

<DateSubmitted>

HOUSE OF REPRESENTATIVES
CONFERENCE COMMITTEE REPORT

Mr. President:
Mr. Speaker:

The Conference Committee, to which was referred

HB2674

By: Echols of the House and Taylor of the Senate

Title: Oklahoma Medical Marijuana Authority; transferring the Oklahoma Medical Marijuana Authority to the Alcoholic Beverage Laws Enforcement Commission; effective date.

Together with Engrossed Senate Amendments thereto, beg leave to report that we have had the same under consideration and herewith return the same with the following recommendations:

1. Conferees are unable to agree.

Respectfully submitted,

SENATE CONFEREES

Taylor _____
Leewright _____
Paxton _____
McCortney _____
Pugh _____
Brooks _____

1 ENGROSSED SENATE AMENDMENT
TO
2 ENGROSSED HOUSE
BILL NO. 2674

By: Echols of the House

and

Taylor of the Senate

3
4
5
6
7 [Oklahoma Medical Marijuana Authority - transferring
8 the Oklahoma Medical Marijuana Authority to the
9 Alcoholic Beverage Laws Enforcement Commission -
10 effective date]

11
12
13 AMENDMENT NO. 1. Page 1, strike the enacting clause

14
15 Passed the Senate the 21st day of April, 2021.

16
17 _____
18 Presiding Officer of the Senate

19 Passed the House of Representatives the ____ day of _____,
20 2021.

21
22 _____
23 Presiding Officer of the House
24 of Representatives

1 ENGROSSED HOUSE
2 BILL NO. 2674

By: Echols of the House

3 and

4 Taylor of the Senate

5
6 [Oklahoma Medical Marijuana Authority - transferring
7 the Oklahoma Medical Marijuana Authority to the
8 Alcoholic Beverage Laws Enforcement Commission -
9 effective date]
10
11

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

13 SECTION 1. NEW LAW A new section of law to be codified
14 in the Oklahoma Statutes as Section 427.3a of Title 63, unless there
15 is created a duplication in numbering, reads as follows:

16 A. Effective November 1, 2021, all powers, duties and
17 responsibilities of the Oklahoma Medical Marijuana Authority, a
18 division within the State Department of Health, shall be fully
19 transferred from the State Department of Health to the Alcoholic
20 Beverage Laws Enforcement Commission.

21 B. All assets, funds, liabilities, allotments, purchase orders,
22 outstanding financial obligations, encumbrances, records, vehicles,
23 equipment, and other property of the Oklahoma Medical Marijuana
24

1 Authority are hereby transferred to the Alcoholic Beverage Laws
2 Enforcement Commission.

3 C. Personnel employed by the Oklahoma Medical Marijuana
4 Authority on November 1, 2021, shall be transferred to the Alcoholic
5 Beverage Laws Enforcement Commission pursuant to a transition plan
6 implemented by the Alcoholic Beverage Laws Enforcement Commission,
7 the State Department of Health and the Oklahoma Medical Marijuana
8 Authority as required by Section 2 of this act.

9 D. The employees who are transferred pursuant to this section
10 shall be subject to the following provisions:

11 1. All employees who are transferred pursuant to this act shall
12 retain leave, sick and annual time earned and any retirement and
13 longevity benefits which have accrued during their employment with
14 the state. The salaries of employees who are transferred shall not
15 be reduced as a direct and immediate result of the transfer;

16 2. If the Alcoholic Beverage Laws Enforcement Commission should
17 implement a reduction in force, all employees transferred pursuant
18 to this act shall be credited for the time they were employed by the
19 Oklahoma Medical Marijuana Authority; and

20 3. The transfer of personnel shall be coordinated with the
21 Office of Management and Enterprise Services.

22 E. Effective November 1, 2021, any administrative rules
23 promulgated by the State Department of Health related to the
24 administration of the Oklahoma Medical Marijuana and Patient

1 Protection Act, Oklahoma Medical Marijuana Waste Management Act and
2 any other administrative rules related to medical marijuana in
3 Oklahoma shall be transferred to and become part of the
4 administrative rules of the Alcoholic Beverage Laws Enforcement
5 Commission. The Office of Administrative Rules in the Office of the
6 Secretary of State shall provide adequate notice in The Oklahoma
7 Register of the transfer of rules, and shall place the transferred
8 rules under the Administrative Code section of the Alcoholic
9 Beverage Laws Enforcement Commission.

10 F. The Commissioner of the State Department of Health shall
11 abolish the division of the Oklahoma Medical Marijuana Authority
12 within the State Department of Health after such transfer has been
13 completed.

14 SECTION 2. NEW LAW A new section of law not to be
15 codified in the Oklahoma Statutes reads as follows:

16 A. The Director of the Alcoholic Beverage Laws Enforcement
17 Commission, the Commissioner of the State Department of Health and
18 the Director of the Oklahoma Medical Marijuana Authority shall serve
19 as transition coordinators and shall establish a transition team to
20 coordinate the orderly transfer of duties, personnel, property,
21 funds, financial obligations and encumbrances of the Oklahoma
22 Medical Marijuana Authority to the Alcoholic Beverage Laws
23 Enforcement Commission. Each Director and the Commissioner may
24 assign personnel to the transition team as deemed necessary.

1 B. The transition team shall:

2 1. In conjunction with the Office of Management and Enterprise
3 Services, oversee and administer the orderly transfer of
4 responsibilities, assets, funds, liabilities, allotments, purchase
5 orders, vehicles and other property, records, personnel and any
6 outstanding financial obligations or encumbrances to the Alcoholic
7 Beverage Laws Enforcement Commission from the Oklahoma Medical
8 Marijuana Authority;

9 2. Review functions currently assigned to or managed by the
10 Oklahoma Medical Marijuana Authority and the Alcoholic Beverage Laws
11 Enforcement Commission;

12 3. Establish a plan for the transfer of employees from the
13 Oklahoma Medical Marijuana Authority to the Alcoholic Beverage Laws
14 Enforcement Commission. The plan shall include a list of positions
15 to be transferred. The plan also shall include a reduction-in-force
16 plan and a severance benefits plan that conform with the
17 requirements of the State Government Reduction-in-Force and
18 Severance Benefits Act; and

19 4. Take such other action as may be reasonably necessary and
20 appropriate to effectuate the orderly transition of functions as
21 provided by this act.

22 SECTION 3. NEW LAW A new section of law to be codified
23 in the Oklahoma Statutes as Section 1-113 of Title 37A, unless there
24 is created a duplication in numbering, reads as follows:

1 A. Effective November 1, 2021, the Oklahoma Medical Marijuana
2 Authority shall be transferred and become a division within the
3 Alcoholic Beverage Laws Enforcement Commission. The Authority shall
4 address issues related to the medical marijuana program in Oklahoma
5 including, but not limited to, the issuance of patient licenses and
6 medical marijuana business licenses, and the dispensing,
7 cultivating, processing, testing, transporting, storage, research,
8 disposal and the use and sale of medical marijuana pursuant to the
9 Oklahoma Medical Marijuana and Patient Protection Act and the
10 Oklahoma Medical Marijuana Waste Management Act.

11 B. The Director of the Alcoholic Beverage Laws Enforcement
12 Commission shall adopt and promulgate such rules as may be necessary
13 to carry out the duties of the Authority.

14 SECTION 4. AMENDATORY Section 1, Chapter 435, O.S.L.
15 2019 (12 O.S. Supp. 2020, Section 1560), is amended to read as
16 follows:

17 Section 1560. A. In the event that a licensed medical
18 marijuana dispensary, commercial grower or processor is foreclosed,
19 is the subject of an order appointing a receiver, becomes insolvent,
20 bankrupt or otherwise ceases operations, a secured party or receiver
21 may continue operations at the dispensary, grower or processor upon
22 submitting to the Oklahoma Medical Marijuana Authority, ~~State~~
23 ~~Department of Health,~~ proof that the secured party or receiver, or
24 if the secured party or receiver is a business entity, any

1 individual who has a financial interest in the secured party or
2 receiver, meets the requirements and restrictions set forth in:

3 1. For licensed medical marijuana dispensaries, Section 421 of
4 Title 63 of the Oklahoma Statutes;

5 2. For licensed commercial medical marijuana growers, Section
6 422 of Title 63 of the Oklahoma Statutes; or

7 3. For licensed medical marijuana processors, Section 423 of
8 Title 63 of the Oklahoma Statutes.

9 The Authority may prescribe the form and manner of submitting
10 proof under this subsection. Neither the state nor agency of this
11 state shall require an additional fee from the secured party or
12 receiver, other than payment of annual fees which may become due
13 during the operation by the secured party or receiver.

14 B. Subject to the requirements of subsection A of this section,
15 the Oklahoma Medical Marijuana Authority, ~~State Department of~~
16 ~~Health,~~ shall promulgate rules for the manner and conditions under
17 which:

18 1. Marijuana items left by a deceased, insolvent or bankrupt
19 person or licensee, or subject to a security interest or a court
20 order appointing a receiver, may be foreclosed, sold under execution
21 or otherwise disposed whether by foreclosure or by sale as a going
22 concern;

23 2. The business of a licensee who is deceased, insolvent,
24 bankrupt, or the subject of an order appointing a receiver or a

1 foreclosure by a secured party, may be operated for a reasonable
2 period following the death, insolvency, appointment of a receiver or
3 bankruptcy; and

4 3. A secured party or court-appointed receiver may continue to
5 operate a business for which a license has been issued under Section
6 421, 422 or 423 of Title 63 of the Oklahoma Statutes for a
7 reasonable period after default on the indebtedness by the debtor or
8 after the appointment of the receiver.

