

**FLOOR AMENDMENT**  
HOUSE OF REPRESENTATIVES  
State of Oklahoma

SPEAKER:

CHAIR:

I move to amend SB445 \_\_\_\_\_  
Of the printed Bill  
Page \_\_\_\_\_ Section \_\_\_\_\_ Lines \_\_\_\_\_  
Of the Engrossed Bill

By striking the Title, the Enacting Clause, the entire bill, and by inserting in lieu thereof the following language:

**AMEND TITLE TO CONFORM TO AMENDMENTS**

Adopted: \_\_\_\_\_

Amendment submitted by: David Hardin

\_\_\_\_\_

\_\_\_\_\_  
Reading Clerk

1 STATE OF OKLAHOMA

2 1st Session of the 58th Legislature (2021)

3 FLOOR SUBSTITUTE  
4 FOR ENGROSSED

5 SENATE BILL NO. 445

By: Paxton of the Senate

and

Hardin (David) of the House

8  
9 FLOOR SUBSTITUTE

10 An Act relating to medical marijuana; amending  
11 Section 6, Chapter 11, O.S.L. 2019, as amended by  
12 Section 7, Chapter 477, O.S.L. 2019 (63 O.S. Supp.  
13 2020, Section 427.6), which relates to disciplinary  
14 actions; clarifying language; specifying  
15 administrative fines; providing penalties for certain  
16 offenses; providing construing provision; and  
17 providing an effective date.

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

19 SECTION 1. AMENDATORY Section 6, Chapter 11, O.S.L.  
20 2019, as amended by Section 7, Chapter 477, O.S.L. 2019 (63 O.S.  
21 Supp. 2020, Section 427.6), is amended to read as follows:

22 Section 427.6 A. The State Department of Health shall address  
23 issues related to the medical marijuana program in ~~Oklahoma~~ this  
24 state including, but not limited to, monitoring and disciplinary  
actions as they relate to the medical marijuana program.

1 B. 1. The Department or its designee may perform on-site  
2 assessments of a licensee or applicant for any medical marijuana  
3 business license issued pursuant to ~~this act~~ the Oklahoma Medical  
4 Marijuana and Patient Protection Act to determine compliance with  
5 this act or submissions made pursuant to this section. The  
6 Department may enter the licensed premises of a medical marijuana  
7 business licensee or applicant to assess or monitor compliance.

8 2. Inspections shall be limited to twice per calendar year and  
9 twenty-four (24) hours of notice shall be provided to a medical  
10 marijuana business applicant or licensee prior to an on-site  
11 assessment. However, additional inspections may occur when the  
12 Department shows that an additional inspection is necessary due to a  
13 violation of ~~this act~~ the Oklahoma Medical Marijuana and Patient  
14 Protection Act. Such inspection may be without notice if the  
15 Department believes that such notice will result in the destruction  
16 of evidence.

17 3. The Department may review relevant records of a licensed  
18 medical marijuana business, licensed medical marijuana research  
19 facility or licensed medical marijuana education facility, and may  
20 require and conduct interviews with such persons or entities and  
21 persons affiliated with such entities, for the purpose of  
22 determining compliance with Department requirements and applicable  
23 laws. However, prior to conducting any interviews with the medical  
24 marijuana business, research facility or education facility, the

1 licensee shall be afforded sufficient time to secure legal  
2 representation during such questioning if requested by the business  
3 or facility or any of its agents or employees or contractors.

4 4. The Department shall refer complaints alleging criminal  
5 activity that are made against a licensee to appropriate Oklahoma  
6 state or local law enforcement authorities.

7 C. Disciplinary action may be taken against an applicant or  
8 licensee under ~~this act~~ the Oklahoma Medical Marijuana and Patient  
9 Protection Act for not adhering to the law pursuant to the terms,  
10 conditions and guidelines set forth in this act.

11 D. Disciplinary actions may include revocation, suspension or  
12 denial of an application, license or final authorization and other  
13 action deemed appropriate by the Department.

14 E. Disciplinary actions may be imposed upon a medical marijuana  
15 business licensee for:

16 1. Failure to comply with or satisfy any provision of this  
17 section;

18 2. Falsification or misrepresentation of any material or  
19 information submitted to the Department;

20 3. Failing to allow or impeding a monitoring visit by  
21 authorized representatives of the Department;

22 4. Failure to adhere to any acknowledgement, verification or  
23 other representation made to the Department;

24

1 5. Failure to submit or disclose information required by this  
2 section or otherwise requested by the Department;

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

5 7. Failure to comply with requested access by the Department to  
6 the licensed premises or materials;

7 8. Failure to pay a required monetary penalty;

8 9. Diversion of medical marijuana or any medical marijuana  
9 product, as determined by the Department;

10 10. Threatening or harming a patient, a medical practitioner or  
11 an employee of the Department; and

12 11. Any other basis indicating a violation of the applicable  
13 laws and regulations as identified by the Department.

