10 to, the issuance of patient licenses and medical marijuana business
11 licenses, and the dispensing, cultivating, processing, testing,
12 transporting, storage, research, and the use of and sale of medical
13 marijuana pursuant to the Oklahoma Medical Marijuana and Patient
14 Protection Act.

15 B. 1. Beginning on the effective date of this act, the
16 Authority shall cease to be part of or a division of the State
17 Department of Health and shall be deemed to be a separate and
18 distinct agency, to be known as the Oklahoma Medical Marijuana
19 Authority. The Authority and the Executive Director of the
20 Authority shall continue to exercise their statutory powers, duties,
21 and contractual responsibilities. All records, property, equipment,
22 assets, monies, financial interests, liabilities, matters pending,
23 and funds of the division shall be transferred to the Authority.

24

1 2. All licenses granted by the Department pertaining to medical
2 marijuana shall maintain rights and privileges under the authority
3 of the Authority; provided, however, that all licenses shall be
4 subject to revocation, suspension, or disciplinary action for
5 violation of any of the provisions of the Oklahoma Medical Marijuana
6 and Patient Protection Act and rules promulgated by the Executive
7 Director.

8 3. The Authority shall succeed to any contractual rights or
9 responsibilities incurred by the Department pertaining to medical
10 marijuana.

11 4. Rules promulgated by the State Commissioner of Health
12 pertaining to medical marijuana that are in effect on the effective
13 date of this act shall be immediately adopted and enforced by the
14 Executive Director. The Executive Director maintains the authority
15 to further promulgate and enforce rules.

16 5. The Department and the Authority may enter into an agreement
17 for the transfer of personnel from the Department to the Authority.
18 No employee shall be transferred to the Authority except on the
19 freely given written consent of the employee. All employees who are
20 transferred to the Authority shall not be required to accept a
21 lesser grade or salary than presently received. All employees shall
22 retain leave, sick, and annual time earned, and any retirement and
23 longevity benefits which have accrued during their tenure with the
24 Department. The transfer of personnel between the state agencies

1 shall be coordinated with the Office of Management and Enterprise
2 Services.

3 6. The expenses incurred by the Authority as a result of the
4 transfer required by this subsection shall be paid by the Authority.

5 7. The division within the Department known as the Oklahoma
6 Medical Marijuana Authority shall be abolished by the Department
7 after the transfer has been completed.

8 8. The Office of Management and Enterprise Services shall
9 coordinate the transfer of records, property, equipment, assets,
10 funds, allotments, purchase orders, liabilities, outstanding
11 financial obligations, or encumbrances provided for in this
12 subsection.

13 C. The Authority shall implement the provisions of the Oklahoma
14 Medical Marijuana and Patient Protection Act consistently with the
15 voter-approved State Question No. 788, Initiative Petition No. 412,
16 subject to the provisions of the Oklahoma Medical Marijuana and
17 Patient Protection Act.

18 D. The Authority shall exercise its respective powers and
19 perform its respective duties and functions as specified in the
20 Oklahoma Medical Marijuana and Patient Protection Act and this title
21 including, but not limited to, the following:

22 1. Determine steps the state shall take, whether administrative
23 or legislative in nature, to ensure that research on marijuana and
24

1 marijuana products is being conducted for public purposes including
2 the advancement of:

- 3 a. public health policy and public safety policy,
- 4 b. agronomic and horticultural best practices, and
- 5 c. medical and pharmacopoeia best practices;

6 2. Contract with third-party vendors and other governmental
7 entities in order to carry out the respective duties and functions
8 as specified in the Oklahoma Medical Marijuana and Patient
9 Protection Act;

10 3. Upon complaint or upon its own motion and upon a completed
11 investigation, levy fines as prescribed in applicable laws, rules
12 and regulations and suspend, revoke or not renew licenses pursuant
13 to applicable laws, rules and regulations;

14 4. Issue subpoenas for the appearance or production of persons,
15 records and things in connection with disciplinary or contested
16 cases considered by the Authority;

17 5. Apply for injunctive or declaratory relief to enforce the
18 provisions of applicable laws, rules and regulations;

19 6. Inspect and examine all licensed premises of medical
20 marijuana businesses, research facilities, education facilities and
21 waste disposal facilities in which medical marijuana is cultivated,
22 manufactured, sold, stored, transported, tested, distributed or
23 disposed of;

24

1 7. Upon action by the federal government by which the
2 production, sale, and use of marijuana in this state does not
3 violate federal law, work with the Banking Department and the State
4 Treasurer to develop good practices and standards for banking and
5 finance for medical marijuana businesses;

6 8. Establish internal control procedures for licenses including
7 accounting procedures, reporting procedures, and personnel policies;

8 9. Establish a fee schedule and collect fees for performing
9 background checks as the Executive Director deems appropriate. The
10 fees charged pursuant to this paragraph shall not exceed the actual
11 cost incurred for each background check;

12 10. Establish a fee schedule and collect fees for material
13 changes requested by the licensee; and

14 11. Establish regulations, which require a medical marijuana
15 business to submit information to the ~~Oklahoma Medical Marijuana~~
16 Authority, deemed reasonably necessary to assist the Authority in
17 the prevention of diversion of medical marijuana by a licensed
18 medical marijuana business. Such information required by the
19 Authority may include, but shall not be limited to:

- 20 a. the square footage of the licensed premises,
- 21 b. a diagram of the licensed premises,
- 22 c. the number and type of lights at the licensed medical
23 marijuana commercial grower business,

- 1 d. the number, type, and production capacity of equipment
2 located at the medical marijuana processing facility,
3 e. the names, addresses, and telephone numbers of
4 employees or agents of a medical marijuana business,
5 f. employment manuals and standard operating procedures
6 for the medical marijuana business, and
7 g. any other information as the Authority reasonably
8 deems necessary; and

9 12. Declare and establish a moratorium on processing and
10 issuing new medical marijuana business licenses pursuant to Section
11 427.14 of this title for an amount of time the Authority deems
12 necessary.

13 E. The Authority shall be authorized to enter into and
14 negotiate the terms of a Memorandum of Understanding between the
15 Authority and other state agencies concerning the enforcement of
16 laws regulating medical marijuana in this state.