9 SECTION 5. AMENDATORY Section 1, State Question No. 788,
10 Initiative Petition No. 412, as last amended by Section 44, Chapter
11 161, O.S.L. 2020 (63 O.S. Supp. 2020, Section 420), is amended to
12 read as follows:

13 Section 420. A. A person in possession of a state-issued
14 medical marijuana patient license shall be able to:

- 15 1. Consume marijuana legally;
- 16 2. Legally possess up to three (3) ounces of marijuana on their
17 person;
- 18 3. Legally possess six mature marijuana plants;
- 19 4. Legally possess six seedling plants;
- 20 5. Legally possess one (1) ounce of concentrated marijuana;
- 21 6. Legally possess seventy-two (72) ounces of edible marijuana;
- 22 and
- 23 7. Legally possess up to eight (8) ounces of marijuana in their
24 residence.

1 B. Possession of up to one and one-half (1.5) ounces of
2 marijuana by persons who can state a medical condition, but are not
3 in possession of a state-issued medical marijuana patient license,
4 shall constitute a misdemeanor offense punishable by a fine not to
5 exceed Four Hundred Dollars (\$400.00) and shall not be subject to
6 imprisonment for the offense. Any law enforcement officer who comes
7 in contact with a person in violation of this subsection and who is
8 satisfied as to the identity of the person, as well as any other
9 pertinent information the law enforcement officer deems necessary,
10 shall issue to the person a written citation containing a notice to
11 answer the charge against the person in the appropriate court. Upon
12 receiving the written promise of the alleged violator to answer as
13 specified in the citation, the law enforcement officer shall release
14 the person upon personal recognizance unless there has been a
15 violation of another provision of law.

16 C. A regulatory office shall be established ~~under~~ within the
17 ~~State Department of Health~~ Alcoholic Beverage Laws Enforcement
18 Commission which shall receive applications for medical marijuana
19 patient license recipients, dispensaries, growers, and packagers
20 within sixty (60) days of the passage of this initiative.

21 D. The ~~State Department of Health~~ Oklahoma Medical Marijuana
22 Authority shall, within thirty (30) days of passage of this
23 initiative, make available on its website, in an easy-to-find
24 location, an application for a medical marijuana patient license.

1 The license shall be good for two (2) years. The application fee
2 shall be One Hundred Dollars (\$100.00), or Twenty Dollars (\$20.00)
3 for individuals on Medicaid, Medicare or SoonerCare. The methods of
4 payment shall be provided on the website of the ~~Department~~
5 Authority.

6 E. A short-term medical marijuana patient license application
7 shall also be made available on the website of the ~~State Department~~
8 ~~of Health~~ Oklahoma Medical Marijuana Authority. A short-term
9 medical marijuana patient license shall be granted to any applicant
10 who can meet the requirements for a two-year medical marijuana
11 patient license, but whose physician recommendation for medical
12 marijuana is only valid for sixty (60) days. Short-term medical
13 marijuana patient licenses shall be issued for sixty (60) days. The
14 fee for a short-term medical marijuana patient license and the
15 procedure for extending or renewing the license shall be determined
16 by the ~~Department~~ Authority.

17 F. A temporary medical marijuana patient license application
18 shall also be made available on the website of the ~~Department~~
19 Oklahoma Medical Marijuana Authority. A temporary medical marijuana
20 patient license shall be granted to any medical marijuana ~~license~~
21 ~~holder~~ patient licensee from ~~other states~~ another state, provided
22 that the state has a state-regulated medical marijuana program, and
23 the applicant can prove he or she is a member of such program.
24 Temporary medical marijuana patient licenses shall be issued for

1 thirty (30) days. The cost for a temporary medical marijuana
2 patient license shall be One Hundred Dollars (\$100.00). Renewal
3 shall be granted with resubmission of a new application. No
4 additional criteria shall be required.

5 G. Medical marijuana patient license applicants shall submit
6 ~~his or her~~ their applications to the ~~State Department of Health~~
7 Oklahoma Medical Marijuana Authority for approval. The applicant
8 shall be an Oklahoma state resident and shall prove residency by a
9 valid driver license, utility bills, or other accepted methods.

10 H. The ~~State Department of Health~~ Oklahoma Medical Marijuana
11 Authority shall review the medical marijuana application, approve or
12 reject the application, and mail the approval or rejection letter
13 stating any reasons for rejection to the applicant within fourteen
14 (14) business days of receipt of the application. Approved
15 applicants shall be issued a medical marijuana patient license which
16 shall act as proof of ~~his or her~~ their approved status.
17 Applications may only be rejected based on the applicant not meeting
18 stated criteria or improper completion of the application.

19 I. The ~~State Department of Health~~ Oklahoma Medical Marijuana
20 Authority shall only keep the following records for each approved
21 medical marijuana patient license:

- 22 1. A digital photograph of the ~~license holder~~ licensee;
- 23 2. The expiration date of the license;
- 24 3. The county where the card was issued; and

1 4. A unique 24-character identification number assigned to the
2 license.

3 J. ~~The State Department of Health~~ Oklahoma Medical Marijuana
4 Authority shall make available, both on its website and through a
5 telephone verification system, an easy method to validate the
6 authenticity of the medical marijuana patient license by the unique
7 24-character identification number.

8 K. ~~The State Department of Health~~ Oklahoma Medical Marijuana
9 Authority shall ensure that all application records and information
10 are sealed to protect the privacy of medical marijuana patient
11 license applicants.

12 L. A caregiver license shall be made available for qualified
13 caregivers of a medical marijuana ~~license holder~~ patient licensee
14 who is homebound. As provided in Section ~~11 of Enrolled House Bill~~
15 ~~No. 2612 of the 1st Session~~ 427.11 of the ~~57th Oklahoma Legislature~~
16 this title, the caregiver license shall provide the caregiver the
17 same rights as the medical marijuana patient licensee, including the
18 ability to possess marijuana, marijuana products and mature and
19 immature plants pursuant to the Oklahoma Medical Marijuana and
20 Patient Protection Act, but excluding the ability to use marijuana
21 or marijuana products unless the caregiver has a medical marijuana
22 patient license. An applicant for a caregiver license shall submit
23 proof of the license status and homebound status of the medical
24 marijuana patient and proof that the applicant is the designee of

1 the medical marijuana patient. The applicant shall also submit
2 proof that he or she is eighteen (18) years of age or older and
3 proof of his or her Oklahoma residency. This shall be the only
4 criteria for a caregiver license.

5 M. All applicants shall be eighteen (18) years of age or older.
6 A special exception shall be granted to an applicant under the age
7 of eighteen (18); however, these applications shall be signed by two
8 physicians and the parent or legal guardian of the applicant.

9 N. All applications for a medical marijuana patient license
10 shall be signed by an Oklahoma physician. There are no qualifying
11 conditions. A medical marijuana patient license must be recommended
12 according to the accepted standards a reasonable and prudent
13 physician would follow when recommending or approving any
14 medication. No physician may be unduly stigmatized or harassed for
15 signing a medical marijuana patient license application.

16 O. Counties and cities may enact medical marijuana guidelines
17 allowing medical marijuana ~~license holders~~ patient licensees or
18 licensed caregivers to exceed the state limits set forth in
19 subsection A of this section.

20 SECTION 6. AMENDATORY Section 2, State Question No. 788,
21 Initiative Petition No. 412 (63 O.S. Supp. 2020, Section 421), is
22 amended to read as follows:

23 Section 421. A. ~~The Oklahoma State Department of Health~~
24 Oklahoma Medical Marijuana Authority shall within thirty (30) days

1 of passage of this initiative, make available, on their website, in
2 an easy-to-find location, an application for a medical marijuana
3 dispensary license. The application fee shall be Two Thousand Five
4 Hundred Dollars (\$2,500.00) and a method of payment will be provided
5 on the website. ~~Retail~~ Dispensary applicants must all be Oklahoma
6 state residents. Any entity applying for a ~~retail~~ dispensary
7 license must be owned by an Oklahoma state resident and must be
8 registered to do business in Oklahoma. The ~~Oklahoma State~~
9 ~~Department of Health~~ Oklahoma Medical Marijuana Authority shall have
10 two (2) weeks to review the application, approve or reject the
11 application, and mail the approval/rejection letter (if rejected,
12 stating reasons for rejection) to the applicant.

13 B. The ~~Oklahoma State Department of Health~~ Oklahoma Medical
14 Marijuana Authority must approve all applications which meet the
15 following criteria:

- 16 1. Applicant must be age twenty-five (25) or older;
- 17 2. Any applicant, applying as an individual, must show
18 residency in the State of Oklahoma;
- 19 3. All applying entities must show that all members, managers,
20 and board members are Oklahoma residents;
- 21 4. An applying entity may show ownership of non-Oklahoma
22 residents, but that percentage ownership may not exceed twenty-five
23 percent (25%);

24

1 5. All applying individuals or entities must be registered to
2 conduct business in the State of Oklahoma; and

3 6. All applicants must disclose all ownership~~r~~.

4 ~~7. Applicant(s)~~ An applicant with ~~only a~~ nonviolent felony
5 ~~conviction(s)~~ conviction in the last two (2) years~~r~~ or any ~~other~~
6 felony conviction in the last five (5) ~~(years)~~ years, inmates~~r~~ in
7 the custody of the Department of Corrections or any person currently
8 incarcerated may not qualify for a medical marijuana dispensary
9 license.

