

1 **SENATE FLOOR VERSION**

2 February 17, 2022

3 SENATE BILL NO. 1726

By: Leewright

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5
6 An Act relating to medical marijuana; amending 63
7 O.S. 2021, Section 427.2, as last amended by Section
8 4, Chapter 584, O.S.L. 2021, which relates to
9 definitions; expanding definition; 63 O.S. 2021,
10 Section 425, as last amended by Section 5, Chapter
11 553, O.S.L. 2021, which relates to license holder
12 protection; removing exception from regulatory zoning
13 laws; amending 63 O.S. 2021, Section 430, as amended
14 by Section 28, Chapter 553, O.S.L. 2021, which
15 relates to medical marijuana waste disposal license;
16 updating definition; providing reference; updating
17 statutory language; and declaring an emergency.

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

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

22 Section 427.2. As used in the Oklahoma Medical Marijuana and
23 Patient Protection Act:

24 1. "Advertising" means the act of providing consideration for
the publication, dissemination, solicitation or circulation, of
visual, oral or written communication to induce directly or
indirectly any person to patronize a particular medical marijuana
business, or to purchase particular medical marijuana or a medical

1 marijuana product. Advertising includes marketing, but does not
2 include packaging and labeling;

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

4 3. "Batch number" means a unique numeric or alphanumeric
5 identifier assigned prior to testing to allow for inventory tracking
6 and traceability;

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

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

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

13 a. designed or constructed to be significantly difficult
14 for children under five (5) years of age to open and
15 not difficult for normal adults to use properly as
16 defined by 16 C.F.R. 1700.15 (1995) and 16 C.F.R.
17 1700.20 (1995),

18 b. opaque so that the outermost packaging does not allow
19 the product to be seen without opening the packaging
20 material, and

21 c. resealable to maintain its child-resistant
22 effectiveness for multiple openings for any product
23 intended for more than a single use or containing
24 multiple servings;

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

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

5 9. "Complete application" means a document prepared in
6 accordance with the provisions set forth in the Oklahoma Medical
7 Marijuana and Patient Protection Act, rules promulgated pursuant
8 thereto, and the forms and instructions provided by the Department
9 including any supporting documentation required and the applicable
10 license application fee;

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

12 11. "Director" means the Executive Director of the Oklahoma
13 Medical Marijuana Authority;

14 12. "Dispense" means the selling of medical marijuana or a
15 medical marijuana product to a qualified patient or the designated
16 caregiver of the patient that is packaged in a suitable container
17 appropriately labeled for subsequent administration to or use by a
18 qualifying patient;

19 13. "Dispensary" means a medical marijuana dispensary, an
20 entity that has been licensed by the Department pursuant to the
21 Oklahoma Medical Marijuana and Patient Protection Act to purchase
22 medical marijuana or medical marijuana products from a licensed
23 medical marijuana commercial grower or medical marijuana processor,
24 sell medical marijuana or medical marijuana products to patients and

1 caregivers as defined under the Oklahoma Medical Marijuana and
2 Patient Protection Act, or sell or transfer products to another
3 dispensary;

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

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

11 16. "Flower" means the reproductive organs of the marijuana or
12 cannabis plant referred to as the bud or parts of the plant that are
13 harvested and used to consume in a variety of medical marijuana
14 products;

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

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

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1 19. "Good cause" for purposes of an initial, renewal or
2 reinstatement license application, or for purposes of discipline of
3 a licensee, means:

- 4 a. the licensee or applicant has violated, does not meet,
5 or has failed to comply with any of the terms,
6 conditions or provisions of the act, any rules
7 promulgated pursuant thereto, or any supplemental
8 relevant state or local law, rule or regulation,
- 9 b. the licensee or applicant has failed to comply with
10 any special terms or conditions that were placed upon
11 the license pursuant to an order of the State
12 Department of Health, Oklahoma Medical Marijuana
13 Authority or the municipality, or
- 14 c. the licensed premises of a medical marijuana business
15 or applicant have been operated in a manner that
16 adversely affects the public health or welfare or the
17 safety of the immediate vicinity in which the
18 establishment is located;

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

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

1 22. "Heat- or pressure-based medical marijuana concentrate"
2 means a medical marijuana concentrate that was produced by
3 extracting cannabinoids from medical marijuana through the use of
4 heat or pressure;

5 23. "Immature plant" means a nonflowering marijuana plant that
6 has not demonstrated signs of flowering;