17 SECTION 20. REPEALER 63 O.S. 2021, Section 427.3, as
18 amended by Section 30, Chapter 228, O.S.L. 2022 (63 O.S. Supp. 2023,
19 Section 427.3), is hereby repealed.

20 SECTION 21. REPEALER 63 O.S. 2021, Section 427.3, as
21 last amended by Section 4, Chapter 322, O.S.L. 2023 (63 O.S. Supp.
22 2023, Section 427.3), is hereby repealed.

1 SECTION 22. AMENDATORY 63 O.S. 2021, Section 427.6, as
2 last amended by Section 4, Chapter 168, O.S.L. 2023 (63 O.S. Supp.
3 2023, Section 427.6), is amended to read as follows:

4 Section 427.6. A. The Oklahoma Medical Marijuana Authority
5 shall address issues related to the medical marijuana program in
6 this state including, but not limited to, monitoring and
7 disciplinary actions as they relate to the medical marijuana
8 program.

9 B. 1. The Authority, its designee, or the Oklahoma State
10 Bureau of Narcotics and Dangerous Drugs Control, the Oklahoma State
11 Bureau of Investigation, and the Attorney General may perform on-
12 site inspections or investigations of a licensee or applicant for
13 any medical marijuana business license, research facility, education
14 facility or waste disposal facility to determine compliance with
15 applicable laws, rules and regulations or submissions made pursuant
16 to this section. The Authority, its designee, or the Oklahoma State
17 Bureau of Narcotics and Dangerous Drugs Control, the Oklahoma State
18 Bureau of Investigation, and the Attorney General may enter the
19 licensed premises of a medical marijuana business, research
20 facility, education facility or waste disposal facility licensee or
21 applicant to assess or monitor compliance or ensure qualifications
22 for licensure.

23 2. ~~Post-licensure~~ Except as otherwise provided by law, post-
24 licensure inspections shall be limited to twice per calendar year.

1 However, investigations and additional inspections may occur when
2 the Authority believes an investigation or additional inspection is
3 necessary due to a possible violation or noncompliance of applicable
4 laws, rules or regulations. The Executive Director of the Authority
5 may adopt rules imposing penalties including, but not limited to,
6 monetary fines and suspension or revocation of licensure for failure
7 to allow the Authority reasonable access to the licensed premises
8 for purposes of conducting an inspection.

9 3. The Authority, its designee, or the Oklahoma State Bureau of
10 Narcotics and Dangerous Drugs Control, the Oklahoma State Bureau of
11 Investigation, and the Attorney General may review relevant records
12 of a licensed medical marijuana business, licensed medical marijuana
13 research facility, licensed medical marijuana education facility or
14 licensed medical marijuana waste disposal facility, and may require
15 and conduct interviews with such persons or entities and persons
16 affiliated with such entities, for the purpose of determining
17 compliance with ~~Authority~~ requirements of the Executive Director and
18 applicable laws, rules and regulations.

19 4. The Authority may refer complaints alleging criminal
20 activity that are made against a licensee to appropriate state or
21 local law enforcement authorities including, but not limited to, the
22 Oklahoma State Bureau of Narcotics and Dangerous Drugs Control, the
23 Oklahoma State Bureau of Investigation, and the Attorney General.

24

1 C. Disciplinary action may be taken against an applicant or
2 licensee for not adhering to applicable laws pursuant to the terms,
3 conditions and guidelines set forth in the Oklahoma Medical
4 Marijuana and Patient Protection Act.

5 D. Disciplinary actions may include revocation, suspension or
6 denial of an application, license or final authorization and other
7 action deemed appropriate by the Executive Director of the
8 Authority.

9 E. Disciplinary actions may be imposed upon a medical marijuana
10 business licensee for:

11 1. Failure to comply with or satisfy any provision of
12 applicable laws, rules or regulations;

13 2. Falsification or misrepresentation of any material or
14 information submitted to the Authority or other licensees;

15 3. Failing to allow or impeding entry by authorized
16 representatives of the Authority;

17 4. Failure to adhere to any acknowledgement, verification or
18 other representation made to the Authority;

19 5. Failure to submit or disclose information required by
20 applicable laws, rules or regulations or otherwise requested by the
21 Authority;

22 6. Failure to correct any violation of this section cited as a
23 result of a review or audit of financial records or other materials;

24

- 1 7. Failure to comply with requested access by the Authority to
2 the licensed premises or materials;
- 3 8. Failure to pay a required monetary penalty;
- 4 9. Diversion of medical marijuana or any medical marijuana
5 product, as determined by the Authority;
- 6 10. Threatening or harming a medical marijuana patient
7 licensee, caregiver licensee, a medical practitioner or an employee
8 of the Authority; and
- 9 11. Any other basis indicating a violation of the applicable
10 laws and regulations as identified by the Authority.

11 F. Disciplinary actions against a licensee may include the
12 imposition of monetary penalties, which may be assessed by the
13 Authority. The Authority may suspend or revoke a license for
14 failure to pay any monetary penalty lawfully assessed by the
15 Authority against a licensee.

16 G. 1. In addition to any other penalties prescribed by law,
17 penalties for sales, purchases or transfers for value of medical
18 marijuana by a medical marijuana business or employees or agents of
19 the medical marijuana business to persons other than those allowed
20 by law occurring within any one-year time period may include an
21 initial fine of Five Thousand Dollars (\$5,000.00) for a first
22 violation and a fine of Fifteen Thousand Dollars (\$15,000.00) for
23 any subsequent violation.

24

1 2. Penalties for grossly inaccurate or fraudulent reporting
2 occurring within any two-year time period may include an initial
3 administrative fine of Five Thousand Dollars (\$5,000.00) for a first
4 violation and an administrative fine of Ten Thousand Dollars
5 (\$10,000.00) for any subsequent violation. The medical marijuana
6 business shall be subject to a revocation of any license granted
7 pursuant to the Oklahoma Medical Marijuana and Patient Protection
8 Act upon a second incident of grossly inaccurate or fraudulent
9 reporting in a ten-year period by the medical marijuana business or
10 any employee or agent thereof.

11 3. After investigation by the Authority, the Authority may
12 revoke the license of any person directly involved with the
13 diversion of marijuana.