10 C. ~~Retailers~~ Dispensaries will be required to complete a
11 monthly sales report to the ~~Oklahoma Department of Health~~ Oklahoma
12 Medical Marijuana Authority. This report will be due on the ~~15th~~
13 fifteenth of each month and provide reporting on the previous month.
14 This report will detail the weight of marijuana purchased at
15 wholesale and the weight of marijuana sold to ~~card holders~~ medical
16 marijuana patient licensees or licensed caregivers, and account for
17 any waste. The report will show total sales in dollars, tax
18 collected in dollars, and tax due in dollars. The ~~Oklahoma State~~
19 ~~Department of Health~~ Oklahoma Medical Marijuana Authority will have
20 oversight and auditing responsibilities to ensure that all marijuana
21 being grown is accounted for. A ~~retailer~~ dispensary will only be
22 subject to a penalty if a gross discrepancy exists and cannot be
23 explained. Penalties for fraudulent reporting occurring within any
24

1 ~~2-year~~ two-year time period will be an initial fine of Five Thousand
2 Dollars (\$5,000.00) (first) and revocation of licensing (second).
3 D. Only a licensed medical marijuana ~~retailer~~ dispensary may
4 conduct retail sales of marijuana, or marijuana derivatives in the
5 form provided by licensed processors, and these products can only be
6 sold to a medical marijuana ~~license holder~~ patient licensee or ~~their~~
7 his or her licensed caregiver. Penalties for fraudulent sales
8 occurring within any ~~2-year~~ two-year time period will be an initial
9 fine of Five Thousand Dollars (\$5,000.00) (first) and revocation of
10 licensing (second).

11 SECTION 7. AMENDATORY Section 3, State Question No. 788,
12 Initiative Petition No. 412 (63 O.S. Supp. 2020, Section 422), is
13 amended to read as follows:

14 Section 422. A. The ~~Oklahoma State Department of Health~~
15 Oklahoma Medical Marijuana Authority will within thirty (30) days of
16 passage of this initiative, make available, on their website, in an
17 easy-to-find location, an application for a commercial grower
18 license. The application fee will be Two Thousand Five Hundred
19 Dollars (\$2,500.00) and methods of payment will be provided on the
20 website. The ~~Oklahoma State Department of Health~~ Oklahoma Medical
21 Marijuana Authority has two (2) weeks to review application, approve
22 or reject the application, and mail the approval/rejection letter
23 (if rejected, stating reasons for rejection) to the applicant.
24

1 B. ~~The Oklahoma State Department of Health~~ Oklahoma Medical
2 Marijuana Authority must approve all applications which meet the
3 following criteria:

4 1. Applicant must be age twenty-five (25) or older;

5 2. Any applicant, applying as an individual, must show
6 residency in the State of Oklahoma;

7 3. All applying entities must show that all members, managers,
8 and board members are Oklahoma residents;

9 4. An applying entity may show ownership of non-Oklahoma
10 residents, but that percentage ownership may not exceed twenty-five
11 percent (25%);

12 5. All applying individuals or entities must be registered to
13 conduct business in the State of Oklahoma; and

14 6. All applicants must disclose all ownership~~+~~.

15 ~~7. Applicant(s)~~ An applicant with ~~only a~~ nonviolent felony
16 ~~conviction(s)~~ conviction in the last two (2) years~~,~~ or any ~~other~~
17 felony conviction in the last five (5) years, inmates~~,~~ in the
18 custody of the Department of Corrections or any person currently
19 incarcerated may not qualify for a commercial grower license.

20 C. A licensed commercial grower may sell marijuana to a
21 licensed ~~retailer,~~ dispensary or a licensed packager. Further,
22 these sales will be considered wholesale sales and not subject to
23 taxation. Under no circumstances may a licensed commercial grower
24 sell marijuana directly to the holder of a medical marijuana patient

1 license holder. A licensed commercial grower may only sell at the
2 wholesale level to a licensed ~~retailer~~ dispensary or a licensed
3 processor. If the federal government lifts restrictions on buying
4 and selling marijuana between states, then a licensed commercial
5 grower would be allowed to sell and buy marijuana wholesale from, or
6 to, an out of state wholesale provider. A licensed commercial
7 grower will be required to complete a monthly yield and sales report
8 to the ~~Oklahoma Department of Health~~ Oklahoma Medical Marijuana
9 Authority. This report will be due on the ~~15th~~ fifteenth of each
10 month and provide reporting on the previous month. This report will
11 detail amount of marijuana harvested in pounds, the amount of drying
12 or dried marijuana on hand, the amount of marijuana sold to
13 processors in pounds, the amount of waste in pounds, and the amount
14 of marijuana sold to ~~retailers~~ licensed dispensaries in ~~lbs~~ pounds.
15 Additionally, this report will show total wholesale sales in
16 dollars. The ~~Oklahoma State Department of Health~~ Oklahoma Medical
17 Marijuana Authority will have oversight and auditing
18 responsibilities to ensure that all marijuana being grown is
19 accounted for. A licensed commercial grower will only be subject to
20 a penalty if a gross discrepancy exists and cannot be explained.
21 Penalties for fraudulent reporting or sales occurring within any ~~2~~
22 year two-year time period will be an initial fine of Five Thousand
23 Dollars (\$5,000.00) (first) and revocation of licensing (second).

24

1 D. There shall be no limits on how much marijuana a licensed
2 commercial grower can grow.

3 SECTION 8. AMENDATORY Section 4, State Question No. 788,
4 Initiative Petition No. 412 (63 O.S. Supp. 2020, Section 423), is
5 amended to read as follows:

6 Section 423. A. ~~The Oklahoma State Department of Health~~
7 Oklahoma Medical Marijuana Authority shall within thirty (30) days
8 of passage of this initiative, make available, on their website, in
9 an easy-to-find location, an application for a medical marijuana
10 processing license. The application fee shall be Two Thousand Five
11 Hundred Dollars (\$2,500.00) and methods of payment will be provided
12 on the website. ~~The Oklahoma State Department of Health~~ Oklahoma
13 Medical Marijuana Authority shall have two (2) weeks to review the
14 application, approve or reject the application, and mail the
15 approval/rejection letter (if rejected, stating reasons for
16 rejection) to the applicant.

17 B. ~~The Oklahoma State Department of Health~~ Oklahoma Medical
18 Marijuana Authority must approve all applications which meet the
19 following criteria:

- 20 1. Applicant must be age twenty-five (25) or older;
- 21 2. Any applicant, applying as an individual, must show
22 residency in the State of Oklahoma;
- 23 3. All applying entities must show that all members, managers,
24 and board members are Oklahoma residents;

1 4. An applying entity may show ownership of non-Oklahoma
2 residents, but that percentage ownership may not exceed twenty-five
3 percent (25%);

4 5. All applying individuals or entities must be registered to
5 conduct business in the State of Oklahoma; and

6 6. All applicants must disclose all ownership~~7~~.

7 ~~7. Applicant(s)~~ An applicant with ~~only a~~ nonviolent felony
8 ~~conviction(s)~~ conviction in the last two (2) years~~7~~ or any ~~other~~
9 felony conviction in the last five (5) years, inmates~~7~~ in the
10 custody of the Department of Corrections or any person currently
11 incarcerated may not qualify for a medical marijuana processing
12 license.

13 C. A licensed processor may take marijuana plants and distill
14 or process these plants into concentrates, edibles, and other forms
15 for consumption. As required by subsection D of this section, the
16 ~~Oklahoma State Department of Health~~ Oklahoma Medical Marijuana
17 Authority will, within sixty (60) days of passage of this
18 initiative, make available a set of standards which will be used by
19 licensed processors in the preparation of edible marijuana products.
20 This should be in line with current food preparation guidelines and
21 no excessive or punitive rules may be established by the ~~Oklahoma~~
22 ~~State Department of Health~~ Oklahoma Medical Marijuana Authority.
23 Once a year, the ~~Oklahoma State Department of Health~~ Oklahoma
24 Medical Marijuana Authority may inspect a processing operation and

1 determine its compliance with the preparation standards. If
2 deficiencies are found, a written report of deficiency will be
3 issued to the processor. The processor will have one (1) month to
4 correct the deficiency or be subject to a fine of Five Hundred
5 Dollars (\$500.00) for each deficiency. A licensed processor may
6 sell marijuana products it creates to a licensed ~~retailer~~
7 dispensary, or any other licensed processor. Further, these sales
8 will be considered wholesale sales and not subject to taxation.
9 Under no circumstances may a licensed processor sell marijuana, or
10 any marijuana product, directly to a medical marijuana ~~license~~
11 ~~holder~~ patient licensee. However, a licensed processor may process
12 cannabis into a concentrated form, for a medical ~~license holder~~
13 marijuana patient licensee, for a fee. Processors will be required
14 to complete a monthly yield and sales report to the ~~Oklahoma State~~
15 ~~Department of Health~~ Oklahoma Medical Marijuana Authority. This
16 report will be due on the ~~15th~~ fifteenth of each month and provide
17 reporting on the previous month. This report will detail amount of
18 marijuana purchased in pounds, the amount of marijuana cooked or
19 processed in pounds, and the amount of waste in pounds.
20 Additionally, this report will show total wholesale sales in
21 dollars. The ~~Oklahoma State Department of Health~~ Oklahoma Medical
22 Marijuana Authority will have oversight and auditing
23 responsibilities to ensure that all marijuana being grown is
24 accounted for. A licensed processor will only be subject to a

1 penalty if a gross discrepancy exists and cannot be explained.
2 Penalties for fraudulent reporting occurring within any ~~2-year~~ two-
3 year time period will be an initial fine of Five Thousand Dollars
4 (\$5,000.00) (first) and revocation of licensing (second).