7 24. "Inventory tracking system" means the required tracking
8 system that accounts for medical marijuana from either the seed or
9 immature plant stage until the medical marijuana or medical
10 marijuana product is sold to a patient at a medical marijuana
11 dispensary, transferred to a medical marijuana research facility,
12 destroyed by a medical marijuana business or used in a research
13 project by a medical marijuana research facility;

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

17 26. "Licensed premises" means the premises specified in an
18 application for a medical marijuana business license, medical
19 marijuana research facility license or medical marijuana education
20 facility license pursuant to the Oklahoma Medical Marijuana and
21 Patient Protection Act that are owned or in possession of the
22 licensee and within which the licensee is authorized to cultivate,
23 manufacture, distribute, sell, store, transport, test or research
24 medical marijuana or medical marijuana products in accordance with

1 the provisions of the Oklahoma Medical Marijuana and Patient
2 Protection Act and rules promulgated pursuant thereto;

3 27. "Manufacture" means the production, propagation,
4 compounding or processing of a medical marijuana product, excluding
5 marijuana plants, either directly or indirectly by extraction from
6 substances of natural or synthetic origin, or independently by means
7 of chemical synthesis, or by a combination of extraction and
8 chemical synthesis;

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

14 29. "Material change" means any change that would require a
15 substantive revision to the standard operating procedures of a
16 licensee for the cultivation or production of medical marijuana,
17 medical marijuana concentrate or medical marijuana products;

18 30. "Mature plant" means a harvestable female marijuana plant
19 that is flowering;

20 31. "Medical marijuana business (MMB)" means a licensed medical
21 marijuana dispensary, medical marijuana processor, medical marijuana
22 commercial grower, medical marijuana laboratory, medical marijuana
23 business operator or a medical marijuana transporter;

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1 32. "Medical marijuana concentrate" or "concentrate" means a
2 specific subset of medical marijuana that was produced by extracting
3 cannabinoids from medical marijuana. Categories of medical
4 marijuana concentrate include water-based medical marijuana
5 concentrate, food-based medical marijuana concentrate, solvent-based
6 medical marijuana concentrate, and heat- or pressure-based medical
7 marijuana concentrate;

8 33. "Medical marijuana commercial grower" or "commercial
9 grower" means an entity licensed to cultivate, prepare and package
10 medical marijuana and transfer or contract for transfer medical
11 marijuana to a medical marijuana dispensary, medical marijuana
12 processor, any other medical marijuana commercial grower, medical
13 marijuana research facility, medical marijuana education facility
14 and pesticide manufacturers. A commercial grower may sell seeds,
15 flower or clones to commercial growers pursuant to the Oklahoma
16 Medical Marijuana and Patient Protection Act;

17 34. "Medical marijuana education facility" or "education
18 facility" means a person or entity approved pursuant to the Oklahoma
19 Medical Marijuana and Patient Protection Act to operate a facility
20 providing training and education to individuals involving the
21 cultivation, growing, harvesting, curing, preparing, packaging or
22 testing of medical marijuana, or the production, manufacture,
23 extraction, processing, packaging or creation of medical-marijuana-

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

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

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

14 37. "Medical marijuana processor" means a person or entity
15 licensed pursuant to the Oklahoma Medical Marijuana and Patient
16 Protection Act to operate a business including the production,
17 manufacture, extraction, processing, packaging or creation of
18 concentrate, medical-marijuana-infused products or medical marijuana
19 products as described in the Oklahoma Medical Marijuana and Patient
20 Protection Act;

21 38. "Medical marijuana research facility" or "research
22 facility" means a person or entity approved pursuant to the Oklahoma
23 Medical Marijuana and Patient Protection Act to conduct medical
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1 marijuana research. A medical marijuana research facility is not a
2 medical marijuana business;

3 39. "Medical marijuana testing laboratory" or "laboratory"
4 means a public or private laboratory licensed pursuant to the
5 Oklahoma Medical Marijuana and Patient Protection Act, to conduct
6 testing and research on medical marijuana and medical marijuana
7 products;

8 40. "Medical marijuana transporter" or "transporter" means a
9 person or entity that is licensed pursuant to the Oklahoma Medical
10 Marijuana and Patient Protection Act. A medical marijuana
11 transporter does not include a medical marijuana business that
12 transports its own medical marijuana, medical marijuana concentrate
13 or medical marijuana products to a property or facility adjacent to
14 or connected to the licensed premises if the property is another
15 licensed premises of the same medical marijuana business;