14 4. If the Authority, after investigation, is able to establish,
15 by a preponderance of evidence, a pattern of diversion or negligence
16 leading to diversion, the Authority may revoke any business licenses
17 associated with the diversion and any entity with common ownership.

18 H. 1. In addition to any other penalties prescribed by law, a
19 first offense for intentional and impermissible diversion of medical
20 marijuana, medical marijuana concentrate, or medical marijuana
21 products for value by a patient or caregiver to an unauthorized
22 person shall be subject to an administrative fine of Four Hundred
23 Dollars (\$400.00). The Authority shall have the authority to
24 enforce the provisions of this subsection.

1 2. In addition to any other penalties prescribed by law, an
2 additional incident resulting in a second offense for impermissible
3 diversion of medical marijuana, medical marijuana concentrate, or
4 medical marijuana products by a patient or caregiver to an
5 unauthorized person for value shall be subject to an administrative
6 fine of One Thousand Dollars (\$1,000.00), and shall result in
7 revocation of the license or licenses of the person.

8 3. Any person who shares less than three (3) grams of medical
9 marijuana with an unauthorized person, without the transfer being
10 for value or other consideration, shall not be subject to criminal
11 prosecution but shall be subject to an administrative fine of Four
12 Hundred Dollars (\$400.00).

13 I. The intentional diversion of medical marijuana, medical
14 marijuana concentrate or medical marijuana products by a licensed
15 medical marijuana patient or caregiver, medical marijuana business
16 or employee of a medical marijuana business to an unauthorized minor
17 person who the licensed medical marijuana patient or caregiver,
18 medical marijuana business or employee of a medical marijuana
19 business knew or reasonably should have known to be a minor person
20 shall be subject to an administrative fine of Two Thousand Five
21 Hundred Dollars (\$2,500.00). For an additional incident resulting
22 in a second or subsequent offense, the licensed medical marijuana
23 patient or caregiver, medical marijuana business or employee of a
24 medical marijuana business shall be subject to a cite and release

1 citation and, upon a finding of guilt or a plea of no contest, a
2 fine of Five Thousand Dollars (\$5,000.00) and automatic revocation
3 of the medical marijuana license.

4 J. In addition to any other penalties prescribed by law, it
5 shall be unlawful for a licensed medical marijuana commercial grower
6 to knowingly hire or employ undocumented immigrants to perform work
7 inside a medical marijuana commercial grow facility or anywhere on
8 the property of the medical marijuana commercial grow operation. A
9 licensed medical marijuana commercial grower that violates the
10 provisions of this subsection shall, upon conviction, be guilty of a
11 misdemeanor punishable by imprisonment in the county jail for a term
12 not exceeding one (1) year, or by a fine not exceeding Five Hundred
13 Dollars (\$500.00), or by both such fine and imprisonment. In
14 addition, the license of the medical marijuana commercial grower
15 shall be subject to revocation and the Authority may deny future
16 license applications.

17 K. 1. Beginning September 1, 2021, the Oklahoma Medical
18 Marijuana Authority shall schedule on-site meetings and compliance
19 inspections of the premises with the medical marijuana dispensary
20 licensee at the location of the medical marijuana dispensary, the
21 medical marijuana commercial grower at the location of the medical
22 marijuana commercial grower site and the medical marijuana processor
23 at the location of the medical marijuana processing site. The on-
24 site meetings and compliance inspections shall occur within the

1 first one hundred eighty (180) days after issuance of the medical
2 marijuana dispensary license, commercial grower license or processor
3 license and shall be conducted for purposes of verifying whether the
4 medical marijuana business licensee is actively operating or is
5 working towards operational status.

6 2. If, at the time of the on-site meeting and compliance
7 inspection, the medical marijuana business licensee fails to provide
8 proof to the Authority that the medical marijuana business is
9 actively operating or working towards operational status, the
10 Authority shall grant the medical marijuana business licensee a
11 grace period of one hundred eighty (180) days to become operational.
12 Upon expiration of this grace period, the Authority shall schedule a
13 second on-site meeting and compliance inspection of the premises to
14 verify whether the medical marijuana business licensee has begun
15 operations at the licensed premises or is continuing to work towards
16 operational status.

17 3. If, after the second on-site meeting and compliance
18 inspection, the medical marijuana business licensee fails to provide
19 proof to the Authority that the medical marijuana business licensee
20 is actively operating or is continuing to work towards operational
21 status, the Authority shall be authorized to grant the medical
22 marijuana business licensee an additional grace period of one
23 hundred eighty (180) days to become operational.

1 4. Upon expiration of the second grace period, the Authority
2 shall terminate the medical marijuana business license if the
3 medical marijuana business licensee has failed to provide proof to
4 the Authority that the medical marijuana business is actively
5 conducting business operations at the licensed premises.

6 L. In addition to any other remedies provided for by law, the
7 Authority, pursuant to its rules and regulations promulgated by the
8 Executive Director, may issue a written order to any licensee the
9 Authority has reason to believe has violated Sections 420 through
10 426.1 of this title, the Oklahoma Medical Marijuana and Patient
11 Protection Act, the Oklahoma Medical Marijuana Waste Management Act,
12 or any rules promulgated by the ~~State Commissioner of Health~~
13 Executive Director and to whom the Authority has served, not less
14 than thirty (30) days previously, a written notice of violation of
15 such statutes or rules.

16 1. The written order shall state with specificity the nature of
17 the violation. The Authority may impose any disciplinary action
18 authorized under the provisions of this section including, but not
19 limited to, the assessment of monetary penalties.

20 2. Any order issued pursuant to the provisions of this section
21 shall become a final order unless, not more than thirty (30) days
22 after the order is served to the licensee, the licensee requests an
23 administrative hearing in accordance with the rules and regulations
24 promulgated by the Executive Director of the Authority. Upon such

1 request, the Authority shall promptly initiate administrative
2 proceedings.