5 D. The inspection and compliance of processors producing
6 products with marijuana as an additive. The ~~Oklahoma State~~
7 ~~Department of Health~~ Oklahoma Medical Marijuana Authority will be
8 compelled to, within thirty (30) days of passage of this initiative,
9 appoint a board of twelve (12) Oklahoma residents, who are marijuana
10 industry experts, to create a list of food safety standards for
11 processing and handling medical marijuana in Oklahoma. These
12 standards will be adopted by the agency and the agency can enforce
13 these standards for processors. The agency will develop a standards
14 review procedure and these standards can be altered by calling
15 another board of twelve (12) Oklahoma marijuana industry experts. A
16 signed letter of twenty (20) operating processors would constitute a
17 need for a new board and standard review.

18 E. If it becomes permissible, under federal law, marijuana may
19 be moved across state lines.

20 F. Any device used for the consumption of medical marijuana
21 shall be considered legal to be sold, manufactured, distributed, and
22 possessed. No merchant, wholesaler, manufacturer, or individual may
23 unduly be harassed or prosecuted for selling, manufacturing, or
24 possession of medical marijuana paraphernalia.

1 SECTION 9. AMENDATORY Section 6, State Question No. 788,
2 Initiative Petition No. 412, as last amended by Section 46, Chapter
3 161, O.S.L. 2020 (63 O.S. Supp. 2020, Section 425), is amended to
4 read as follows:

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

11 B. Unless a failure to do so would cause an employer the
12 potential to lose a monetary or licensing-related benefit under
13 federal law or regulations, an employer may not discriminate against
14 a person in hiring, termination or imposing any term or condition of
15 employment or otherwise penalize a person based upon either:

16 1. The status of the person as a medical marijuana ~~license~~
17 ~~holder~~ patient licensee; or

18 2. Employers may take action against a holder of a medical
19 marijuana patient license if the holder uses or possesses marijuana
20 while in his or her place of employment or during the hours of
21 employment. Employers may not take action against the holder of a
22 medical marijuana patient license solely based upon the status of an
23 employee as a medical marijuana ~~license holder~~ patient licensee or
24

1 the results of a drug test showing positive for marijuana or its
2 components.

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

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

15 E. No person holding a medical marijuana patient license may
16 unduly be withheld from holding a state-issued license by virtue of
17 their being a medical marijuana ~~license holder~~ patient licensee
18 including, but not limited to, a concealed carry permit.

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

22 2. For purposes of this subsection, an undue change or
23 restriction of municipal zoning laws means an act which entirely
24 prevents ~~retail~~ medical marijuana ~~establishments~~ dispensaries from

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

8 3. For purposes of this section, "~~retail marijuana~~
9 ~~establishment~~" "medical marijuana dispensary" means an entity
10 licensed by the ~~State Department of Health~~ Oklahoma Medical
11 Marijuana Authority as a medical marijuana dispensary. ~~Retail~~
12 Medical marijuana establishment dispensary does not include those
13 other entities licensed by the ~~Department~~ Authority as marijuana-
14 licensed premises, medical marijuana businesses or other facilities
15 or locations where marijuana or any product containing marijuana or
16 its by-products are cultivated, grown, processed, stored or
17 manufactured.

18 G. The location of any ~~retail medical marijuana establishment~~
19 dispensary is specifically prohibited within one thousand (1,000)
20 feet of any public or private school entrance.

21 H. Research shall be provided for under this law. A researcher
22 may apply to the ~~State Department of Health~~ Oklahoma Medical
23 Marijuana Authority for a special research license. The license
24 shall be granted, provided the applicant meets the criteria listed

1 under subsection B of Section 421 of this title. Research license
2 holders shall be required to file monthly consumption reports to the
3 ~~State Department of Health~~ Oklahoma Medical Marijuana Authority with
4 amounts of marijuana used for research. Biomedical and clinical
5 research which is subject to federal regulations and institutional
6 oversight shall not be subject to ~~State Department of Health~~
7 oversight by the Oklahoma Medical Marijuana Authority.

8 SECTION 10. AMENDATORY Section 4, Chapter 509, O.S.L.
9 2019 (63 O.S. Supp. 2020, Section 426.1), is amended to read as
10 follows:

11 Section 426.1 A. Except for revocation hearings concerning
12 licensed patients, as defined in Section ~~2 of Enrolled House Bill~~
13 ~~No. 2612~~ 427.2 of the ~~1st Session of the 57th Oklahoma Legislature~~
14 this title, all licensure revocation hearings conducted pursuant to
15 marijuana licenses established in the Oklahoma Statutes shall be
16 recorded. A party may request a copy of the recording of the
17 proceedings. Copies shall be provided to local law enforcement if
18 the revocation was based on alleged criminal activity.

19 B. The ~~State Department of Health~~ Oklahoma Medical Marijuana
20 Authority shall assist any law enforcement officer in the
21 performance of his or her duties upon such request by the law
22 enforcement officer or the request of other local officials having
23 jurisdiction. Except for license information concerning licensed
24 patients, as defined in Section ~~2 of Enrolled House Bill No. 2612 of~~

1 ~~the 1st Session~~ 427.2 of ~~the 57th Oklahoma Legislature~~ this title,
2 the ~~Department~~ Authority shall share information with law
3 enforcement agencies upon request without a subpoena or search
4 warrant.

5 C. ~~The State Department of Health~~ Oklahoma Medical Marijuana
6 Authority shall make available all information displayed on medical
7 marijuana patient licenses, as well as whether or not the license is
8 valid, to law enforcement electronically through the Oklahoma Law
9 Enforcement Telecommunications System.

10 D. The ~~Department~~ Authority shall make available to political
11 subdivisions a list of marijuana-licensed premises, medical
12 marijuana businesses or any other premises where marijuana or its
13 by-products are licensed to be cultivated, grown, processed, stored
14 or manufactured to aid county and municipal governments in
15 identifying locations within their jurisdiction and ensure
16 compliance with local regulations.

17 E. All marijuana-licensed premises, medical marijuana
18 businesses or any other premises where marijuana or its by-products
19 are licensed to be cultivated, grown, processed, stored or
20 manufactured shall submit with their application, after notifying
21 the political subdivision of their intent, a certificate of
22 compliance from the political subdivision where the facility of the
23 applicant or use is to be located certifying compliance with zoning
24 classifications, applicable municipal ordinances and all applicable

1 safety, electrical, fire, plumbing, waste, construction and building
2 specification codes.

3 SECTION 11. AMENDATORY Section 2, Chapter 11, O.S.L.
4 2019, as last amended by Section 48, Chapter 161, O.S.L. 2020 (63
5 O.S. Supp. 2020, Section 427.2), is amended to read as follows:

6 Section 427.2 As used in ~~this act~~ the Oklahoma Medical
7 Marijuana and Patient Protection Act:

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

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

16 3. "Batch number" means a unique numeric or alphanumeric
17 identifier assigned prior to testing to allow for inventory tracking
18 and traceability;

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

21 5. "Caregiver" means a family member or assistant who regularly
22 looks after a medical marijuana ~~license holder~~ patient licensee whom
23 a physician attests needs assistance;

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

- 1 a. designed or constructed to be significantly difficult
2 for children under five (5) years of age to open and
3 not difficult for normal adults to use properly as
4 defined by 16 C.F.R. 1700.15 (1995) and 16 C.F.R.
5 1700.20 (1995),
- 6 b. opaque so that the outermost packaging does not allow
7 the product to be seen without opening the packaging
8 material, and
- 9 c. resealable to maintain its child-resistant
10 effectiveness for multiple openings for any product
11 intended for more than a single use or containing
12 multiple servings;

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

16 8. ~~"Commissioner"~~ "Commission" means the ~~State Commissioner of~~
17 ~~Health~~ Alcoholic Beverage Laws Enforcement Commission;

18 9. "Complete application" means a document prepared in
19 accordance with the provisions set forth in ~~this act~~ the Oklahoma
20 Medical Marijuana and Patient Protection Act, rules promulgated
21 pursuant thereto, and the forms and instructions provided by the
22 ~~Department~~ Authority, including any supporting documentation
23 required and the applicable license application fee;

24 10. ~~"Department"~~ means the ~~State Department of Health~~;

1 ~~11.~~ "Director" means the ~~Executive~~ Director of the ~~Oklahoma~~
2 ~~Medical Marijuana Authority~~ Alcoholic Beverage Laws Enforcement
3 Commission;

4 ~~12.~~ 11. "Dispense" means the selling of medical marijuana or a
5 medical marijuana product to a qualified patient or the designated
6 caregiver of the patient that is packaged in a suitable container
7 appropriately labeled for subsequent administration to or use by a
8 qualifying patient;

9 ~~13.~~ 12. "Dispensary" means a medical marijuana dispensary, an
10 entity that has been licensed by the ~~Department~~ Authority pursuant
11 to ~~this act~~ the Oklahoma Medical Marijuana and Patient Protection
12 Act to purchase medical marijuana or medical marijuana products from
13 a licensed medical marijuana commercial grower or medical marijuana
14 processor, sell medical marijuana or medical marijuana products to
15 patients and caregivers as defined under this ~~act~~ section, or sell
16 or transfer products to another dispensary;

17 ~~14.~~ 13. "Edible medical marijuana product" means any medical-
18 marijuana-infused product for which the intended use is oral
19 consumption including, but not limited to, any type of food, drink
20 or pill;

21 ~~15.~~ 14. "Entity" means an individual, general partnership,
22 limited partnership, limited liability company, trust, estate,
23 association, corporation, cooperative, or any other legal or
24 commercial entity;

1 ~~16.~~ 15. "Flower" means the reproductive organs of the marijuana
2 or cannabis plant referred to as the bud or parts of the plant that
3 are harvested and used to consume in a variety of medical marijuana
4 products;