16 41. "Medical marijuana waste" or "waste" means unused, surplus,
17 returned or out-of-date marijuana, plant debris of the plant of the
18 genus Cannabis including dead plants and all unused plant parts and
19 roots, except the term shall not include roots, stems, stalks and
20 fan leaves;

21 42. "Medical use" means the acquisition, possession, use,
22 delivery, transfer or transportation of medical marijuana, medical
23 marijuana products, medical marijuana devices or paraphernalia
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1 relating to the administration of medical marijuana to treat a
2 licensed patient;

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

7 44. "Oklahoma physician" or "physician" means a physician
8 licensed by and in good standing with the State Board of Medical
9 Licensure and Supervision, the State Board of Osteopathic Examiners
10 or the Board of Podiatric Medical Examiners;

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

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

- 17 a. all shareholders owning an interest of a corporate
18 entity and all officers of a corporate entity,
- 19 b. all partners of a general partnership,
- 20 c. all general partners and all limited partners that own
21 an interest in a limited partnership,
- 22 d. all members that own an interest in a limited
23 liability company,

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- 1 e. all beneficiaries that hold a beneficial interest in a
2 trust and all trustees of a trust,
3 f. all persons or entities that own interest in a joint
4 venture,
5 g. all persons or entities that own an interest in an
6 association,
7 h. the owners of any other type of legal entity, and
8 i. any other person holding an interest or convertible
9 note in any entity which owns, operates or manages a
10 licensed facility;

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

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

20 49. "Pesticide" means any substance or mixture of substances
21 intended for preventing, destroying, repelling or mitigating any
22 pest or any substance or mixture of substances intended for use as a
23 plant regulator, defoliant or desiccant, except that the term
24 "pesticide" shall not include any article that is a "new animal

1 drug" as designated by the United States Food and Drug
2 Administration;

3 50. "Production batch" means:

4 a. any amount of medical marijuana concentrate of the
5 same category and produced using the same extraction
6 methods, standard operating procedures and an
7 identical group of harvest batch of medical marijuana,
8 or

9 b. any amount of medical marijuana product of the same
10 exact type, produced using the same ingredients,
11 standard operating procedures and the same production
12 batch of medical marijuana concentrate;

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

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

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

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

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

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

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

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

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

15 60. "Solvent-based medical marijuana concentrate" means a
16 medical marijuana concentrate that was produced by extracting
17 cannabinoids from medical marijuana through the use of a solvent
18 approved by the Department;

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

22 62. "Strain" means the classification of marijuana or cannabis
23 plants in either pure sativa, indica, afghanica, ruderalis or hybrid
24 varieties;

1 63. "THC" means tetrahydrocannabinol, which is the primary
2 psychotropic cannabinoid in marijuana formed by decarboxylation of
3 naturally tetrahydrocannabinolic acid, which generally occurs by
4 exposure to heat;

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

14 65. "Transporter agent" means a person who transports medical
15 marijuana or medical marijuana products for a licensed transporter
16 and holds a transporter agent license pursuant to the Oklahoma
17 Medical Marijuana and Patient Protection Act;

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

22 67. "Usable marijuana" means the dried leaves, flowers, oils,
23 vapors, waxes and other portions of the marijuana plant and any
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1 mixture or preparation thereof, excluding seeds, roots, stems,
2 stalks and fan leaves; and

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

6 SECTION 2. AMENDATORY 63 O.S. 2021, Section 425, as last
7 amended by Section 5, Chapter 553, O.S.L. 2021, is amended to read
8 as follows:

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

15 B. Unless a failure to do so would cause an employer the
16 potential to lose a monetary or licensing-related benefit under
17 federal law or regulations, an employer may not discriminate against
18 a person in hiring, termination or imposing any term or condition of
19 employment or otherwise penalize a person based upon the status of
20 the person as a medical marijuana patient licensee. Employers may
21 take action against a medical marijuana patient licensee if the
22 licensee uses or possesses marijuana while in his or her place of
23 employment or during the hours of employment. Employers may not
24 take action against a medical marijuana patient licensee solely

1 based upon the status of an employee as a medical marijuana patient
2 licensee or the results of a drug test showing positive for
3 marijuana or its components.

4 C. For the purposes of medical care, including organ
5 transplants, the authorized use of marijuana by a medical marijuana
6 patient licensee shall be considered the equivalent of the use of
7 any other medication under the direction of a physician and does not
8 constitute the use of an illicit substance or otherwise disqualify a
9 registered qualifying patient from medical care.

