

1 STATE OF OKLAHOMA

2 2nd Session of the 58th Legislature (2022)

3 COMMITTEE SUBSTITUTE
4 FOR ENGROSSED
5 SENATE BILL NO. 1726

By: Leewright of the Senate

and

Hilbert of the House

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10 COMMITTEE SUBSTITUTE

11 An Act relating to medical marijuana; amending 63
12 O.S. 2021, Section 427.2, as amended by Section 4,
13 Chapter 584, O.S.L. 2021, which relates to the
14 Oklahoma Medical Marijuana and Patient Protection
15 Act; modifying certain definition; amending 63 O.S.
16 2021, Section 425, as amended by Section 5, Chapter
17 553, O.S.L. 2021, which relates to license holder
18 protection; imposing certain restrictions on location
19 of medical marijuana commercial growers; providing
20 method of certain measurement; providing exceptions;
21 amending 63 O.S. 2021, Section 430, as amended by
22 Section 28, Chapter 553, O.S.L. 2021, which relates
23 to the Oklahoma Medical Marijuana Waste Management
24 Act; adding definition; updating statutory language;
and declaring an emergency.

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

SECTION 1. AMENDATORY 63 O.S. 2021, Section 427.2, as
amended by Section 4, Chapter 584, O.S.L. 2021, is amended to read
as follows:

1 Section 427.2 As used in the Oklahoma Medical Marijuana and
2 Patient Protection Act:

3 1. "Advertising" means the act of providing consideration for
4 the publication, dissemination, solicitation or circulation, of
5 visual, oral or written communication to induce directly or
6 indirectly any person to patronize a particular medical marijuana
7 business, or to purchase particular medical marijuana or a medical
8 marijuana product. Advertising includes marketing, but does not
9 include packaging and labeling;

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

11 3. "Batch number" means a unique numeric or alphanumeric
12 identifier assigned prior to testing to allow for inventory tracking
13 and traceability;

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

16 5. "Caregiver" means a family member or assistant who regularly
17 looks after a medical marijuana license holder whom a physician
18 attests needs assistance;

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

20 a. designed or constructed to be significantly difficult
21 for children under five (5) years of age to open and
22 not difficult for normal adults to use properly as
23 defined by 16 C.F.R. 1700.15 (1995) and 16 C.F.R.
24 1700.20 (1995),

1 b. opaque so that the outermost packaging does not allow
2 the product to be seen without opening the packaging
3 material, and

4 c. resealable to maintain its child-resistant
5 effectiveness for multiple openings for any product
6 intended for more than a single use or containing
7 multiple servings;

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

11 8. "Commissioner" means the State Commissioner of Health;

12 9. "Complete application" means a document prepared in
13 accordance with the provisions set forth in the Oklahoma Medical
14 Marijuana and Patient Protection Act, rules promulgated pursuant
15 thereto, and the forms and instructions provided by the Department
16 including any supporting documentation required and the applicable
17 license application fee;

18 10. "Department" means the State Department of Health;

19 11. "Director" means the Executive Director of the Oklahoma
20 Medical Marijuana Authority;

21 12. "Dispense" means the selling of medical marijuana or a
22 medical marijuana product to a qualified patient or the designated
23 caregiver of the patient that is packaged in a suitable container
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1 appropriately labeled for subsequent administration to or use by a
2 qualifying patient;

3 13. "Dispensary" means a medical marijuana dispensary, an
4 entity that has been licensed by the Department pursuant to the
5 Oklahoma Medical Marijuana and Patient Protection Act to purchase
6 medical marijuana or medical marijuana products from a licensed
7 medical marijuana commercial grower or medical marijuana processor,
8 sell medical marijuana or medical marijuana products to patients and
9 caregivers as defined under the Oklahoma Medical Marijuana and
10 Patient Protection Act, or sell or transfer products to another
11 dispensary;

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

16 15. "Entity" means an individual, general partnership, limited
17 partnership, limited liability company, trust, estate, association,
18 corporation, cooperative or any other legal or commercial entity;

19 16. "Flower" means the reproductive organs of the marijuana or
20 cannabis plant referred to as the bud or parts of the plant that are
21 harvested and used to consume in a variety of medical marijuana
22 products;