5 ~~17.~~ 16. "Flowering" means the reproductive state of the
6 marijuana or cannabis plant in which there are physical signs of
7 flower or budding out of the nodes of the stem;

8 ~~18.~~ 17. "Food-based medical marijuana concentrate" means a
9 medical marijuana concentrate that was produced by extracting
10 cannabinoids from medical marijuana through the use of propylene
11 glycol, glycerin, butter, olive oil, coconut oil or other typical
12 food-safe cooking fats;

13 ~~19.~~ 18. "Good cause" for purposes of an initial, renewal or
14 reinstatement license application, or for purposes of discipline of
15 a licensee, means:

- 16 a. the licensee or applicant has violated, does not meet,
17 or has failed to comply with any of the terms,
18 conditions or provisions of the act, any rules
19 promulgated pursuant thereto, or any supplemental
20 relevant state or local law, rule or regulation,
21 b. the licensee or applicant has failed to comply with
22 any special terms or conditions that were placed upon
23 the license pursuant to an order of the State

1 ~~Department of Health,~~ Oklahoma Medical Marijuana
2 Authority or the municipality, or

3 c. the licensed premises of a medical marijuana business
4 or applicant have been operated in a manner that
5 adversely affects the public health or welfare or the
6 safety of the immediate vicinity in which the
7 establishment is located;

8 ~~20.~~ 19. "Harvest batch" means a specifically identified
9 quantity of medical marijuana that is uniform in strain, cultivated
10 utilizing the same cultivation practices, harvested at the same time
11 from the same location and cured under uniform conditions;

12 ~~21.~~ 20. "Harvested marijuana" means post-flowering medical
13 marijuana not including trim, concentrate or waste;

14 ~~22.~~ 21. "Heat- or pressure-based medical marijuana concentrate"
15 means a medical marijuana concentrate that was produced by
16 extracting cannabinoids from medical marijuana through the use of
17 heat or pressure;

18 ~~23.~~ 22. "Immature plant" means a nonflowering marijuana plant
19 that has not demonstrated signs of flowering;

20 ~~24.~~ 23. "Inventory tracking system" means the required tracking
21 system that accounts for medical marijuana from either the seed or
22 immature plant stage until the medical marijuana or medical
23 marijuana product is sold to a patient at a medical marijuana
24 dispensary, transferred to a medical marijuana research facility,

1 destroyed by a medical marijuana business or used in a research
2 project by a medical marijuana research facility;

3 ~~25.~~ 24. "Licensed patient" or "patient" means a person who has
4 been issued a medical marijuana patient license by the ~~State~~
5 ~~Department of Health or~~ Oklahoma Medical Marijuana Authority;

6 ~~26.~~ 25. "Licensed premises" means the premises specified in an
7 application for a medical marijuana business license, medical
8 marijuana research facility license or medical marijuana education
9 facility license pursuant to ~~this act~~ the Oklahoma Medical Marijuana
10 and Patient Protection Act that are owned or in possession of the
11 licensee and within which the licensee is authorized to cultivate,
12 manufacture, distribute, sell, store, transport, test or research
13 medical marijuana or medical marijuana products in accordance with
14 the provisions of ~~this act~~ the Oklahoma Medical Marijuana and
15 Patient Protection Act and rules promulgated pursuant thereto;

16 ~~27.~~ 26. "Manufacture" means the production, propagation,
17 compounding or processing of a medical marijuana product, excluding
18 marijuana plants, either directly or indirectly by extraction from
19 substances of natural or synthetic origin, or independently by means
20 of chemical synthesis, or by a combination of extraction and
21 chemical synthesis;

22 ~~28.~~ 27. "Marijuana" shall have the same meaning as such term is
23 defined in Section 2-101 of ~~Title 63 of the Oklahoma Statutes~~ this
24 title;

1 ~~29.~~ 28. "Material change" means any change that would require a
2 substantive revision to the standard operating procedures of a
3 licensee for the cultivation or production of medical marijuana,
4 medical marijuana concentrate or medical marijuana products;

5 ~~30.~~ 29. "Mature plant" means a harvestable female marijuana
6 plant that is flowering;

7 ~~31.~~ 30. "Medical marijuana business (MMB)" means a licensed
8 medical marijuana dispensary, medical marijuana processor, medical
9 marijuana commercial grower, medical marijuana laboratory, medical
10 marijuana business operator, or a medical marijuana transporter;

11 ~~32.~~ 31. "Medical marijuana concentrate" or "concentrate" means
12 a specific subset of medical marijuana that was produced by
13 extracting cannabinoids from medical marijuana. Categories of
14 medical marijuana concentrate include water-based medical marijuana
15 concentrate, food-based medical marijuana concentrate, solvent-based
16 medical marijuana concentrate, and heat- or pressure-based medical
17 marijuana concentrate;

18 ~~33.~~ 32. "Medical marijuana commercial grower" or "commercial
19 grower" means an entity licensed to cultivate, prepare and package
20 medical marijuana and transfer or contract for transfer medical
21 marijuana to a medical marijuana dispensary, medical marijuana
22 processor, any other medical marijuana commercial grower, medical
23 marijuana research facility, medical marijuana education facility
24 and pesticide manufacturers. A commercial grower may sell seeds,

1 flower or clones to commercial growers pursuant to ~~this act~~ the
2 Oklahoma Medical Marijuana and Patient Protection Act;

3 ~~34.~~ 33. "Medical marijuana education facility" or "education
4 facility" means a person or entity approved pursuant to ~~this act~~
5 Section 427.20 of this title to operate a facility providing
6 training and education to individuals involving the cultivation,
7 growing, harvesting, curing, preparing, packaging or testing of
8 medical marijuana, or the production, manufacture, extraction,
9 processing, packaging or creation of medical-marijuana-infused
10 products or medical marijuana products as described in ~~this act~~ the
11 Oklahoma Medical Marijuana and Patient Protection Act;

12 ~~35.~~ 34. "Medical-marijuana-infused product" means a product
13 infused with medical marijuana including, but not limited to, edible
14 products, ointments and tinctures;

15 ~~36.~~ 35. "Medical marijuana product" or "product" means a
16 product that contains cannabinoids that have been extracted from
17 plant material or the resin therefrom by physical or chemical means
18 and is intended for administration to a qualified patient including,
19 but not limited to, oils, tinctures, edibles, pills, topical forms,
20 gels, creams, vapors, patches, liquids, and forms administered by a
21 nebulizer, excluding live plant forms which are considered medical
22 marijuana;

23 ~~37.~~ 36. "Medical marijuana processor" means a person or entity
24 licensed pursuant to ~~this act~~ Section 423 of this title and the

1 Oklahoma Medical Marijuana and Patient Protection Act to operate a
2 business including the production, manufacture, extraction,
3 processing, packaging or creation of concentrate, medical-marijuana-
4 infused products or medical marijuana products as described in ~~this~~
5 ~~act~~ the Oklahoma Medical Marijuana and Patient Protection Act;

6 ~~38.~~ 37. "Medical marijuana research facility" or "research
7 facility" means a person or entity approved pursuant to ~~this act~~
8 Section 427.19 of this title to conduct medical marijuana research.

9 A medical marijuana research facility is not a medical marijuana
10 business;

11 ~~39.~~ 38. "Medical marijuana testing laboratory" or "laboratory"
12 means a public or private laboratory licensed pursuant to ~~this act~~,
13 Section 427.17 of this title to conduct testing and research on
14 medical marijuana and medical marijuana products;

15 ~~40.~~ 39. "Medical marijuana transporter" or "transporter" means
16 a person or entity that is licensed pursuant to ~~this act~~ Section
17 427.16 of this title. A medical marijuana transporter does not
18 include a medical marijuana business that transports its own medical
19 marijuana, medical marijuana concentrate or medical marijuana
20 products to a property or facility adjacent to or connected to the
21 licensed premises if the property is another licensed premises of
22 the same medical marijuana business;

23 ~~41.~~ 40. "Medical marijuana waste" or "waste" means unused,
24 surplus, returned or out-of-date marijuana, plant debris of the

1 plant of the genus Cannabis, including dead plants and all unused
2 plant parts and roots, except the term shall not include roots,
3 stems, stalks and fan leaves;

4 ~~42.~~ 41. "Medical use" means the acquisition, possession, use,
5 delivery, transfer or transportation of medical marijuana, medical
6 marijuana products, medical marijuana devices or paraphernalia
7 relating to the administration of medical marijuana to treat a
8 licensed patient;

9 ~~43.~~ 42. "Mother plant" means a marijuana plant that is grown or
10 maintained for the purpose of generating clones, and that will not
11 be used to produce plant material for sale to a medical marijuana
12 processor or medical marijuana dispensary;

13 ~~44.~~ 43. "Oklahoma physician" or "physician" means a physician
14 licensed by and in good standing with the State Board of Medical
15 Licensure and Supervision, the State Board of Osteopathic Examiners
16 or the Board of Podiatric Medical Examiners;

17 ~~45.~~ 44. "Oklahoma resident" means an individual who can provide
18 proof of residency as required by ~~this act~~ the Oklahoma Medical
19 Marijuana and Patient Protection Act;

20 ~~46.~~ 45. "Owner" means, except where the context otherwise
21 requires, a direct beneficial owner including, but not limited to,
22 all persons or entities as follows:

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

- 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.~~ 46. "Package" or "packaging" means any container or wrapper that may be used by a medical marijuana business to enclose or contain medical marijuana;

~~48.~~ 47. "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.~~ 48. "Pesticide" means any substance or mixture of
2 substances intended for preventing, destroying, repelling or
3 mitigating any pest or any substance or mixture of substances
4 intended for use as a plant regulator, defoliant or desiccant,
5 except that the term "pesticide" shall not include any article that
6 is a "new animal drug" as designated by the United States Food and
7 Drug Administration;