3 ~~L.~~ M. Whenever the Executive Director of the Authority finds
4 that an emergency exists requiring immediate action in order to
5 protect the health or welfare of the public, the Executive Director
6 of the Authority may issue an order, without providing notice or
7 hearing, stating the existence of ~~said~~ an emergency and requiring
8 that action be taken as the Executive Director of the Authority
9 deems necessary to meet the emergency. Such action may include, but
10 is not limited to, ordering the licensee to immediately cease and
11 desist operations by the licensee. The order shall be effective
12 immediately upon issuance. Any person to whom the order is directed
13 shall comply immediately with the provisions of the order. The
14 Authority may assess a penalty not to exceed Ten Thousand Dollars
15 (\$10,000.00) per day of noncompliance with the order. In assessing
16 such a penalty, the Authority shall consider the seriousness of the
17 violation and any efforts to comply with applicable requirements.
18 Upon application to the Authority, the licensee shall be offered a
19 hearing within ten (10) days of the issuance of the order.

20 ~~M.~~ N. All hearings held pursuant to this section shall be in
21 accordance with the Oklahoma Administrative Procedures Act.

22 SECTION 23. REPEALER 63 O.S. 2021, Section 427.6, as
23 amended by Section 2, Chapter 482, O.S.L. 2021 (63 O.S. Supp. 2023,
24 Section 427.6), is hereby repealed.

1 SECTION 24. REPEALER 63 O.S. 2021, Section 427.6, as
2 last amended by Section 10, Chapter 251, O.S.L. 2022 (63 O.S. Supp.
3 2023, Section 427.6), is hereby repealed.

4 SECTION 25. AMENDATORY 63 O.S. 2021, Section 427.13, as
5 last amended by Section 14, Chapter 251, O.S.L. 2022 (63 O.S. Supp.
6 2023, Section 427.13), is amended to read as follows:

7 Section 427.13. A. All medical marijuana and medical marijuana
8 products shall be purchased solely from a state-licensed medical
9 marijuana business, and shall not be purchased from any out-of-state
10 providers.

11 B. 1. The Oklahoma Medical Marijuana Authority shall have
12 oversight and auditing responsibilities to ensure that all marijuana
13 being grown in this state is accounted for and shall implement an
14 inventory tracking system. Pursuant to these duties, the Authority
15 shall require that each medical marijuana business, medical
16 marijuana research facility, medical marijuana education facility
17 and medical marijuana waste disposal facility keep records for every
18 transaction with another medical marijuana business, patient or
19 caregiver. Inventory shall be tracked and updated after each
20 individual sale and reported to the Authority.

21 2. The inventory tracking system licensees use shall allow for
22 integration of other seed-to-sale systems and, at a minimum, shall
23 include the following:

24

- a. notification of when marijuana seeds and clones are planted,
- b. notification of when marijuana plants are harvested and destroyed,
- c. notification of when marijuana is transported, sold, stolen, diverted or lost,
- d. a complete inventory of all marijuana, seeds, plant tissue, clones, plants, usable marijuana or trim, leaves and other plant matter, batches of extract, and marijuana concentrates,
- e. all samples sent to a testing laboratory, an unused portion of a sample returned to a licensee, all samples utilized by licensee for purposes of negotiating a sale, and
- f. all samples used for quality testing by a licensee.

3. Each medical marijuana business, medical marijuana research facility, medical marijuana education facility and medical marijuana waste disposal facility shall develop written standard operating procedures outlining the manner in which it operates as prescribed by the Authority and shall use a seed-to-sale tracking system or integrate its own seed-to-sale tracking system with the seed-to-sale tracking system established by the Authority in accordance with the limitations set forth herein.

1 4. These records shall include, but not be limited to, the
2 following:

3 a. the name and license number of the medical marijuana
4 business that cultivated, manufactured or sold the
5 medical marijuana or medical marijuana product,

6 b. the address and phone number of the medical marijuana
7 business that cultivated, manufactured or sold the
8 medical marijuana or medical marijuana product,

9 c. the type of product received during the transaction,

10 d. the batch number of the marijuana plant used,

11 e. the date of the transaction,

12 f. the total spent in dollars,

13 g. all point-of-sale records,

14 h. marijuana excise tax records, and

15 i. any additional information as may be reasonably
16 required by the Executive Director of the Oklahoma
17 Medical Marijuana Authority.

18 5. All inventory tracking records retained by a medical
19 marijuana business, medical marijuana research facility, medical
20 marijuana education facility or medical marijuana waste disposal
21 facility containing medical marijuana patient or caregiver
22 information shall comply with all relevant state and federal laws
23 including, but not limited to, the Health Insurance Portability and
24 Accountability Act of 1996 (HIPAA).

1 SECTION 26. REPEALER 63 O.S. 2021, Section 427.13, as
2 amended by Section 7, Chapter 584, O.S.L. 2021 (63 O.S. Supp. 2023,
3 Section 427.13), is hereby repealed.

4 SECTION 27. AMENDATORY 63 O.S. 2021, Section 427.14, as
5 last amended by Section 7, Chapter 322, O.S.L. 2023 (63 O.S. Supp.
6 2023, Section 427.14), is amended to read as follows:

7 Section 427.14. A. There is hereby created the medical
8 marijuana business license, which shall include the following
9 categories:

- 10 1. Medical marijuana commercial grower;
- 11 2. Medical marijuana processor;
- 12 3. Medical marijuana dispensary;
- 13 4. Medical marijuana transporter; and
- 14 5. Medical marijuana testing laboratory.

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

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

21 D. 1. The annual, nonrefundable fee for a medical marijuana
22 transporter license shall be Two Thousand Five Hundred Dollars
23 (\$2,500.00).