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

4 18. "Food-based medical marijuana concentrate" means a medical
5 marijuana concentrate that was produced by extracting cannabinoids
6 from medical marijuana through the use of propylene glycol,
7 glycerin, butter, olive oil, coconut oil or other typical food-safe
8 cooking fats;

9 19. "Good cause" for purposes of an initial, renewal or
10 reinstatement license application, or for purposes of discipline of
11 a licensee, means:

- 12 a. the licensee or applicant has violated, does not meet,
13 or has failed to comply with any of the terms,
14 conditions or provisions of the act, any rules
15 promulgated pursuant thereto, or any supplemental
16 relevant state or local law, rule or regulation,
- 17 b. the licensee or applicant has failed to comply with
18 any special terms or conditions that were placed upon
19 the license pursuant to an order of the State
20 Department of Health, Oklahoma Medical Marijuana
21 Authority or the municipality, or
- 22 c. the licensed premises of a medical marijuana business
23 or applicant have been operated in a manner that
24 adversely affects the public health or welfare or the

1 safety of the immediate vicinity in which the
2 establishment is located;

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

7 21. "Harvested marijuana" means post-flowering medical
8 marijuana not including trim, concentrate or waste;

9 22. "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 23. "Immature plant" means a nonflowering marijuana plant that
14 has not demonstrated signs of flowering;

15 24. "Inventory tracking system" means the required tracking
16 system that accounts for medical marijuana from either the seed or
17 immature plant stage until the medical marijuana or medical
18 marijuana product is sold to a patient at a medical marijuana
19 dispensary, transferred to a medical marijuana research facility,
20 destroyed by a medical marijuana business or used in a research
21 project by a medical marijuana research facility;

22 25. "Licensed patient" or "patient" means a person who has been
23 issued a medical marijuana patient license by the State Department
24 of Health or Oklahoma Medical Marijuana Authority;

1 26. "Licensed premises" means the premises specified in an
2 application for a medical marijuana business license, medical
3 marijuana research facility license or medical marijuana education
4 facility license pursuant to the Oklahoma Medical Marijuana and
5 Patient Protection Act that are owned or in possession of the
6 licensee and within which the licensee is authorized to cultivate,
7 manufacture, distribute, sell, store, transport, test or research
8 medical marijuana or medical marijuana products in accordance with
9 the provisions of the Oklahoma Medical Marijuana and Patient
10 Protection Act and rules promulgated pursuant thereto;

11 27. "Manufacture" means the production, propagation,
12 compounding or processing of a medical marijuana product, excluding
13 marijuana plants, either directly or indirectly by extraction from
14 substances of natural or synthetic origin, or independently by means
15 of chemical synthesis, or by a combination of extraction and
16 chemical synthesis;

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

22 29. "Material change" means any change that would require a
23 substantive revision to the standard operating procedures of a
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1 licensee for the cultivation or production of medical marijuana,
2 medical marijuana concentrate or medical marijuana products;

3 30. "Mature plant" means a harvestable female marijuana plant
4 that is flowering;

5 31. "Medical marijuana business (MMB)" means a licensed medical
6 marijuana dispensary, medical marijuana processor, medical marijuana
7 commercial grower, medical marijuana laboratory, medical marijuana
8 business operator or a medical marijuana transporter;

9 32. "Medical marijuana concentrate" or "concentrate" means a
10 specific subset of medical marijuana that was produced by extracting
11 cannabinoids from medical marijuana. Categories of medical
12 marijuana concentrate include water-based medical marijuana
13 concentrate, food-based medical marijuana concentrate, solvent-based
14 medical marijuana concentrate, and heat- or pressure-based medical
15 marijuana concentrate;

16 33. "Medical marijuana commercial grower" or "commercial
17 grower" means an entity licensed to cultivate, prepare and package
18 medical marijuana and transfer or contract for transfer medical
19 marijuana to a medical marijuana dispensary, medical marijuana
20 processor, any other medical marijuana commercial grower, medical
21 marijuana research facility, medical marijuana education facility
22 and pesticide manufacturers. A commercial grower may sell seeds,
23 flower or clones to commercial growers pursuant to the Oklahoma
24 Medical Marijuana and Patient Protection Act;