8 ~~50.~~ 49. "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.~~ 50. "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.~~ 51. "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.~~ 52. "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 ~~this act~~ Sections 420 and
4 427.10 of this title;

5 ~~54.~~ 53. "Registered to conduct business" means a person that
6 has provided proof that the business applicant is in good standing
7 with the Oklahoma Secretary of State and Oklahoma Tax Commission;

8 ~~55.~~ 54. "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 ~~this act~~ the Oklahoma Medical Marijuana and
12 Patient Protection Act;

13 ~~56.~~ 55. "Research project" means a discrete scientific endeavor
14 to answer a research question or a set of research questions related
15 to medical marijuana and is required for a medical marijuana
16 research license. A research project shall include a description of
17 a 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 ~~this act~~ 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;

24

1 ~~57.~~ 56. "Revocation" means the final decision by the ~~Department~~
2 Commission that any license issued pursuant to ~~this act~~ the Oklahoma
3 Medical Marijuana and Patient Protection Act is rescinded because
4 the individual or entity does not comply with the applicable
5 requirements set forth in ~~this act~~ the Oklahoma Medical Marijuana
6 and Patient Protection Act or rules promulgated pursuant thereto;

7 ~~58.~~ 57. "School" means a public or private preschool or a
8 public or private elementary or secondary school used for school
9 classes and instruction. A homeschool, daycare or child-care
10 facility shall not be considered a "school" as used in ~~this act~~ the
11 Oklahoma Medical Marijuana and Patient Protection Act;

12 ~~59.~~ 58. "Shipping container" means a hard-sided container with
13 a lid or other enclosure that can be secured in place. A shipping
14 container is used solely for the transport of medical marijuana,
15 medical marijuana concentrate, or medical marijuana products between
16 medical marijuana businesses, a medical marijuana research facility,
17 or a medical marijuana education facility;

18 ~~60.~~ 59. "Solvent-based medical marijuana concentrate" means a
19 medical marijuana concentrate that was produced by extracting
20 cannabinoids from medical marijuana through the use of a solvent
21 approved by the ~~Department~~ Commission;

22 ~~61.~~ 60. "State Question" means Oklahoma State Question No. 788,
23 Initiative Petition No. 412, approved by a majority vote of the
24 citizens of Oklahoma on June 26, 2018;

1 ~~62.~~ 61. "Strain" means the classification of marijuana or
2 cannabis plants in either pure sativa, indica, afghanica, ruderalis
3 or hybrid varieties;

4 ~~63.~~ 62. "THC" means tetrahydrocannabinol, which is the primary
5 psychotropic cannabinoid in marijuana formed by decarboxylation of
6 naturally tetrahydrocannabinolic acid, which generally occurs by
7 exposure to heat;

8 ~~64.~~ 63. "Test batch" means with regard to usable marijuana, a
9 homogenous, identified quantity of usable marijuana by strain, no
10 greater than ten (10) pounds, that is harvested during a seven-day
11 period from a specified cultivation area, and with regard to oils,
12 vapors and waxes derived from usable marijuana, means an identified
13 quantity that is uniform, that is intended to meet specifications
14 for identity, strength and composition, and that is manufactured,
15 packaged and labeled during a specified time period according to a
16 single manufacturing, packaging and labeling protocol;

17 ~~65.~~ 64. "Transporter agent" means a person who transports
18 medical marijuana or medical marijuana products for a licensed
19 transporter and holds a transporter agent license pursuant to ~~this~~
20 ~~act~~ Section 427.16 of this title;

21 ~~66.~~ 65. "Universal symbol" means the image established by the
22 ~~State Department of Health or~~ Oklahoma Medical Marijuana Authority
23 and made available to licensees through its website indicating that
24 the medical marijuana or the medical marijuana product contains THC;

1 ~~67.~~ 66. "Usable marijuana" means the dried leaves, flowers,
2 oils, vapors, waxes and other portions of the marijuana plant and
3 any mixture or preparation thereof, excluding seed, roots, stems,
4 stalks and fan leaves; and

5 ~~68.~~ 67. "Water-based medical marijuana concentrate" means a
6 concentrate that was produced by extracting cannabinoids from
7 medical marijuana through the use of only water, ice, or dry ice.

8 SECTION 12. AMENDATORY Section 3, Chapter 11, O.S.L.
9 2019, as amended by Section 6, Chapter 477, O.S.L. 2019 (63 O.S.
10 Supp. 2020, Section 427.3), is amended to read as follows:

11 Section 427.3 A. There is hereby created the Oklahoma Medical
12 Marijuana Authority within the ~~State Department of Health~~ Alcoholic
13 Beverage Laws Enforcement Commission which shall address issues
14 related to the medical marijuana program in Oklahoma including, but
15 not limited to, the issuance of patient licenses and medical
16 marijuana business licenses, and the dispensing, cultivating,
17 processing, testing, transporting, storage, research, and the use of
18 and sale of medical marijuana pursuant to ~~this act~~ the Oklahoma
19 Medical Marijuana and Patient Protection Act.

20 B. The ~~Department~~ Commission shall provide support staff to
21 perform designated duties of the Authority. The ~~Department~~
22 Commission shall also provide office space for meetings of the
23 Authority.

24

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

6 D. The ~~Department~~ Authority shall exercise its respective
7 powers and perform its respective duties and functions as specified
8 in ~~this act~~ the Oklahoma Medical Marijuana and Patient Protection
9 Act and ~~Title 63 of the Oklahoma Statutes~~ this title including, but
10 not limited to, the following:

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

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

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

22 3. Upon complaint or upon its own motion and upon a completed
23 investigation, levy fines as prescribed in ~~this act~~ the Oklahoma
24 Medical Marijuana and Patient Protection Act and suspend or revoke

1 licenses pursuant to ~~this act~~ the Oklahoma Medical Marijuana and
2 Patient Protection Act;

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

6 5. Apply for injunctive or declaratory relief to enforce the
7 provisions of this section and any rules promulgated pursuant to
8 this section;

9 6. Inspect and examine, with notice provided in accordance with
10 ~~this act~~ the Oklahoma Medical Marijuana and Patient Protection Act,
11 all licensed premises of medical marijuana businesses, research
12 facilities and education facilities in which medical marijuana is
13 cultivated, manufactured, sold, stored, transported, tested or
14 distributed;

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~~ Director of the Alcoholic
24 Beverage Laws Enforcement Commission deems appropriate. The fees

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

3 10. Require verification for sources of finance for medical
4 marijuana businesses.

5 SECTION 13. AMENDATORY Section 4, Chapter 11, O.S.L.
6 2019 (63 O.S. Supp. 2020, Section 427.4), is amended to read as
7 follows:

8 Section 427.4 A. The Oklahoma Medical Marijuana Authority, in
9 conjunction with the ~~State Department of Health~~ Alcoholic Beverage
10 Laws Enforcement Commission, shall employ an ~~Executive Director~~ and
11 ~~other~~ personnel as necessary to assist the Authority in carrying out
12 its duties.

13 B. The Authority shall not employ an individual if any of the
14 following circumstances exist:

15 1. The individual has a direct or indirect interest in a
16 licensed medical marijuana business; or

17 2. The individual or his or her spouse, parent, child, spouse
18 of a child, sibling, or spouse of a sibling has an application for a
19 medical marijuana business license pending before the ~~Department~~
20 Authority or is a member of the board of directors of a medical
21 marijuana business, or is an individual financially interested in
22 any licensee or medical marijuana business.

23
24

1 C. All officers and employees of the Authority shall be in the
2 exempt unclassified service as provided for in Section 840-5.5 of
3 Title 74 of the Oklahoma Statutes.

4 D. The ~~Commissioner~~ Director of the Commission may delegate to
5 any officer or employee of the ~~Department~~ Authority any of the
6 powers of the ~~Executive~~ Director and may designate any officer or
7 employee of the ~~Department~~ Authority to perform any of the duties of
8 the ~~Executive~~ Director.

9 E. The ~~Executive~~ Director of the Commission shall be authorized
10 to suggest rules governing the oversight and implementation of ~~this~~
11 ~~act~~ the Oklahoma Medical Marijuana and Patient Protection Act.

12 F. The ~~Department~~ Commission is hereby authorized to create
13 employment positions necessary for the implementation of its
14 obligations pursuant to ~~this act~~ the Oklahoma Medical Marijuana and
15 Patient Protection Act, including but not limited to Authority
16 investigators and a senior director of enforcement. The ~~Department~~
17 ~~and the~~ Authority, the senior director of enforcement, the ~~Executive~~
18 Director of the Commission, and ~~Department~~ Authority investigators
19 shall have all the powers of any peace officer to:

20 1. Investigate violations or suspected violations of ~~this act~~
21 the Oklahoma Medical Marijuana and Patient Protection Act and any
22 rules promulgated pursuant thereto;

23 2. Serve all warrants, summonses, subpoenas, administrative
24 citations, notices or other processes relating to the enforcement of

1 laws regulating medical marijuana, concentrate, and medical
2 marijuana product;

3 3. Assist or aid any law enforcement officer in the performance
4 of his or her duties upon such law enforcement officer's request or
5 the request of other local officials having jurisdiction;

6 4. Require any business licensee, upon twenty-four (24) hours
7 notice or upon a showing of necessity, to permit an inspection of
8 licensed premises during business hours or at any time of apparent
9 operation, marijuana equipment, and marijuana accessories, or books
10 and records; and to permit the testing of or examination of medical
11 marijuana, concentrate, or product; and

12 5. Require applicants to submit complete and current
13 applications, information required by ~~this act~~ the Oklahoma Medical
14 Marijuana and Patient Protection Act and fees, and approve material
15 changes made by the applicant or licensee.