24

1 2. The initial, nonrefundable fee for a medical marijuana
2 commercial grower license shall be calculated based upon the total
3 amount of square feet of canopy or acres the grower estimates will
4 be harvested, transferred, or sold for the year. The annual,
5 nonrefundable license fee shall be based upon the total amount of
6 square feet of canopy or acres harvested, transferred, or sold by
7 the grower during the previous twelve (12) months. The amount of
8 the fees shall be determined as follows:

9 a. For an indoor, greenhouse, or light deprivation
10 medical marijuana grow facility:

11 (1) Tier 1: Up to ten thousand (10,000) square feet
12 of canopy, the fee shall be Two Thousand Five
13 Hundred Dollars (\$2,500.00),

14 (2) Tier 2: Ten thousand one (10,001) square feet of
15 canopy to twenty thousand (20,000) square feet of
16 canopy, the fee shall be Five Thousand Dollars
17 (\$5,000.00),

18 (3) Tier 3: Twenty thousand one (20,001) square feet
19 of canopy to forty thousand (40,000) square feet
20 of canopy, the fee shall be Ten Thousand Dollars
21 (\$10,000.00),

22 (4) Tier 4: Forty thousand one (40,001) square feet
23 of canopy to sixty thousand (60,000) square feet
24

1 of canopy, the fee shall be Twenty Thousand
2 Dollars (\$20,000.00),

3 (5) Tier 5: Sixty thousand one (60,001) square feet
4 of canopy to eighty thousand (80,000) square feet
5 of canopy, the fee shall be Thirty Thousand
6 Dollars (\$30,000.00),

7 (6) Tier 6: Eighty thousand one (80,001) square feet
8 of canopy to ninety-nine thousand nine hundred
9 ninety-nine (99,999) square feet of canopy, the
10 fee shall be Forty Thousand Dollars (\$40,000.00),
11 and

12 (7) Tier 7: One hundred thousand (100,000) square
13 feet of canopy and beyond, the fee shall be Fifty
14 Thousand Dollars (\$50,000.00), plus an additional
15 twenty-five cents (\$0.25) per square foot of
16 canopy over one hundred thousand (100,000) square
17 feet.

18 b. For an outdoor medical marijuana grow facility:

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

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

- 1 (3) Tier 3: More than five (5) acres up to ten (10)
2 acres, the fee shall be Ten Thousand Dollars
3 (\$10,000.00),
4 (4) Tier 4: More than ten (10) acres up to twenty
5 (20) acres, the fee shall be Twenty Thousand
6 Dollars (\$20,000.00),
7 (5) Tier 5: More than twenty (20) acres up to thirty
8 (30) acres, the fee shall be Thirty Thousand
9 Dollars (\$30,000.00),
10 (6) Tier 6: More than thirty (30) acres up to forty
11 (40) acres, the fee shall be Forty Thousand
12 Dollars (\$40,000.00),
13 (7) Tier 7: More than forty (40) acres up to fifty
14 (50) acres, the fee shall be Fifty Thousand
15 Dollars (\$50,000.00), and
16 (8) Tier 8: If the amount of acreage exceeds fifty
17 (50) acres, the fee shall be Fifty Thousand
18 Dollars (\$50,000.00) plus an additional Two
19 Hundred Fifty Dollars (\$250.00) per acre.

20 c. For a medical marijuana commercial grower that has a
21 combination of both indoor and outdoor growing
22 facilities at one location, the medical marijuana
23 commercial grower shall be required to obtain a
24 separate license from the Authority for each type of

1 grow operation and shall be subject to the licensing
2 fees provided for in subparagraphs a and b of this
3 paragraph.

4 d. As used in this paragraph:

5 (1) "canopy" means the total surface area within a
6 cultivation area that is dedicated to the
7 cultivation of flowering marijuana plants. The
8 surface area of the plant canopy must be
9 calculated in square feet and measured and must
10 include all of the area within the boundaries
11 where the cultivation of the flowering marijuana
12 plants occurs. If the surface of the plant
13 canopy consists of noncontiguous areas, each
14 component area must be separated by identifiable
15 boundaries. If a tiered or shelving system is
16 used in the cultivation area, the surface area of
17 each tier or shelf must be included in
18 calculating the area of the plant canopy.
19 Calculation of the area of the plant canopy may
20 not include the areas within the cultivation area
21 that are used to cultivate immature marijuana
22 plants and seedlings, prior to flowering, and
23 that are not used at any time to cultivate mature
24 marijuana plants. If the flowering plants are

1 vertically grown in cylinders, the square footage
2 of the canopy shall be measured by the
3 circumference of the cylinder multiplied by the
4 total length of the cylinder,

5 (2) "greenhouse" means a structure located outdoors
6 that is completely covered by a material that
7 allows a controlled level of light transmission,
8 and

9 (3) "light deprivation" means a structure that has
10 concrete floors and the ability to manipulate
11 natural light.

12 3. The initial, nonrefundable fee for a medical marijuana
13 processor license shall be Two Thousand Five Hundred Dollars
14 (\$2,500.00). The annual, nonrefundable license fee for a medical
15 marijuana processor license shall be determined based on the
16 previous twelve (12) months as follows:

17 a. Tier 1: The transfer or sale of zero (0) to ten
18 thousand (10,000) pounds of biomass or the production,
19 transfer, or sale of up to one hundred (100) liters of
20 cannabis concentrate, whichever is greater, the annual
21 fee shall be Two Thousand Five Hundred Dollars
22 (\$2,500.00),

23 b. Tier 2: The transfer or sale of ten thousand one
24 (10,001) pounds to fifty thousand (50,000) pounds of

1 biomass or the production, transfer, or sale of one
2 hundred one (101) to three hundred fifty (350) liters
3 of cannabis concentrate, whichever is greater, the
4 annual fee shall be Five Thousand Dollars (\$5,000.00),

5 c. Tier 3: The transfer or sale of fifty thousand one
6 (50,001) pounds to one hundred fifty thousand
7 (150,000) pounds of biomass or the production,
8 transfer, or sale of three hundred fifty-one (351) to
9 six hundred fifty (650) liters of cannabis
10 concentrate, whichever is greater, the annual fee
11 shall be Ten Thousand Dollars (\$10,000.00),

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

19 e. Tier 5: The transfer or sale of more than three
20 hundred thousand one (300,001) pounds of biomass or
21 the production, transfer, or sale in excess of one
22 thousand one (1,001) liters of cannabis concentrate,
23 the annual fee shall be Twenty Thousand Dollars
24 (\$20,000.00).

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

5 4. The initial, nonrefundable fee for a medical marijuana
6 dispensary license shall be Two Thousand Five Hundred Dollars
7 (\$2,500.00). The annual, nonrefundable license fee for a medical
8 marijuana dispensary license shall be calculated at ten percent
9 (10%) of the sum of twelve (12) calendar months of the combined
10 annual state sales tax and state excise tax of the dispensary during
11 the previous twelve (12) months. The minimum fee shall be not less
12 than Two Thousand Five Hundred Dollars (\$2,500.00) and the maximum
13 fee shall not exceed Ten Thousand Dollars (\$10,000.00).

