

STATE OF OKLAHOMA

2nd Session of the 57th Legislature (2020)

HOUSE BILL 3957

By: Fetgatter

AS INTRODUCED

An Act relating to medical marijuana; amending Section 2, State Question No. 788, Initiative Petition No. 412 (63 O.S. Supp. 2019, Section 421), which relates to medical marijuana dispensary licensing requirements; updating language; clarifying licensing requirements; authorizing dispensaries to sell certain products; and providing an effective date.

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

SECTION 1. AMENDATORY Section 2, State Question No. 788, Initiative Petition No. 412 (63 O.S. Supp. 2019, Section 421), is amended to read as follows:

Section 421. A. The ~~Oklahoma~~ State Department of Health shall, within thirty (30) days of passage of this initiative, make available, on ~~their~~ the website of the Department, in an easy-to-find location, an application for a medical marijuana dispensary license. The application fee shall be Two Thousand Five Hundred Dollars (\$2,500.00) ~~and a.~~ A method of payment ~~will~~ shall be provided on the website. ~~Retail~~ Dispensary applicants must all be Oklahoma state residents. Any entity applying for a retail license

1 must be owned by an Oklahoma state resident and must be registered
2 to do business in Oklahoma. The ~~Oklahoma~~ State Department of Health
3 shall have two (2) weeks to review the application, approve or
4 reject the application, and mail the ~~approval/rejection~~ approval or
5 rejection letter ~~(if rejected, stating to the applicant. If the~~
6 application is rejected, the letter shall state the reasons for
7 ~~rejection) to~~ rejecting the application submitted by the applicant.

8 B. The ~~Oklahoma~~ State Department of Health ~~must~~ shall approve
9 all applications which meet the following criteria:

10 1. ~~Applicant~~ The applicant must be ~~age~~ twenty-five (25) years
11 of age or older;

12 2. ~~Any~~ The applicant, applying as an individual, must show
13 residency in the State of Oklahoma;

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

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

19 5. All applying individuals or entities must be registered to
20 conduct business in the State of Oklahoma;

21 6. All applicants must disclose all ownership;

22 7. ~~Applicant(s)~~ Applicants with ~~only~~ a nonviolent felony
23 ~~conviction(s)~~ conviction in the last two (2) years, any other felony
24 conviction in the last five 5 (years), inmates under the custody of

1 the Department of Corrections, or any person currently incarcerated
2 ~~may~~ shall not qualify for a medical marijuana dispensary license.

3 C. ~~Retailers will~~ Dispensaries shall be required to complete a
4 monthly sales report to the ~~Oklahoma~~ State Department of Health.
5 ~~This~~ The report ~~will~~ shall be due on the 15th of each month and
6 provide reporting on the previous month. ~~This~~ The report ~~will~~ shall
7 detail the weight of marijuana purchased at wholesale and the weight
8 of marijuana sold to ~~card holders~~ licensed medical marijuana
9 patients or licensed medical marijuana caregivers, and account for
10 any waste. The report ~~will~~ shall show total sales in dollars, tax
11 collected in dollars, and tax due in dollars. The ~~Oklahoma~~ State
12 Department of Health ~~will~~ shall have oversight and auditing
13 responsibilities to ensure that all marijuana being grown is
14 accounted for. A retailer ~~will~~ shall only be subject to a penalty
15 if a gross discrepancy exists and cannot be explained. Penalties
16 for fraudulent reporting occurring within any ~~2~~ two-year time period
17 ~~will~~ shall be an initial fine of Five Thousand Dollars (\$5,000.00)
18 ~~(first)~~ for the first offense and revocation of ~~licensing~~ (second)
19 the medical marijuana dispensary license for the second offense.

20 D. Only a licensed medical marijuana ~~retailer~~ dispensary may
21 conduct retail sales of marijuana, or marijuana derivatives in the
22 form provided by licensed processors, ~~and these can.~~ Beginning
23 November 1, 2020, licensed medical marijuana dispensaries shall be
24 authorized to grind and offer for sale pre-rolled marijuana

1 cigarettes to licensed medical marijuana patients or licensed
2 medical marijuana caregivers. The products described in this
3 subsection may only be sold to a licensed medical marijuana license
4 holder patients or their caregiver licensed medical marijuana
5 caregivers. Penalties for fraudulent sales occurring within any 2
6 two-year time period will shall be an initial fine of Five Thousand
7 Dollars (\$5,000.00) ~~(first)~~ for the first offense and revocation of
8 ~~licensing (second)~~ the medical marijuana dispensary license for the
9 second offense.

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

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