14 F. Disciplinary actions against a licensee may include the  
15 imposition of monetary penalties, which may be assessed by the  
16 Department.

17 G. ~~Penalties~~ In addition to any other penalties provided by  
18 law, penalties for sales by a medical marijuana business to persons  
19 other than those allowed by law occurring within any two-year time  
20 period may include an initial administrative fine of One Thousand  
21 Dollars (\$1,000.00) for a first violation and ~~a~~ an administrative  
22 fine of Five Thousand Dollars (\$5,000.00) for any subsequent  
23 violation. The medical marijuana business may be subject to a  
24 revocation of any license granted pursuant to ~~this act~~ the Oklahoma

1 Medical Marijuana and Patient Protection Act upon a showing that the  
2 violation was willful or grossly negligent.

3 H. ~~1. First~~ The intentional diversion of medical marijuana,  
4 medical marijuana concentrate or medical marijuana products by a  
5 licensed patient or caregiver to an unauthorized adult person shall  
6 be subject to the following penalties:

7 1. For a first or second offense ~~for intentional and~~  
8 ~~impermissible diversion of medical marijuana, concentrate, or~~  
9 ~~products by a, the licensed patient or caregiver to an unauthorized~~  
10 ~~person shall not be punished under a criminal statute but may be~~  
11 subject to a cite and release citation and, upon a finding of guilt  
12 or a plea of no contest, a fine of Two Hundred Dollars (\$200.00);  
13 and

14 ~~2. The second~~ For a third or subsequent offense ~~for~~  
15 ~~impermissible diversion of medical marijuana, concentrate, or~~  
16 ~~products by a, the licensed patient or caregiver to an unauthorized~~  
17 ~~person shall not be punished under a criminal statute but may be~~  
18 subject to a cite and release citation and, upon a finding of guilt  
19 or a plea of no contest, a fine of not to exceed Five Hundred  
20 Dollars (\$500.00) and may result in revocation of the license upon a  
21 showing that the violation was willful or grossly negligent One  
22 Thousand Dollars (\$1,000.00).

23 I. The intentional diversion of medical marijuana, medical  
24 marijuana concentrate or medical marijuana products by a licensed

1 patient, caregiver, medical marijuana business or employee of a  
2 medical marijuana business to an unauthorized minor person who the  
3 licensed patient, caregiver, medical marijuana business or employee  
4 of a medical marijuana business knew or reasonably should have known  
5 to be a minor person shall be subject to a cite and release citation  
6 and, upon a finding of guilt or a plea of no contest, a fine of Two  
7 Thousand Five Hundred Dollars (\$2,500.00). For a second or  
8 subsequent offense, the licensed patient, caregiver, medical  
9 marijuana business or employee of a medical marijuana business shall  
10 be subject to a cite and release citation and, upon a finding of  
11 guilt or a plea of no contest, a fine of Five Thousand Dollars  
12 (\$5,000.00) and automatic termination of the medical marijuana  
13 license.

14 J. Nothing in this section shall be construed to prevent the  
15 criminal prosecution, after the presentation of evidence and a  
16 finding beyond a reasonable doubt, of a licensed patient, caregiver,  
17 medical marijuana business or employee of a medical marijuana  
18 business who has diverted medical marijuana, medical marijuana  
19 concentrate or medical marijuana products to an unauthorized person  
20 with the intent or knowledge that the unauthorized person was to  
21 engage in the distribution or trafficking of medical marijuana,  
22 medical marijuana concentrate or medical marijuana products.

23 K. The following persons or entities may request a hearing to  
24 contest an action or proposed action of the Department:

1 1. A medical marijuana business, research facility or education  
2 facility licensee whose license has been summarily suspended or who  
3 has received a notice of contemplated action to suspend or revoke a  
4 license or take other disciplinary action; and

5 2. A patient or caregiver licensee whose license has been  
6 summarily suspended or who has received notice of contemplated  
7 action to suspend or revoke a license or take other disciplinary  
8 action.

9 ~~J.~~ L. All hearings held pursuant to this section shall be in  
10 accordance with the Oklahoma Administrative Procedures Act, Section  
11 250 et seq. of Title 75 of the Oklahoma Statutes.

12 SECTION 2. This act shall become effective November 1, 2021.

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14 58-1-8203 GRS 04/21/21

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