14 5. The annual, nonrefundable license fee for a medical
15 marijuana testing laboratory shall be Twenty Thousand Dollars
16 (\$20,000.00).

17 E. All applicants seeking licensure or licensure renewal as a
18 medical marijuana business shall comply with the following general
19 requirements:

20 1. All applications for licenses and registrations authorized
21 pursuant to this section shall be made upon forms prescribed by the
22 Authority;

23
24

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

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

6 4. All applications shall be complete and accurate in every
7 detail;

8 5. All applications shall include all attachments or
9 supplemental information required by the forms supplied by the
10 Authority;

11 6. All applications for a transporter license, initial
12 dispensary license, initial processor license, or laboratory license
13 shall be accompanied by a full remittance for the whole amount of
14 the license fee as set forth in subsection D of this section. All
15 submissions of grower applications, renewal processor applications,
16 and renewal dispensary applications shall be accompanied by a
17 remittance of a fee of Two Thousand Five Hundred Dollars
18 (\$2,500.00). The Authority shall invoice license applicants, if
19 applicable, for any additional licensing fees owed pursuant to
20 subsection D of this section prior to approval of a license
21 application. License fees are nonrefundable;

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

24 a. twenty-five (25) years of age or older,

- 1 b. if applying as an individual, proof that the applicant
2 is ~~an Oklahoma resident~~ a resident of this state
3 pursuant to paragraph 11 of this subsection,
- 4 c. if applying as an entity, proof that seventy-five
5 percent (75%) of all members, managers, executive
6 officers, partners, board members or any other form of
7 business ownership are ~~Oklahoma~~ residents of this
8 state pursuant to paragraph 11 of this subsection,
- 9 d. if applying as an individual or entity, proof that the
10 individual or entity is registered to conduct business
11 in this state,
- 12 e. disclosure of all ownership interests pursuant to the
13 Oklahoma Medical Marijuana and Patient Protection Act,
14 and
- 15 f. proof that the medical marijuana business, medical
16 marijuana research facility, medical marijuana
17 education facility and medical marijuana waste
18 disposal facility applicant or licensee has not been
19 convicted of a nonviolent felony in the last two (2)
20 years, or any other felony conviction within the last
21 five (5) years, is not a current inmate in the custody
22 of the Department of Corrections, or currently
23 incarcerated in a jail or corrections facility.
- 24

1 Upon reasonable suspicion that a medical marijuana business licensee
2 is illegally growing, processing, transferring, selling, disposing,
3 or diverting marijuana, the Authority, the Oklahoma State Bureau of
4 Narcotics and Dangerous Drugs Control, the Oklahoma State Bureau of
5 Investigation, or the Attorney General may subpoena documents
6 necessary to establish the personal identifying information of all
7 owners and individuals with any ownership interest in the business;

8 8. There shall be no limit to the number of medical marijuana
9 business licenses or categories that an individual or entity can
10 apply for or receive, although each application and each category
11 shall require a separate application, application fee, or license
12 fee. A commercial grower, processor and dispensary, or any
13 combination thereof, are authorized to share the same address or
14 physical location, subject to the restrictions set forth in the
15 Oklahoma Medical Marijuana and Patient Protection Act;

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

- 23 a. individual applicants applying on their own behalf,
- 24 b. individuals applying on behalf of an entity,

- c. all principal officers of an entity, and
- d. all owners of an entity as defined by the Oklahoma Medical Marijuana and Patient Protection Act;

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

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

- a. an unexpired ~~Oklahoma-issued~~ state-issued driver license,
- b. an ~~Oklahoma~~ state-issued identification card,
- c. a utility bill preceding the date of application, excluding cellular telephone and Internet bills,
- d. a residential property deed to property in this state, and
- e. a rental agreement preceding the date of application for residential property located in this state.

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

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

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

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

18 14. All applicants shall submit an applicant photograph; and

19 15. All applicants for a medical marijuana business license
20 seeking to operate a commercial grow shall file along with their
21 application a bond as prescribed in Section 427.26 of this title.

22 F. The Authority shall review the medical marijuana business
23 application; approve, reject, or deny the application; and send the
24 approval, rejection, denial, or status-update letter to the

1 applicant in the same method the application was submitted to the
2 Authority within ninety (90) business days of receipt of the
3 application.

4 G. 1. The Authority shall review the medical marijuana
5 business applications, conduct all investigations, inspections, and
6 interviews, and collect all license and application fees before
7 approving the application.

8 2. Approved applicants shall be issued a medical marijuana
9 business license for the specific category applied under, which
10 shall act as proof of their approved status. Rejection and denial
11 letters shall provide a reason for the rejection or denial.
12 Applications may only be rejected or denied based on the applicant
13 not meeting the standards set forth in the provisions of the
14 Oklahoma Medical Marijuana and Patient Protection Act and Sections
15 420 through 426.1 of this title, improper completion of the
16 application, unpaid license or application fees, or for a reason
17 provided for in the Oklahoma Medical Marijuana and Patient
18 Protection Act and Sections 420 through 426.1 of this title. If an
19 application is rejected for failure to provide required information,
20 the applicant shall have thirty (30) days to submit the required
21 information for reconsideration. Unless the Authority determines
22 otherwise, an application that has been resubmitted but is still
23 incomplete or contains errors that are not clerical or typographical
24 in nature shall be denied.

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

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

8 H. A license for a medical marijuana business, medical
9 marijuana research facility, medical marijuana education facility or
10 medical marijuana waste disposal facility shall not be issued to or
11 held by:

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

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

16 3. A corporation, if the criminal history of any of its
17 officers, directors or stockholders indicates that the officer,
18 director or stockholder 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 4. A person under twenty-five (25) years of age;

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

- 1 a. file taxes, interest or penalties due related to a
- 2 medical marijuana business, or
- 3 b. pay taxes, interest or penalties due related to a
- 4 medical marijuana business;

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

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

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

- 16 a. unlawful sales or purchases,
- 17 b. any fraudulent acts, falsification of records or
- 18 misrepresentation to the Authority, medical marijuana
- 19 patient licensees, caregiver licensees or medical
- 20 marijuana business licensees,
- 21 c. any grossly inaccurate or fraudulent reporting,
- 22 d. threatening or harming any medical marijuana patient,
- 23 caregiver, medical practitioner or employee of the
- 24 Authority,

- e. knowingly or intentionally refusing to permit the Authority access to premises or records,
- f. using a prohibited, hazardous substance for processing in a residential area,
- g. criminal acts relating to the operation of a medical marijuana business, or
- h. any violations that endanger public health and safety or product safety.