1 34. "Medical marijuana education facility" or "education
2 facility" means a person or entity approved pursuant to the Oklahoma
3 Medical Marijuana and Patient Protection Act to operate a facility
4 providing training and education to individuals involving the
5 cultivation, growing, harvesting, curing, preparing, packaging or
6 testing of medical marijuana, or the production, manufacture,
7 extraction, processing, packaging or creation of medical-marijuana-
8 infused products or medical marijuana products as described in the
9 Oklahoma Medical Marijuana and Patient Protection Act;

10 35. "Medical-marijuana-infused product" means a product infused
11 with medical marijuana including, but not limited to, edible
12 products, ointments and tinctures;

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

21 37. "Medical marijuana processor" means a person or entity
22 licensed pursuant to the Oklahoma Medical Marijuana and Patient
23 Protection Act to operate a business including the production,
24 manufacture, extraction, processing, packaging or creation of

1 concentrate, medical-marijuana-infused products or medical marijuana
2 products as described in the Oklahoma Medical Marijuana and Patient
3 Protection Act;

4 38. "Medical marijuana research facility" or "research
5 facility" means a person or entity approved pursuant to the Oklahoma
6 Medical Marijuana and Patient Protection Act to conduct medical
7 marijuana research. A medical marijuana research facility is not a
8 medical marijuana business;

9 39. "Medical marijuana testing laboratory" or "laboratory"
10 means a public or private laboratory licensed pursuant to the
11 Oklahoma Medical Marijuana and Patient Protection Act, to conduct
12 testing and research on medical marijuana and medical marijuana
13 products;

14 40. "Medical marijuana transporter" or "transporter" means a
15 person or entity that is licensed pursuant to the Oklahoma Medical
16 Marijuana and Patient Protection Act. A medical marijuana
17 transporter does not include a medical marijuana business that
18 transports its own medical marijuana, medical marijuana concentrate
19 or medical marijuana products to a property or facility adjacent to
20 or connected to the licensed premises if the property is another
21 licensed premises of the same medical marijuana business;

22 41. "Medical marijuana waste" or "waste" means unused, surplus,
23 returned or out-of-date marijuana, plant debris of the plant of the
24 genus Cannabis including dead plants and all unused plant parts and

1 roots, except the term shall not include roots, stems, stalks and
2 fan leaves;

3 42. "Medical use" means the acquisition, possession, use,
4 delivery, transfer or transportation of medical marijuana, medical
5 marijuana products, medical marijuana devices or paraphernalia
6 relating to the administration of medical marijuana to treat a
7 licensed patient;

8 43. "Mother plant" means a marijuana plant that is grown or
9 maintained for the purpose of generating clones, and that will not
10 be used to produce plant material for sale to a medical marijuana
11 processor or medical marijuana dispensary;

12 44. "Oklahoma physician" or "physician" means a physician
13 licensed by and in good standing with the State Board of Medical
14 Licensure and Supervision, the State Board of Osteopathic Examiners
15 or the Board of Podiatric Medical Examiners;

16 45. "Oklahoma resident" means an individual who can provide
17 proof of residency as required by the Oklahoma Medical Marijuana and
18 Patient Protection Act;

19 46. "Owner" means, except where the context otherwise requires,
20 a direct beneficial owner including, but not limited to, all persons
21 or entities as follows:

22 a. all shareholders owning an interest of a corporate
23 entity and all officers of a corporate entity,

24 b. all partners of a general partnership,

- c. all general partners and all limited partners that own an interest in a limited partnership,
- d. all members that own an interest in a limited liability company,
- e. all beneficiaries that hold a beneficial interest in a trust and all trustees of a trust,
- f. all persons or entities that own interest in a joint venture,
- g. all persons or entities that own an interest in an association,
- h. the owners of any other type of legal entity, and
- i. any other person holding an interest or convertible note in any entity which owns, operates or manages a licensed facility;

47. "Package" or "packaging" means any container or wrapper that may be used by a medical marijuana business to enclose or contain medical marijuana;

48. "Person" means a natural person, partnership, association, business trust, company, corporation, estate, limited liability company, trust or any other legal entity or organization, or a manager, agent, owner, director, servant, officer or employee thereof, except that "person" does not include any governmental organization;

