

1 **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2 STATE OF OKLAHOMA

3 2nd Session of the 58th Legislature (2022)

4 COMMITTEE SUBSTITUTE
5 FOR
6 HOUSE BILL NO. 4055

By: Marti and **Davis**

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8 COMMITTEE SUBSTITUTE

9 An Act relating to medical marijuana; requiring
10 public utilities to report certain monthly commodity
11 usage to the Oklahoma Medical Marijuana Authority;
12 requiring licensed medical marijuana commercial
13 growers to inform public utility as to their license
14 status by certain time; requiring submission of
15 certain monthly report in certain format to the
16 Authority; amending 63 O.S. 2021, Section 427.3,
17 which relates to powers and duties of the Oklahoma
18 Medical Marijuana Authority; requiring establishment
19 of procedure to monitor and collect certain commodity
20 usage information for licensed medical marijuana
21 commercial growers; providing for submission of
22 certain information; requiring submission be in
23 certain form; requiring the development of certain
24 rules and necessary procedures; providing for
codification; and providing an effective date.

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

SECTION 1. NEW LAW A new section of law to be codified
in the Oklahoma Statutes as Section 180.12 of Title 17, unless there
is created a duplication in numbering, reads as follows:

1 Public utilities, as defined in Section 151 of Title 17 of the
2 Oklahoma Statutes, shall report to the Oklahoma Medical Marijuana
3 Authority the amount of any commodity supplied by the public utility
4 to licensed medical marijuana commercial grower operations in this
5 state. Existing licensed medical marijuana commercial growers shall
6 be required to inform the public utility as to their status as a
7 licensed medical marijuana commercial grower within thirty (30) days
8 after the effective date of this act. Licensed medical marijuana
9 commercial growers that receive a license after the effective date
10 of this act shall inform the public utility of their status as a
11 licensed medical marijuana commercial grower at the time of
12 connection of services. Public utilities shall submit monthly
13 reports to the Authority providing the names and addresses of and
14 the amounts of commodities supplied to the licensed medical
15 marijuana commercial growers. The monthly reports shall be
16 submitted in an electronic format that is integrated with the
17 Authority's seed-to-sale software.

18 SECTION 2. AMENDATORY 63 O.S. 2021, Section 427.3, is
19 amended to read as follows:

20 Section 427.3 A. There is hereby created the Oklahoma Medical
21 Marijuana Authority within the State Department of Health which
22 shall address issues related to the medical marijuana program in
23 Oklahoma including, but not limited to, the issuance of patient
24 licenses and medical marijuana business licenses, and the

1 dispensing, cultivating, processing, testing, transporting, storage,
2 research, and the use of and sale of medical marijuana pursuant to
3 the Oklahoma Medical Marijuana and Patient Protection Act.

4 B. The Department shall provide support staff to perform
5 designated duties of the Authority. The Department shall also
6 provide office space for meetings of the Authority.

7 C. The Department shall implement the provisions of the
8 Oklahoma Medical Marijuana and Patient Protection Act consistently
9 with the voter-approved State Question No. 788, Initiative Petition
10 No. 412, subject to the provisions of the Oklahoma Medical Marijuana
11 and Patient Protection Act.

12 D. The Department shall exercise its respective powers and
13 perform its respective duties and functions as specified in the
14 Oklahoma Medical Marijuana and Patient Protection Act and this title
15 including, but not limited to, the following:

16 1. Determine steps the state shall take, whether administrative
17 or legislative in nature, to ensure that research on marijuana and
18 marijuana products is being conducted for public purposes, including
19 the advancement of:

- 20 a. public health policy and public safety policy,
- 21 b. agronomic and horticultural best practices, and
- 22 c. medical and pharmacopoeia best practices;

23 2. Contract with third-party vendors and other governmental
24 entities in order to carry out the respective duties and functions

1 as specified in the Oklahoma Medical Marijuana and Patient
2 Protection Act;

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

7 4. Issue subpoenas for the appearance or production of persons,
8 records and things in connection with disciplinary or contested
9 cases considered by the Department;

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

12 6. Inspect and examine all licensed premises of medical
13 marijuana businesses, research facilities, education facilities and
14 waste disposal facilities in which medical marijuana is cultivated,
15 manufactured, sold, stored, transported, tested, distributed or
16 disposed of;

17 7. Upon action by the federal government by which the
18 production, sale and use of marijuana in Oklahoma does not violate
19 federal law, work with the Oklahoma State Banking Department and the
20 State Treasurer to develop good practices and standards for banking
21 and finance for medical marijuana businesses;

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

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1 9. Establish a fee schedule and collect fees for performing
2 background checks as the Commissioner deems appropriate. The fees
3 charged pursuant to this paragraph shall not exceed the actual cost
4 incurred for each background check;

5 10. Establish a fee schedule and collect fees for material
6 changes requested by the licensee; ~~and~~

7 11. Establish regulations, which require a medical marijuana
8 business to submit information to the Oklahoma Medical Marijuana
9 Authority, deemed reasonably necessary to assist the Authority in
10 the prevention of diversion of medical marijuana by a licensed
11 medical marijuana business. Such information required by the
12 Authority may include, but shall not be limited to:

- 13 a. the square footage of the licensed premises,
- 14 b. a diagram of the licensed premises,
- 15 c. the number and type of lights at the licensed medical
16 marijuana commercial grower business,
- 17 d. the number, type and production capacity of equipment
18 located at the medical marijuana processing facility,
- 19 e. the names, addresses and telephone numbers of
20 employees or agents of a medical marijuana business,
- 21 f. employment manuals and standard operating procedures
22 for the medical marijuana business, and
- 23 g. any other information as the Authority reasonably
24 deems necessary; and

1 12. Establish a procedure for monitoring and collecting
2 licensed medical marijuana commercial growers' monthly usage of
3 commodities provided by public utility companies. The Authority
4 shall provide public utility companies with a means to submit
5 monthly reports regarding the names and addresses of and the amounts
6 of commodities supplied to licensed medical marijuana commercial
7 growers. The Authority shall require monthly usage reports to be
8 submitted in an electronic format that is integrated with the
9 Authority's seed-to-sale software. In addition, the Authority shall
10 develop rules and any necessary procedures for the metering of the
11 usage of water, electricity, or other forms of commodities used by
12 licensed medical marijuana commercial growers that are not supplied
13 by public utility companies including, but not limited to, the usage
14 of well water and gas-powered generators.

15 SECTION 3. This act shall become effective November 1, 2022.

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17 COMMITTEE REPORT BY: COMMITTEE ON ALCOHOL, TOBACCO AND CONTROLLED
18 SUBSTANCES, dated 03/03/2022 - DO PASS, As Amended and Coauthored.

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