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

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

K. All applicants and licensees shall submit information to the Authority in a full, faithful, truthful and fair manner. The Authority may recommend denial of an application where the applicant or licensee made misstatements, omissions, misrepresentations or untruths in the application or in connection with the background investigation of the applicant. This type of conduct may be grounds for administrative action against the applicant or licensee. Typos and scrivener errors shall not be grounds for denial.

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

8 M. All medical marijuana business, medical marijuana research
9 facility, medical marijuana education facility and medical marijuana
10 waste disposal facility licensees shall pay the relevant licensure
11 fees prior to receiving licensure to operate.

12 N. A medical marijuana business, medical marijuana research
13 facility, medical marijuana education facility or medical marijuana
14 waste disposal facility that attempts to renew its license after the
15 expiration date of the license shall pay a late renewal fee in an
16 amount to be determined by the Executive Director of the Authority
17 to reinstate the license. Late renewal fees are nonrefundable. A
18 license that has been expired for more than ninety (90) days shall
19 not be renewed.

20 O. No medical marijuana business, medical marijuana research
21 facility, medical marijuana education facility or medical marijuana
22 waste disposal facility shall possess, sell or transfer medical
23 marijuana or medical marijuana products without a valid, unexpired
24 license issued by the Authority.

1 P. No more than one medical marijuana commercial grower license
2 shall be issued for any one property.

3 Q. An original medical marijuana business license issued on or
4 after June 26, 2018, by the Authority, for a medical marijuana
5 commercial grower, a medical marijuana processor or a medical
6 marijuana dispensary shall be deemed to have been grandfathered into
7 the location on the date the original license was first issued for
8 purposes of determining the authority of the business to conduct and
9 continue the same type of business at that location under a license
10 issued by the Authority, except as may be provided in Sections 425
11 and 426.1 of this title. Any change in ownership after the original
12 medical marijuana business license has been issued by the Authority
13 shall be construed by the Authority to be a continuation of the same
14 type of business originally licensed at that location. Nothing
15 shall authorize the Authority to deny issuance or renewal of a
16 license or transfer of license due to a change in ownership for the
17 same business location previously licensed, except when a revocation
18 is otherwise authorized by law or a protest is made under the
19 municipal compliance provisions of Section 426.1 of this title.

20 R. A medical marijuana business license holder shall require
21 all individuals employed under their license to be issued a
22 credential pursuant to the provisions of Section 427.14b of this
23 title prior to employment.

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

6 SECTION 28. REPEALER 63 O.S. 2021, Section 427.14, as
7 amended by Section 8, Chapter 584, O.S.L. 2021 (63 O.S. Supp. 2023,
8 Section 427.14), is hereby repealed.

9 SECTION 29. REPEALER 63 O.S. 2021, Section 427.14, as
10 last amended by Section 2, Chapter 328, O.S.L. 2022 (63 O.S. Supp.
11 2023, Section 427.14), is hereby repealed.

12 SECTION 30. REPEALER 63 O.S. 2021, Section 427.14, as
13 last amended by Section 1, Chapter 41, O.S.L. 2023 (63 O.S. Supp.
14 2023, Section 427.14), is hereby repealed.

15 SECTION 31. AMENDATORY 63 O.S. 2021, Section 430, as
16 last amended by Section 11, Chapter 168, O.S.L. 2023 (63 O.S. Supp.
17 2023, Section 430), is amended to read as follows:

18 Section 430. A. There is hereby created and authorized a
19 medical marijuana waste disposal license. A person or entity in
20 possession of a medical marijuana waste disposal license shall be
21 entitled to possess, transport and dispose of medical marijuana
22 waste. No person or entity shall dispose of medical marijuana waste
23 without a valid medical marijuana waste disposal license. The
24 Oklahoma Medical Marijuana Authority shall issue licenses upon

1 proper application by a licensee and determination by the Authority
2 that the proposed site and facility are physically and technically
3 suitable. Upon a finding that a proposed medical marijuana waste
4 disposal facility is not physically or technically suitable, the
5 Authority shall deny the license. The Authority may, upon
6 determining that public health or safety requires emergency action,
7 issue a temporary license for treatment or storage of medical
8 marijuana waste for a period not to exceed ninety (90) days. The
9 Authority shall not, ~~for the first year of the licensure program~~
10 until November 1, 2021, issue more than ten medical marijuana waste
11 disposal licenses. ~~Upon the conclusion of the first year, the~~
12 ~~Authority shall assess the need for additional medical marijuana~~
13 ~~waste disposal licenses and shall, if demonstrated, increase~~
14 Beginning November 1, 2021, there shall be no limit to the number of
15 medical marijuana waste disposal licenses as deemed necessary issued
16 by the Authority.

17 B. Entities applying for a medical marijuana waste disposal
18 license shall undergo the following screening process:

19 1. Complete an application form, as prescribed by the
20 Authority, which shall include:

- 21 a. an attestation that the applicant is authorized to
- 22 make application on behalf of the entity,
- 23 b. full name of the organization,
- 24 c. trade name, if applicable,

- 1 d. type of business organization,
- 2 e. complete mailing address,
- 3 f. an attestation that the commercial entity will not be
- 4 located on tribal land,
- 5 g. telephone number and email address of the entity, and
- 6 h. name, residential address and date of birth of each
- 7 owner and each member, manager and board member, if
- 8 applicable;

9 2. The application for a medical marijuana waste disposal
10 license made by an individual on his or her own behalf shall be on
11 the form prescribed by the Authority and shall include, but not be
12 limited to:

- 13 a. the first, middle and last name of the applicant and
- 14 suffix, if applicable,
- 15 b. the residence address and mailing address of the
- 16 applicant,
- 17 c. the date of birth of the applicant,
- 18 d. the preferred telephone number and email address of
- 19 the applicant,
- 20 e. an attestation that the information provided by the
- 21 applicant is true and correct, and
- 22 f. a statement signed by the applicant pledging not to
- 23 divert marijuana to any individual or entity that is
- 24 not lawfully entitled to possess marijuana; and

1 3. Each application shall be accompanied by the following
2 documentation:

- 3 a. a list of all persons or entities that have an
4 ownership interest in the entity,
- 5 b. a certificate of good standing from the Secretary of
6 State, if applicable,
- 7 c. an Affidavit of Lawful Presence for each owner,
- 8 d. proof that the proposed location of the disposal
9 facility is at least one thousand (1,000) feet from a
10 school. The distance indicated in this subparagraph
11 shall be measured from the nearest property line of
12 such school to the nearest perimeter wall of the
13 premises of such disposal facility. If any school is
14 established within one thousand (1,000) feet of any
15 disposal facility after such disposal facility has
16 been licensed, the provisions of this subparagraph
17 shall not be a deterrent to the renewal of such
18 license or warrant revocation of the license. For the
19 purposes of this section, "school" shall mean the same
20 as provided in Section 427.2 of this title, and
- 21 e. documents establishing the applicant, the members,
22 managers and board members, if applicable, and
23 seventy-five percent (75%) of the ownership interests
24 are ~~Oklahoma~~ residents of this state as established in

1 Section 420 et seq. of this title, as it relates to
2 proof of state residency.

3 For purposes of this paragraph, "school" means the same as
4 defined in Section 427.2 of this title.

5 C. No license shall be issued except upon proof of sufficient
6 liability insurance and financial responsibility. Liability
7 insurance shall be provided by the applicant and shall apply to
8 sudden and nonsudden bodily injury or property damage on, below or
9 above the surface, as required by the rules ~~of the Authority~~
10 promulgated by the Executive Director. Such insurance shall be
11 maintained for the period of operation of the facility and shall
12 provide coverage for damages resulting from operation of the
13 facility during operation and after closing.

14 D. Submission of an application for a medical marijuana waste
15 disposal license shall constitute permission for entry to and
16 inspection of the facility of the licensee during hours of operation
17 and other reasonable times. Refusal to permit such entry of
18 inspection shall constitute grounds for the nonrenewal, suspension
19 or revocation of a license. The Authority, the Oklahoma State
20 Bureau of Narcotics and Dangerous Drugs Control, the Oklahoma State
21 Bureau of Investigation, and the Attorney General may perform an
22 annual unannounced, on-site inspection of the operations and any
23 facility of the licensee. If the Authority receives a complaint
24 concerning noncompliance by a licensee with the provisions of the

1 Oklahoma Medical Marijuana Waste Management Act, the Authority, the
2 Oklahoma State Bureau of Narcotics and Dangerous Drugs Control, the
3 Oklahoma State Bureau of Investigation, and the Attorney General may
4 conduct additional unannounced, on-site inspections beyond the
5 inspections provided for in Section 427.6 of this title. The
6 Authority may refer all complaints alleging criminal activity that
7 are made against a licensed facility to appropriate state or local
8 law enforcement authorities.

9 E. The Authority shall issue an annual permit for each medical
10 marijuana waste disposal facility operated by a licensee. A permit
11 shall be issued only upon proper application by a licensee and
12 determination by the Authority that the proposed site and facility
13 are physically and technically suitable. Upon a finding that a
14 proposed medical marijuana waste disposal facility is not physically
15 or technically suitable, the Authority shall deny the permit. The
16 Authority shall have the authority to revoke a permit upon a finding
17 that the site and facility are not physically and technically
18 suitable for processing. The Authority may, upon determining that
19 public health or safety requires emergency action, issue a temporary
20 permit for treatment or storage of medical marijuana waste for a
21 period not to exceed ninety (90) days.

22 F. The cost of a medical marijuana waste disposal license shall
23 be Five Thousand Dollars (\$5,000.00) for the initial license. The
24 cost of a medical marijuana waste disposal facility permit shall be

1 Five Hundred Dollars (\$500.00). A medical marijuana waste disposal
2 facility permit that has been revoked shall be reinstated upon
3 remittance of a reinstatement fee of Five Hundred Dollars (\$500.00)
4 to restore the facility permit. All license and permit fees shall
5 be deposited into the Oklahoma Medical Marijuana Authority Revolving
6 Fund as provided in Section 427.5 of this title.

7 G. The holder of a medical marijuana waste disposal license
8 shall not be required to obtain a medical marijuana transporter
9 license provided for in the Oklahoma Medical Marijuana and Patient
10 Protection Act for purposes of transporting medical marijuana waste.

11 H. All commercial licensees, as defined in Section 428.1 of
12 this title, shall utilize a licensed medical marijuana waste
13 disposal service to process all medical marijuana waste generated by
14 the licensee.

15 I. ~~The State Commissioner of Health~~ Executive Director of the
16 Authority shall promulgate rules for the implementation of the
17 Oklahoma Medical Marijuana Waste Management Act. Promulgated rules
18 shall address disposal process standards, site security and any
19 other subject matter deemed necessary by the ~~Authority~~ Executive
20 Director.

21 SECTION 32. REPEALER 63 O.S. 2021, Section 430, as
22 amended by Section 12, Chapter 584, O.S.L. 2021 (63 O.S. Supp. 2023,
23 Section 430), is hereby repealed.

24

1 SECTION 33. REPEALER 63 O.S. 2021, Section 430, as last
2 amended by Section 24, Chapter 251, O.S.L. 2022 (63 O.S. Supp. 2023,
3 Section 430), is hereby repealed.

4 SECTION 34. It being immediately necessary for the preservation
5 of the public peace, health or safety, an emergency is hereby
6 declared to exist, by reason whereof this act shall take effect and
7 be in full force from and after its passage and approval.

8 Passed the Senate the 14th day of March, 2024.

9
10 _____
11 Presiding Officer of the Senate

12 Passed the House of Representatives the ____ day of _____,
13 2024.

14
15 _____
16 Presiding Officer of the House
17 of Representatives

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