1 49. "Pesticide" means any substance or mixture of substances
2 intended for preventing, destroying, repelling or mitigating any
3 pest or any substance or mixture of substances intended for use as a
4 plant regulator, defoliant or desiccant, except that the term
5 "pesticide" shall not include any article that is a "new animal
6 drug" as designated by the United States Food and Drug
7 Administration;

8 50. "Production batch" means:

- 9 a. any amount of medical marijuana concentrate of the
10 same category and produced using the same extraction
11 methods, standard operating procedures and an
12 identical group of harvest batch of medical marijuana,
13 or
14 b. any amount of medical marijuana product of the same
15 exact type, produced using the same ingredients,
16 standard operating procedures and the same production
17 batch of medical marijuana concentrate;

18 51. "Public institution" means any entity established or
19 controlled by the federal government, state government, or a local
20 government or municipality including, but not limited to,
21 institutions of higher education or related research institutions;

22 52. "Public money" means any funds or money obtained by the
23 holder from any governmental entity including, but not limited to,
24 research grants;

1 53. "Recommendation" means a document that is signed or
2 electronically submitted by a physician on behalf of a patient for
3 the use of medical marijuana pursuant to the Oklahoma Medical
4 Marijuana and Patient Protection Act;

5 54. "Registered to conduct business" means a person that has
6 provided proof that the business applicant is in good standing with
7 the ~~Oklahoma~~ Secretary of State and Oklahoma Tax Commission;

8 55. "Remediation" means the process by which the medical
9 marijuana flower or trim, which has failed microbial testing, is
10 processed into solvent-based medical marijuana concentrate and
11 retested as required by the Oklahoma Medical Marijuana and Patient
12 Protection Act;

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

1 57. "Revocation" means the final decision by the Department
2 that any license issued pursuant to the Oklahoma Medical Marijuana
3 and Patient Protection Act is rescinded because the individual or
4 entity does not comply with the applicable requirements set forth in
5 the Oklahoma Medical Marijuana and Patient Protection Act or rules
6 promulgated pursuant thereto;

7 58. "School" means a public or private preschool ~~or~~, a public
8 or private elementary or secondary school, or a technology center
9 school which is primarily used for classroom instruction. A
10 homeschool, daycare or child-care facility shall not be considered a
11 "school" as used in the Oklahoma Medical Marijuana and Patient
12 Protection Act;

13 59. "Shipping container" means a hard-sided container with a
14 lid or other enclosure that can be secured in place. A shipping
15 container is used solely for the transport of medical marijuana,
16 medical marijuana concentrate, or medical marijuana products between
17 medical marijuana businesses, a medical marijuana research facility,
18 or a medical marijuana education facility;

19 60. "Solvent-based medical marijuana concentrate" means a
20 medical marijuana concentrate that was produced by extracting
21 cannabinoids from medical marijuana through the use of a solvent
22 approved by the Department;

1 61. "State Question" means Oklahoma State Question No. 788,
2 Initiative Petition No. 412, approved by a majority vote of the
3 citizens of Oklahoma on June 26, 2018;

4 62. "Strain" means the classification of marijuana or cannabis
5 plants in either pure sativa, indica, afghanica, ruderalis or hybrid
6 varieties;

7 63. "THC" means tetrahydrocannabinol, which is the primary
8 psychotropic cannabinoid in marijuana formed by decarboxylation of
9 naturally tetrahydrocannabinolic acid, which generally occurs by
10 exposure to heat;

11 64. "Test batch" means with regard to usable marijuana, a
12 homogenous, identified quantity of usable marijuana by strain, no
13 greater than ten (10) pounds, that is harvested during a seven-day
14 period from a specified cultivation area, and with regard to oils,
15 vapors and waxes derived from usable marijuana, means an identified
16 quantity that is uniform, that is intended to meet specifications
17 for identity, strength and composition, and that is manufactured,
18 packaged and labeled during a specified time period according to a
19 single manufacturing, packaging and labeling protocol;

20 65. "Transporter agent" means a person who transports medical
21 marijuana or medical marijuana products for a licensed transporter
22 and holds a transporter agent license pursuant to the Oklahoma
23 Medical Marijuana and Patient Protection Act;

