

1 **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2 STATE OF OKLAHOMA

3 2nd Session of the 57th Legislature (2020)

4 HOUSE BILL 3474

 By: Fetgatter

7 AS INTRODUCED

8 An Act relating to medical marijuana; amending
9 Section 4, Chapter 337, O.S.L. 2019 (63 O.S. Supp.
10 2019, Section 430), which relates to the Oklahoma
11 Medical Marijuana Waste Management Act; removing
 certain limitation on issuing medical marijuana waste
 disposal licenses by the Oklahoma Medical Marijuana
 Authority; and providing an effective date.

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

15 SECTION 1. AMENDATORY Section 4, Chapter 337, O.S.L.
16 2019 (63 O.S. Supp. 2019, Section 430), is amended to read as
17 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 possess, transport or dispose of
23 medical marijuana waste without a valid medical marijuana waste
24 disposal license. The Oklahoma Medical Marijuana Authority shall

1 issue licenses upon proper application by a licensee and
2 determination by the Authority that the proposed site and facility
3 are physically and technically suitable. Upon a finding that a
4 proposed medical marijuana waste disposal facility is not physically
5 or technically suitable, the Authority shall deny the license. The
6 Authority may, upon determining that public health or safety
7 requires emergency action, issue a temporary license for treatment
8 or storage of medical marijuana waste for a period not to exceed
9 ninety (90) days. The Authority shall not, for the first year of
10 the licensure program, issue more than ten licenses. ~~Upon the~~
11 ~~conclusion of the first year, the Authority shall assess the need~~
12 ~~for additional licenses and shall, if demonstrated, increase~~
13 Beginning November 1, 2020, there shall be no limit to the number of
14 medical marijuana waste disposal licenses as deemed necessary issued
15 by the Authority.

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

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

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

- e. complete mailing address,
- f. an attestation that the commercial entity will not be located on tribal land,
- g. telephone number and email address of the entity, and
- h. name, residential address and date of birth of each owner and each member, manager and board member, if applicable;

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

- a. the first, middle and last name of the applicant and suffix, if applicable,
- b. the residence address and mailing address of the applicant,
- c. the date of birth of the applicant,
- d. the preferred telephone number and email address of the applicant,
- e. an attestation that the information provided by the applicant is true and correct, and
- f. a statement signed by the applicant pledging not to divert marijuana to any individual or entity that is 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 Oklahoma
6 Secretary of 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 public or private school. The distance shall be
11 measured from any entrance of the school to the
12 nearest property line point of the facility, and
- 13 e. documents establishing the applicant, the members,
14 managers and board members, if applicable, and
15 seventy-five percent (75%) of the ownership interests
16 are Oklahoma residents as established in Section 420
17 et seq. of ~~Title 63 of the Oklahoma Statutes~~ this
18 title, as it relates to proof of residency.

19 C. No license shall be issued except upon proof of sufficient
20 liability insurance and financial responsibility. Liability
21 insurance shall be provided by the applicant and shall apply to
22 sudden and nonsudden bodily injury or property damage on, below or
23 above the surface, as required by the rules of the Authority. Such
24 insurance shall be maintained for the period of operation of the

1 facility and shall provide coverage for damages resulting from
2 operation of the facility during operation and after closing. In
3 lieu of liability insurance required by this subsection, an
4 equivalent amount of cash, securities, bond or alternate financial
5 assurance, of a type and in an amount acceptable to the Authority,
6 may be substituted; provided, that such deposit shall be maintained
7 for a period of five (5) years after the date of last operation of
8 the facility.

9 D. Submission of an application for a medical marijuana waste
10 disposal license shall constitute permission for entry to and
11 inspection of the facility of the licensee during hours of operation
12 and other reasonable times. Refusal to permit such entry of
13 inspection shall constitute grounds for the nonrenewal, suspension
14 or revocation of a license. The Authority may perform an annual
15 unannounced, on-site inspection of the operations and facility of
16 the licensee. If the Authority receives a complaint concerning
17 noncompliance by a licensee with the provisions of this act, the
18 Authority may conduct additional unannounced, on-site inspections
19 beyond an annual inspection. The Authority shall refer all
20 complaints alleging criminal activity that are made against a
21 licensed facility to appropriate state or local law enforcement
22 authorities.

23 E. The Authority shall issue a permit for each medical
24 marijuana waste disposal facility operated by a licensee. A permit

1 shall be issued only upon proper application by a licensee and
2 determination by the Authority that the proposed site and facility
3 are physically and technically suitable. Upon a finding that a
4 proposed medical marijuana waste disposal facility is not physically
5 or technically suitable, the Authority shall deny the permit. The
6 Authority shall have the authority to revoke a permit upon a finding
7 that the site and facility are not physically and technically
8 suitable for processing. The Authority may, upon determining that
9 public health or safety requires emergency action, issue a temporary
10 permit for treatment or storage of medical marijuana waste for a
11 period not to exceed ninety (90) days.

12 F. The cost of a medical marijuana waste disposal license shall
13 be Five Thousand Dollars (\$5,000.00) for the initial license. The
14 cost of a medical marijuana waste disposal facility permit shall be
15 Five Hundred Dollars (\$500.00). A medical marijuana waste disposal
16 facility permit that has been revoked shall be reinstated upon
17 remittance of a reinstatement fee of Five Hundred Dollars (\$500.00)
18 ~~to restore the facility permit.~~ All license and permit fees shall
19 be deposited into the Public Health Special Fund as provided in
20 Section 1-107 of ~~Title 63 of the Oklahoma Statutes~~ this title.

21 G. The holder of a medical marijuana waste disposal license
22 shall not be required to obtain a medical marijuana transporter
23 license provided for in the Oklahoma Medical Marijuana and Patient
24 Protection Act for purposes of transporting medical marijuana waste.

1 H. All commercial licensees, as defined in Section ~~2~~ 428 of
2 this ~~act~~ title, shall utilize a licensed medical marijuana waste
3 disposal service to process all medical marijuana waste generated by
4 the licensee.

5 I. The State Commissioner of Health shall promulgate rules for
6 the implementation of ~~this act~~ the Oklahoma Medical Marijuana Waste
7 Management Act. Promulgated rules shall address disposal process
8 standards, site security and any other subject matter deemed
9 necessary by the Authority.

10 SECTION 2. This act shall become effective November 1, 2020.

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12 COMMITTEE REPORT BY: COMMITTEE ON RULES, dated 02/18/2020 - DO PASS.

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