10 D. No medical marijuana patient licensee may be denied custody
11 of or visitation or parenting time with a minor child, and there is
12 no presumption of neglect or child endangerment for conduct allowed
13 under this law unless the behavior of the medical marijuana patient
14 licensee creates an unreasonable danger to the safety of the minor
15 child.

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

20 F. 1. No city or local municipality may unduly change or
21 restrict zoning laws to prevent the opening of a medical marijuana
22 dispensary.

23 2. For purposes of this subsection, an undue change or
24 restriction of municipal zoning laws means an act which entirely

1 prevents medical marijuana dispensaries from operating within
2 municipal boundaries as a matter of law. Municipalities may follow
3 their standard planning and zoning procedures to determine if
4 certain zones or districts would be appropriate for locating
5 marijuana-licensed premises, medical marijuana businesses or any
6 other premises where marijuana or its by-products are cultivated,
7 grown, processed, stored or manufactured.

8 3. A medical marijuana dispensary does not include those other
9 entities licensed by the Oklahoma Medical Marijuana Authority as
10 marijuana-licensed premises, medical marijuana businesses or other
11 facilities or locations where marijuana or any product containing
12 marijuana or its by-products are cultivated, grown, processed,
13 stored or manufactured.

14 G. The location of any medical marijuana dispensary or
15 commercial grower is specifically prohibited within one thousand
16 (1,000) feet of any ~~public school or private~~ school. The distance
17 indicated in this subsection shall be measured from the nearest
18 property line of such ~~public school or private~~ school to the nearest
19 perimeter wall of the licensed premises of such medical marijuana
20 dispensary or commercial grower. If a medical marijuana dispensary
21 or commercial grower met the requirements of this subsection at the
22 time of its initial licensure, the medical marijuana dispensary or
23 commercial grower licensee shall be permitted to continue operating
24 at the licensed premises in the same manner and not be subject to

1 nonrenewal or revocation due to subsequent events or changes in
2 regulations occurring after licensure that would render the medical
3 marijuana dispensary or commercial grower in violation by being
4 within one thousand (1,000) feet of a ~~public school or private~~
5 school. If any ~~public school or private~~ school is established
6 within one thousand (1,000) feet of any medical marijuana dispensary
7 or commercial grower after such medical marijuana dispensary or
8 commercial grower has been licensed, the provisions of this
9 subsection shall not be a deterrent to the renewal of such license
10 or warrant revocation of the license. For purposes of this
11 subsection, a property owned, used or operated by a ~~public school or~~
12 ~~by a private~~ school that is not used for classroom instruction on
13 core curriculum, such as an administrative building, athletic
14 facility, ballpark, field or stadium, shall not constitute a ~~public~~
15 ~~school or private~~ school unless such property is located on the same
16 campus as a building used for classroom instruction on core
17 curriculum.

18 H. Research shall be provided for under this law. A researcher
19 may apply to the State Department of Health for a special research
20 license. The research license shall be granted, provided the
21 applicant meets the criteria listed in the Medical Marijuana and
22 Patient Protection Act. Research licensees shall be required to
23 file monthly consumption reports to the State Department of Health
24 with amounts of marijuana used for research. Biomedical and

1 clinical research which is subject to federal regulations and
2 institutional oversight shall not be subject to oversight by the
3 State Department of Health.

4 SECTION 3. AMENDATORY 63 O.S. 2021, Section 430, as
5 amended by Section 28, Chapter 553, O.S.L. 2021, is amended to read
6 as follows:

7 Section 430. A. There is hereby created and authorized a
8 medical marijuana waste disposal license. A person or entity in
9 possession of a medical marijuana waste disposal license shall be
10 entitled to possess, transport and dispose of medical marijuana
11 waste. No person or entity shall dispose of medical marijuana waste
12 without a valid medical marijuana waste disposal license. The
13 Oklahoma Medical Marijuana Authority shall issue licenses upon
14 proper application by a licensee and determination by the Authority
15 that the proposed site and facility are physically and technically
16 suitable. Upon a finding that a proposed medical marijuana waste
17 disposal facility is not physically or technically suitable, the
18 Authority shall deny the license. The Authority may, upon
19 determining that public health or safety requires emergency action,
20 issue a temporary license for treatment or storage of medical
21 marijuana waste for a period not to exceed ninety (90) days. The
22 Authority shall not, for the first year of the licensure program,
23 issue more than ten medical marijuana waste disposal licenses. Upon
24 the conclusion of the first year, the Authority shall assess the

1 need for additional medical marijuana waste disposal licenses and
2 shall, if demonstrated, increase the number of licenses as deemed
3 necessary by the Authority.

