

1 **SENATE FLOOR VERSION**

2 April 14, 2022

3 **AS AMENDED**

4 ENGROSSED HOUSE
5 BILL NO. 3208

6 By: Cornwell, West (Josh),
7 Bashore, Kendrix, and
8 Roberts (Eric) of the House

9 and

10 Paxton of the Senate

11 **[medical marijuana - Oklahoma Medical Marijuana and
12 Patient Protection Act - scope of powers and duties -
13 moratorium on issuing certain medical marijuana
14 business licenses - codification - effective date -
15 emergency]**

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

17 SECTION 1. AMENDATORY 63 O.S. 2021, Section 427.3, is
18 amended to read as follows:

19 Section 427.3 A. There is hereby created the Oklahoma Medical
20 Marijuana Authority within the State Department of Health which
21 shall address issues related to the medical marijuana program in
22 Oklahoma including, but not limited to, the issuance of patient
23 licenses and medical marijuana business licenses, and the
24 dispensing, cultivating, processing, testing, transporting, storage,
research, and the use of and sale of medical marijuana pursuant to
the Oklahoma Medical Marijuana and Patient Protection Act.

1 B. The Department shall provide support staff to perform
2 designated duties of the Authority. The Department shall also
3 provide office space for meetings of the Authority.

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

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

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

- 17 a. public health policy and public safety policy,
- 18 b. agronomic and horticultural best practices, and
- 19 c. medical and pharmacopoeia best practices;

20 2. Contract with third-party vendors and other governmental
21 entities in order to carry out the respective duties and functions
22 as specified in the Oklahoma Medical Marijuana and Patient
23 Protection Act;

24

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

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

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

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

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

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

22 9. Establish a fee schedule and collect fees for performing
23 background checks as the ~~Commissioner~~ Authority deems appropriate.
24

1 The fees charged pursuant to this paragraph shall not exceed the
2 actual cost incurred for each background check;

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

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

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

23 12. Declare and establish a moratorium on processing and
24 issuing new medical marijuana business licenses pursuant to Section

1 427.14 of this title for an amount of time the Authority deems
2 necessary.

3 SECTION 2. NEW LAW A new section of law to be codified
4 in the Oklahoma Statutes as Section 427.14a of Title 63, unless
5 there is created a duplication in numbering, reads as follows:

6 A. Beginning August 1, 2022, and ending August 1, 2024, the
7 Oklahoma Medical Marijuana Authority shall, based on the number of
8 current medical marijuana business licenses for dispensaries,
9 processors, and commercial growers, declare and establish a
10 moratorium on processing and issuing new medical marijuana business
11 licenses for dispensaries, processors, and commercial growers. The
12 Executive Director of the Authority shall be authorized to terminate
13 the moratorium at any time prior to August 1, 2024, if the Executive
14 Director determines that all pending licensing reviews, inspections,
15 or investigations have been completed by the Authority.

16 B. The provisions of this section shall not apply to the
17 renewal of a medical marijuana business license for a dispensary,
18 processor, or commercial grower under the provisions of Section
19 427.14 of Title 63 of the Oklahoma Statutes or to the issuance of a
20 medical marijuana business license necessitated by a change in the
21 ownership or location of a medical marijuana dispensary, medical
22 marijuana processor, or medical marijuana commercial grower;
23 provided, however, the Authority shall be authorized to deny the
24 request for issuance of a medical marijuana business license due to

1 a change in ownership if the licensee is subject to any disciplinary
2 action that may necessitate the revocation, suspension, or
3 nonrenewal of the medical marijuana business license.

4 C. The Authority shall review and process applications for
5 medical marijuana business licenses for dispensaries, processors,
6 and commercial growers if applications were received on or before
7 August 1, 2022.

8 D. The Authority shall promulgate rules as necessary to
9 implement the provisions of this section.

10 SECTION 3. This act shall become effective July 1, 2022.

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

15 COMMITTEE REPORT BY: COMMITTEE ON BUSINESS, COMMERCE AND TOURISM
16 April 14, 2022 - DO PASS AS AMENDED
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