16 SECTION 14. AMENDATORY Section 5, Chapter 11, O.S.L.
17 2019 (63 O.S. Supp. 2020, Section 427.5), is amended to read as
18 follows:

19 Section 427.5 There is hereby created in the State Treasury a
20 revolving fund for the ~~State Department of Health~~ Oklahoma Medical
21 Marijuana Authority, a division within the Alcoholic Beverage Laws
22 Enforcement Commission, to be designated the "Oklahoma Medical
23 Marijuana Authority Revolving Fund". The fund shall be a continuing
24 fund, not subject to fiscal year limitations, and shall consist of

1 all monies received by the ~~Department~~ Authority from fees and fines
2 collected pursuant to ~~this act~~ the Oklahoma Medical Marijuana and
3 Patient Protection Act and all monies received by the Oklahoma Tax
4 Commission from tax proceeds collected pursuant to Section 426 of
5 ~~Title 63 of the Oklahoma Statutes~~ this title. All monies accruing
6 to the credit of the fund are hereby appropriated and may be
7 budgeted and expended by the ~~Department~~ Authority for the purposes
8 set forth in Section 426 of ~~Title 63 of the Oklahoma Statutes~~ this
9 title. Expenditures from the fund shall be made upon warrants
10 issued by the State Treasurer against claims filed as prescribed by
11 law with the Director of the Office of Management and Enterprise
12 Services for approval and payment.

13 SECTION 15. AMENDATORY Section 6, Chapter 11, O.S.L.
14 2019, as amended by Section 7, Chapter 477, O.S.L. 2019 (63 O.S.
15 Supp. 2020, Section 427.6), is amended to read as follows:

16 Section 427.6 A. The ~~State Department of Health~~ Oklahoma
17 Medical Marijuana Authority shall address issues related to the
18 medical marijuana program in Oklahoma including, but not limited to,
19 monitoring and disciplinary actions as they relate to the medical
20 marijuana program.

21 B. 1. The ~~Department~~ Authority or its designee may perform on-
22 site assessments of a licensee or applicant for any medical
23 marijuana business license issued pursuant to ~~this act~~ the Oklahoma
24 Medical Marijuana and Patient Protection Act to determine compliance

1 with ~~this act~~ the Oklahoma Medical Marijuana and Patient Protection
2 Act or submissions made pursuant to this section. The ~~Department~~
3 Authority may enter the licensed premises of a medical marijuana
4 business licensee or applicant to assess or monitor compliance.

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

14 3. The ~~Department~~ Authority may review relevant records of a
15 licensed medical marijuana business, licensed medical marijuana
16 research facility or licensed medical marijuana education facility,
17 and may require and conduct interviews with such persons or entities
18 and persons affiliated with such entities, for the purpose of
19 determining compliance with ~~Department~~ Authority requirements and
20 applicable laws. However, prior to conducting any interviews with
21 the medical marijuana business, research facility or education
22 facility, the licensee shall be afforded sufficient time to secure
23 legal representation during such questioning if requested by the
24

1 business or facility or any of its agents or employees or
2 contractors.

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

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

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~~ Authority;

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

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

24

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

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~~
6 Authority to 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~~ Authority;

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

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

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

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

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

3 H. 1. First offense for intentional and impermissible
4 diversion of medical marijuana, concentrate, or products by a
5 patient or caregiver to an unauthorized person shall not be punished
6 under a criminal statute but may be subject to a fine of Two Hundred
7 Dollars (\$200.00).

8 2. The second offense for impermissible diversion of medical
9 marijuana, concentrate, or products by a patient or caregiver to an
10 unauthorized person shall not be punished under a criminal statute
11 but may be subject to a fine of not to exceed Five Hundred Dollars
12 (\$500.00) and may result in revocation of the license upon a showing
13 that the violation was willful or grossly negligent.

14 I. The following persons or entities may request a hearing to
15 contest an action or proposed action of the ~~Department~~ Authority:

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

20 2. A patient or caregiver licensee whose license has been
21 summarily suspended or who has received notice of contemplated
22 action to suspend or revoke a license or take other disciplinary
23 action.

24

1 J. All hearings held pursuant to this section shall be in
2 accordance with the Oklahoma Administrative Procedures Act, Section
3 250 et seq. of Title 75 of the Oklahoma Statutes.

4 SECTION 16. AMENDATORY Section 7, Chapter 11, O.S.L.
5 2019, as amended by Section 5, Chapter 509, O.S.L. 2019 (63 O.S.
6 Supp. 2020, Section 427.7), is amended to read as follows:

7 Section 427.7 A. The Oklahoma Medical Marijuana Authority
8 shall create a medical marijuana use registry of patients and
9 caregivers as provided under this section. The handling of any
10 records maintained in the registry shall comply with all relevant
11 state and federal laws including, but not limited to, the Health
12 Insurance Portability and Accountability Act of 1996 (HIPAA).

13 B. The medical marijuana use registry shall be accessible to:

14 1. Oklahoma-licensed medical marijuana dispensaries to verify
15 the license of a patient or caregiver by the twenty-four-character
16 identifier; and

17 2. Any court in this state.

18 C. All other records regarding a medical marijuana patient
19 licensee shall be maintained by the Authority and shall be deemed
20 confidential. The handling of any records maintained by the
21 Authority shall comply with all relevant state and federal laws
22 including, but not limited to, the Health Insurance Portability and
23 Accountability Act of 1996 (HIPAA). Such records shall be marked as
24 confidential, shall not be made available to the public and shall

1 only be made available to the licensee, designee of the licensee,
2 any physician of the licensee or the caregiver of the licensee.

3 D. A log shall be kept with the file of the licensee to record
4 any event in which the records of the licensee were made available
5 and to whom the records were provided.

6 E. The ~~Department~~ Authority shall ensure that all application
7 records and information are sealed to protect the privacy of medical
8 marijuana patient license applicants.

9 SECTION 17. AMENDATORY Section 8, Chapter 11, O.S.L.
10 2019 (63 O.S. Supp. 2020, Section 427.8), is amended to read as
11 follows:

12 Section 427.8 A. The rights to possess the marijuana products
13 set forth in Section 420 of ~~Title 63 of the Oklahoma Statutes~~ this
14 title are cumulative and a duly licensed individual may possess at
15 any one time the totality of the items listed therein and not be in
16 violation of ~~this act~~ the Oklahoma Medical Marijuana and Patient
17 Protection Act so long as the individual holds a valid patient
18 license or caregiver license.

19 B. Municipal and county governing bodies may not enact medical
20 marijuana guidelines which restrict or interfere with the rights of
21 a licensed patient or caregiver to possess, purchase, cultivate or
22 transport medical marijuana within the legal limits set forth in
23 ~~this act~~ the Oklahoma Medical Marijuana and Patient Protection Act
24 or Section 420 ~~et seq.~~ of ~~Title 63 of the Oklahoma Statutes~~ this

1 title or require patients or caregivers to obtain permits or
2 licenses in addition to the state-required licenses provided herein.

3 C. Nothing in ~~this act~~ the Oklahoma Medical Marijuana and
4 Patient Protection Act or ~~Section~~ Sections 420 et seq. through 426.1
5 of ~~Title 63 of the Oklahoma Statutes~~ this title shall prohibit a
6 residential or commercial property or business owner from
7 prohibiting the consumption of medical marijuana or medical
8 marijuana product by smoke or vaporization on the premises, within
9 the structures of the premises or within ten (10) feet of the
10 entryway to the premises. However, a medical marijuana patient
11 shall not be denied the right to consume or use other medical
12 marijuana products which are otherwise legal and do not involve the
13 smoking or vaporization of cannabis when lawfully recommended
14 pursuant to Section 420 of ~~Title 63 of the Oklahoma Statutes~~ this
15 title.

16 D. A medical marijuana patient or caregiver licensee shall not
17 be denied eligibility in public assistance programs including, but
18 not limited to, Medicaid, Supplemental Nutrition Assistance Program
19 (SNAP), Women, Infants, and Children Nutrition Program (WIC),
20 Temporary Assistance for Needy Families (TANF) or other such public
21 assistance programs based solely on his or her status as a medical
22 marijuana patient or caregiver licensee, unless required by federal
23 law.

24

1 E. A medical marijuana patient or caregiver licensee shall not
2 be denied the right to own, purchase or possess a firearm,
3 ammunition, or firearm accessories based solely on his or her status
4 as a medical marijuana patient or caregiver licensee. No state or
5 local agency, municipal or county governing authority shall
6 restrict, revoke, suspend or otherwise infringe upon the right of a
7 person to own, purchase or possess a firearm, ammunition, or firearm
8 accessories or any related firearms license or certification based
9 solely on their status as a medical marijuana patient or caregiver
10 licensee.

11 F. A medical marijuana patient or caregiver in actual
12 possession of a medical marijuana patient license or caregiver
13 license shall not be subject to arrest, prosecution or penalty in
14 any manner or denied any right, privilege or public assistance,
15 under state law or municipal or county ordinance or resolution
16 including without limitation a civil penalty or disciplinary action
17 by a business, occupational or professional licensing board or
18 bureau, for the medical use of marijuana in accordance with ~~this act~~
19 the Oklahoma Medical Marijuana and Patient Protection Act.

20 G. A government medical assistance program shall not be
21 required to reimburse a person for costs associated with the medical
22 use of marijuana unless federal law requires reimbursement.