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1 66. "Universal symbol" means the image established by the State
2 Department of Health or Oklahoma Medical Marijuana Authority and
3 made available to licensees through its website indicating that the
4 medical marijuana or the medical marijuana product contains THC;

5 67. "Usable marijuana" means the dried leaves, flowers, oils,
6 vapors, waxes and other portions of the marijuana plant and any
7 mixture or preparation thereof, excluding seeds, roots, stems,
8 stalks and fan leaves; and

9 68. "Water-based medical marijuana concentrate" means a
10 concentrate that was produced by extracting cannabinoids from
11 medical marijuana through the use of only water, ice or dry ice.

12 SECTION 2. AMENDATORY 63 O.S. 2021, Section 425, as
13 amended by Section 5, Chapter 553, O.S.L. 2021, is amended to read
14 as follows:

15 Section 425. A. No school or landlord may refuse to enroll or
16 lease to and may not otherwise penalize a person solely for his or
17 her status as a medical marijuana patient licensee, unless failing
18 to do so would cause the school or landlord the potential to lose a
19 monetary or licensing-related benefit under federal law or
20 regulations.

21 B. Unless a failure to do so would cause an employer the
22 potential to lose a monetary or licensing-related benefit under
23 federal law or regulations, an employer may not discriminate against
24 a person in hiring, termination or imposing any term or condition of

1 employment or otherwise penalize a person based upon the status of
2 the person as a medical marijuana patient licensee. Employers may
3 take action against a medical marijuana patient licensee if the
4 licensee uses or possesses marijuana while in his or her place of
5 employment or during the hours of employment. Employers may not
6 take action against a medical marijuana patient licensee solely
7 based upon the status of an employee as a medical marijuana patient
8 licensee or the results of a drug test showing positive for
9 marijuana or its components.

10 C. For the purposes of medical care, including organ
11 transplants, the authorized use of marijuana by a medical marijuana
12 patient licensee shall be considered the equivalent of the use of
13 any other medication under the direction of a physician and does not
14 constitute the use of an illicit substance or otherwise disqualify a
15 registered qualifying patient from medical care.

16 D. No medical marijuana patient licensee may be denied custody
17 of or visitation or parenting time with a minor child, and there is
18 no presumption of neglect or child endangerment for conduct allowed
19 under this law unless the behavior of the medical marijuana patient
20 licensee creates an unreasonable danger to the safety of the minor
21 child.

22 E. No person who possesses a medical marijuana patient license
23 may be unduly withheld from holding another state-issued license by
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1 virtue of his or her status as a medical marijuana patient licensee
2 including, but not limited to, a concealed carry permit.

3 F. 1. No city or local municipality may unduly change or
4 restrict zoning laws to prevent the opening of a medical marijuana
5 dispensary.

6 2. For purposes of this subsection, an undue change or
7 restriction of municipal zoning laws means an act which entirely
8 prevents medical marijuana dispensaries from operating within
9 municipal boundaries as a matter of law. Municipalities may follow
10 their standard planning and zoning procedures to determine if
11 certain zones or districts would be appropriate for locating
12 marijuana-licensed premises, medical marijuana businesses or any
13 other premises where marijuana or its by-products are cultivated,
14 grown, processed, stored or manufactured.

15 3. A medical marijuana dispensary does not include those other
16 entities licensed by the Oklahoma Medical Marijuana Authority as
17 marijuana-licensed premises, medical marijuana businesses or other
18 facilities or locations where marijuana or any product containing
19 marijuana or its by-products are cultivated, grown, processed,
20 stored or manufactured.