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

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

8 a. an attestation that the applicant is authorized to
9 make application on behalf of the entity,

10 b. full name of the organization,

11 c. trade name, if applicable,

12 d. type of business organization,

13 e. complete mailing address,

14 f. an attestation that the commercial entity will not be
15 located on tribal land,

16 g. telephone number and email address of the entity, and

17 h. name, residential address and date of birth of each
18 owner and each member, manager and board member, if
19 applicable;

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

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

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

- a. a list of all persons or entities that have an ownership interest in the entity,
- b. a certificate of good standing from the ~~Oklahoma~~ Secretary of State, if applicable,
- c. an Affidavit of Lawful Presence for each owner,
- d. proof that the proposed location of the disposal facility is at least one thousand (1,000) feet from a ~~public or private~~ school. The distance indicated in this subparagraph shall be measured from the nearest property line of such ~~public or private~~ school to the

1 nearest perimeter wall of the premises of such
2 disposal facility. If any ~~public or private~~ school is
3 established within one thousand (1,000) feet of any
4 disposal facility after such disposal facility has
5 been licensed, the provisions of this subparagraph
6 shall not be a deterrent to the renewal of such
7 license or warrant revocation of the license. For the
8 purposes of this section, "school" shall mean the same
9 as provided in Section 427.2 of this title, and

10 e. documents establishing the applicant, the members,
11 managers and board members, if applicable, and
12 seventy-five percent (75%) of the ownership interests
13 are Oklahoma residents as established in Section 420
14 et seq. of this title, as it relates to proof of
15 residency.

16 C. No license shall be issued except upon proof of sufficient
17 liability insurance and financial responsibility. Liability
18 insurance shall be provided by the applicant and shall apply to
19 sudden and nonsudden bodily injury or property damage on, below or
20 above the surface, as required by the rules of the Authority. Such
21 insurance shall be maintained for the period of operation of the
22 facility and shall provide coverage for damages resulting from
23 operation of the facility during operation and after closing.

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

15 E. The Authority shall issue an annual permit for each medical
16 marijuana waste disposal facility operated by a licensee. A permit
17 shall be issued only upon proper application by a licensee and
18 determination by the Authority that the proposed site and facility
19 are physically and technically suitable. Upon a finding that a
20 proposed medical marijuana waste disposal facility is not physically
21 or technically suitable, the Authority shall deny the permit. The
22 Authority shall have the authority to revoke a permit upon a finding
23 that the site and facility are not physically and technically
24 suitable for processing. The Authority may, upon determining that

1 public health or safety requires emergency action, issue a temporary
2 permit for treatment or storage of medical marijuana waste for a
3 period not to exceed ninety (90) days.

4 F. The cost of a medical marijuana waste disposal license shall
5 be Five Thousand Dollars (\$5,000.00) for the initial license. The
6 cost of a medical marijuana waste disposal facility permit shall be
7 Five Hundred Dollars (\$500.00). A medical marijuana waste disposal
8 facility permit that has been revoked shall be reinstated upon
9 remittance of a reinstatement fee of Five Hundred Dollars (\$500.00)
10 to restore the facility permit. All license and permit fees shall
11 be deposited into the Oklahoma Medical Marijuana Authority Revolving
12 Fund as provided in Section 427.5 of this title.

13 G. The holder of a medical marijuana waste disposal license
14 shall not be required to obtain a medical marijuana transporter
15 license provided for in the Oklahoma Medical Marijuana and Patient
16 Protection Act for purposes of transporting medical marijuana waste.

17 H. All commercial licensees, as defined in Section 428.1 of
18 this title, shall utilize a licensed medical marijuana waste
19 disposal service to process all medical marijuana waste generated by
20 the licensee.

21 I. The State Commissioner of Health shall promulgate rules for
22 the implementation of the Oklahoma Medical Marijuana Waste
23 Management Act. Promulgated rules shall address disposal process

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1 standards, site security and any other subject matter deemed
2 necessary by the Authority.

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

7 COMMITTEE REPORT BY: COMMITTEE ON BUSINESS, COMMERCE AND TOURISM
8 February 17, 2022 - DO PASS

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