21 G. 1. The location of any medical marijuana dispensary is
22 specifically prohibited within one thousand (1,000) feet of any
23 public school or private school. The distance indicated in this
24 ~~subsection~~ paragraph shall be measured from the nearest property

1 line of such public school or private school to the nearest
2 perimeter wall of the licensed premises of such medical marijuana
3 dispensary. If a medical marijuana dispensary met the requirements
4 of this ~~subsection~~ paragraph at the time of its initial licensure,
5 the medical marijuana dispensary licensee shall be permitted to
6 continue operating at the licensed premises in the same manner and
7 not be subject to nonrenewal or revocation due to subsequent events
8 or changes in regulations occurring after licensure that would
9 render the medical marijuana dispensary in violation by being within
10 one thousand (1,000) feet of a public school or private school. If
11 any public school or private school is established within one
12 thousand (1,000) feet of any medical marijuana dispensary after such
13 medical marijuana dispensary has been licensed, the provisions of
14 this ~~subsection~~ paragraph shall not be a deterrent to the renewal of
15 such license or warrant revocation of the license. For purposes of
16 this ~~subsection~~ paragraph, a property owned, used or operated by a
17 public school or by a private school that is not used for classroom
18 instruction on core curriculum, such as an administrative building,
19 athletic facility, ballpark, field or stadium, shall not constitute
20 a public school or private school unless such property is located on
21 the same campus as a building used for classroom instruction on core
22 curriculum.

23 2. The location of any medical marijuana commercial grower
24 shall not be within one thousand (1,000) feet of any public school

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

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

5 H. Research shall be provided for under this law. A researcher
6 may apply to the State Department of Health for a special research
7 license. The research license shall be granted, provided the
8 applicant meets the criteria listed in the Medical Marijuana and
9 Patient Protection Act. Research licensees shall be required to
10 file monthly consumption reports to the State Department of Health
11 with amounts of marijuana used for research. Biomedical and
12 clinical research which is subject to federal regulations and
13 institutional oversight shall not be subject to oversight by the
14 State Department of Health.

15 SECTION 3. AMENDATORY 63 O.S. 2021, Section 430, as
16 amended by Section 28, Chapter 553, O.S.L. 2021, is amended to read
17 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 issue more than ten medical marijuana waste disposal licenses. Upon
11 the conclusion of the first year, the Authority shall assess the
12 need for additional medical marijuana waste disposal licenses and
13 shall, if demonstrated, increase the number of licenses as deemed
14 necessary by the Authority.

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

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

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

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

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

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

23 3. Each application shall be accompanied by the following
24 documentation:

- 1 a. a list of all persons or entities that have an
2 ownership interest in the entity,
- 3 b. a certificate of good standing from the ~~Oklahoma~~
4 Secretary of State, if applicable,
- 5 c. an Affidavit of Lawful Presence for each owner,
- 6 d. proof that the proposed location of the disposal
7 facility is at least one thousand (1,000) feet from a
8 ~~public or private~~ school. The distance indicated in
9 this subparagraph shall be measured from the nearest
10 property line of such ~~public or private~~ school to the
11 nearest perimeter wall of the premises of such
12 disposal facility. If any ~~public or private~~ school is
13 established within one thousand (1,000) feet of any
14 disposal facility after such disposal facility has
15 been licensed, the provisions of this subparagraph
16 shall not be a deterrent to the renewal of such
17 license or warrant revocation of the license. For the
18 purposes of this section, "school" shall mean the same
19 as provided in Section 427.2 of this title, and
- 20 e. documents establishing the applicant, the members,
21 managers and board members, if applicable, and
22 seventy-five percent (75%) of the ownership interests
23 are Oklahoma residents as established in Section 420
24

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

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

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

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

14 F. The cost of a medical marijuana waste disposal license shall
15 be Five Thousand Dollars (\$5,000.00) for the initial license. The
16 cost of a medical marijuana waste disposal facility permit shall be
17 Five Hundred Dollars (\$500.00). A medical marijuana waste disposal
18 facility permit that has been revoked shall be reinstated upon
19 remittance of a reinstatement fee of Five Hundred Dollars (\$500.00)
20 to restore the facility permit. All license and permit fees shall
21 be deposited into the Oklahoma Medical Marijuana Authority Revolving
22 Fund as provided in Section 427.5 of this title.

23 G. The holder of a medical marijuana waste disposal license
24 shall not be required to obtain a medical marijuana transporter

1 license provided for in the Oklahoma Medical Marijuana and Patient
2 Protection Act for purposes of transporting medical marijuana waste.

3 H. All commercial licensees, as defined in Section 428.1 of
4 this title, shall utilize a licensed medical marijuana waste
5 disposal service to process all medical marijuana waste generated by
6 the licensee.

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

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

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