23 H. Unless otherwise required by federal law or required to
24 obtain federal funding:

1 1. No employer may refuse to hire, discipline, discharge or
2 otherwise penalize an applicant or employee solely on the basis of
3 such applicant's or employee's status as a medical marijuana patient
4 licensee; and

5 2. No employer may refuse to hire, discipline, discharge or
6 otherwise penalize an applicant or employee solely on the basis of a
7 positive test for marijuana components or metabolites, unless:

8 a. the applicant or employee is not in possession of a
9 valid medical marijuana patient license,

10 b. the licensee possesses, consumes or is under the
11 influence of medical marijuana or medical marijuana
12 product while at the place of employment or during the
13 fulfillment of employment obligations, or

14 c. the position is one involving safety-sensitive job
15 duties, as such term is defined in subsection K of
16 this section.

17 I. Nothing in ~~this act~~ the Oklahoma Medical Marijuana and
18 Patient Protection Act or ~~Section~~ Sections 420 et seq. through 426.1
19 ~~of Title 63 of the Oklahoma Statutes~~ this title shall:

20 1. Require an employer to permit or accommodate the use of
21 medical marijuana on the property or premises of any place of
22 employment or during hours of employment;

23 2. Require an employer, a government medical assistance
24 program, private health insurer, worker's compensation carrier or

1 self-insured employer providing worker's compensation benefits to
2 reimburse a person for costs associated with the use of medical
3 marijuana; or

4 3. Prevent an employer from having written policies regarding
5 drug testing and impairment in accordance with the Oklahoma
6 Standards for Workplace Drug and Alcohol Testing Act, Section 551 et
7 seq. of Title 40 of the Oklahoma Statutes.

8 J. Any applicant or employee aggrieved by a willful violation
9 of this section shall have, as his or her exclusive remedy, the same
10 remedies as provided for in the Oklahoma Standards for Workplace
11 Drug and Alcohol Testing Act set forth in Section 563 of Title 40 of
12 the Oklahoma Statutes.

13 K. As used in this section:

14 1. "Safety-sensitive" means any job that includes tasks or
15 duties that the employer reasonably believes could affect the safety
16 and health of the employee performing the task or others including,
17 but not limited to, any of the following:

- 18 a. the handling, packaging, processing, storage, disposal
19 or transport of hazardous materials,
- 20 b. the operation of a motor vehicle, other vehicle,
21 equipment, machinery or power tools,
- 22 c. repairing, maintaining or monitoring the performance
23 or operation of any equipment, machinery or
24

- 1 manufacturing process, the malfunction or disruption
2 of which could result in injury or property damage,
- 3 d. performing firefighting duties,
 - 4 e. the operation, maintenance or oversight of critical
5 services and infrastructure including, but not limited
6 to, electric, gas, and water utilities, power
7 generation or distribution,
 - 8 f. the extraction, compression, processing,
9 manufacturing, handling, packaging, storage, disposal,
10 treatment or transport of potentially volatile,
11 flammable, combustible materials, elements, chemicals
12 or any other highly regulated component,
 - 13 g. dispensing pharmaceuticals,
 - 14 h. carrying a firearm, or
 - 15 i. direct patient care or direct child care; and

16 2. A "positive test for marijuana components or metabolites"
17 means a result that is at or above the cutoff concentration level
18 established by the United States Department of Transportation or
19 Oklahoma law regarding being under the influence, whichever is
20 lower.

21 L. All smokable, vaporized, vappable and e-cigarette medical
22 marijuana product inhaled through vaporization or smoked by a
23 medical marijuana patient licensee are subject to the same
24 restrictions for tobacco under Section 1-1521 et seq. of ~~Title 63 of~~

1 ~~the Oklahoma Statutes~~ this title, commonly referred to as the
2 "Smoking in Public Places and Indoor Workplaces Act".

3 SECTION 18. AMENDATORY Section 9, Chapter 11, O.S.L.
4 2019 (63 O.S. Supp. 2020, Section 427.9), is amended to read as
5 follows:

6 Section 427.9 A. The Authority may contact the recommending
7 physician of an applicant for a medical marijuana patient license to
8 verify the need of the applicant for the license.

9 B. An applicant for a medical marijuana patient license who can
10 demonstrate his or her status as a one-hundred-percent-disabled
11 veteran as determined by the U.S. Department of Veterans Affairs and
12 codified at 38 C.F.R., Section 3.340(a) (2013) shall pay a reduced
13 application fee of Twenty Dollars (\$20.00). The methods of payment,
14 as determined by the Authority, shall be provided on the website.
15 However, the Authority shall ensure that all applicants have an
16 option to submit the license application and payment by means other
17 than solely by submission of the application and fee online.

18 C. The patient license shall be valid for up to two (2) years
19 from the date of issuance, unless the recommendation of the
20 physician is terminated pursuant to ~~this act~~ Section 427.10 of this
21 title or revoked by the ~~Department~~ Oklahoma Medical Marijuana
22 Authority.

23
24

1 SECTION 19. AMENDATORY Section 10, Chapter 11, O.S.L.
2 2019, as amended by Section 2, Chapter 390, O.S.L. 2019 (63 O.S.
3 Supp. 2020, Section 427.10), is amended to read as follows:

4 Section 427.10 A. Only licensed Oklahoma allopathic,
5 osteopathic and podiatric physicians may provide a medical marijuana
6 recommendation for a medical marijuana patient license under ~~this~~
7 act the Oklahoma Medical Marijuana and Patient Protection Act.

8 B. A physician who has not completed his or her first residency
9 shall not meet the definition of "physician" under this section and
10 any recommendation for a medical marijuana patient license shall not
11 be processed by the Authority.

12 C. No physician shall be subject to arrest, prosecution or
13 penalty in any manner or denied any right or privilege under
14 Oklahoma state, municipal or county statute, ordinance or
15 resolution, including without limitation a civil penalty or
16 disciplinary action by the State Board of Medical Licensure and
17 Supervision ~~or~~, the State Board of Osteopathic Examiners or the
18 Board of Podiatric Medical Examiners or by any other business,
19 occupation or professional licensing board or bureau, solely for
20 providing a medical marijuana recommendation for a patient or for
21 monitoring, treating or prescribing scheduled medication to patients
22 who are medical marijuana patient licensees. The provisions of this
23 subsection shall not prevent the relevant professional licensing
24 boards from sanctioning a physician for failing to properly evaluate

1 the medical condition of a patient or for otherwise violating the
2 applicable physician-patient standard of care.

3 D. A physician who recommends use of medical marijuana shall
4 not be located at the same physical address as a dispensary.

5 E. If the physician determines the continued use of medical
6 marijuana by the patient no longer meets the requirements set forth
7 in ~~this act~~ the Oklahoma Medical Marijuana and Patient Protection
8 Act, the physician shall notify the ~~Department and the Authority,~~
9 and the Authority shall immediately revoke the license.

10 SECTION 20. AMENDATORY Section 13, Chapter 11, O.S.L.
11 2019 (63 O.S. Supp. 2020, Section 427.13), is amended to read as
12 follows:

13 Section 427.13 A. All medical marijuana and medical marijuana
14 products shall be purchased solely from an Oklahoma-licensed medical
15 marijuana business, and shall not be purchased from any out-of-state
16 providers.

17 B. 1. The Authority shall have oversight and auditing
18 responsibilities to ensure that all marijuana being grown in
19 Oklahoma is accounted for and shall implement an inventory tracking
20 system. Pursuant to these duties, the Authority shall require that
21 each medical marijuana business keep records for every transaction
22 with another medical marijuana business, patient or caregiver.
23 Inventory shall be tracked and updated after each individual sale
24 and reported to the Authority.

1 2. The inventory tracking system licensees use shall allow for
2 integration of other seed-to-sale systems and, at a minimum, shall
3 include the following:

- 4 a. notification of when marijuana seeds are planted,
- 5 b. notification of when marijuana plants are harvested
6 and destroyed,
- 7 c. notification of when marijuana is transported, sold,
8 stolen, diverted or lost,
- 9 d. a complete inventory of all marijuana, seeds, plant
10 tissue, clones, plants, usable marijuana or trim,
11 leaves and other plant matter, batches of extract, and
12 marijuana concentrates,
- 13 e. all samples sent to a testing laboratory, an unused
14 portion of a sample returned to a licensee, all
15 samples utilized by licensee for purposes of
16 negotiating a sale, and
- 17 f. all samples used for quality testing by a licensee.

18 3. Each medical marijuana business shall use a seed-to-sale
19 tracking system or integrate its own seed-to-sale tracking system
20 with the seed-to-sale tracking system established by the Authority.

21 4. These records shall include, but not be limited to, the
22 following:
23
24

- a. the name and license number of the medical marijuana business that cultivated, manufactured or sold the medical marijuana or medical marijuana product,
- b. the address and phone number of the medical marijuana business that cultivated, manufactured or sold the medical marijuana or medical marijuana product,
- c. the type of product received during the transaction,
- d. the batch number of the marijuana plant used,
- e. the date of the transaction,
- f. the total spent in dollars,
- g. all point-of-sale records,
- h. marijuana excise tax records, and
- i. any additional information as may be reasonably required by the ~~Department~~ Authority.

5. All inventory tracking records containing patient information shall comply with all relevant state and federal laws including, but not limited to, the Health Insurance Portability and Accountability Act of 1996 (HIPAA), and shall not be retained by any medical marijuana business for more than sixty (60) days.

SECTION 21. AMENDATORY Section 14, Chapter 11, O.S.L. 2019, as last amended by Section 51, Chapter 161, O.S.L. 2020 (63 O.S. Supp. 2020, Section 427.14), is amended to read as follows:

1 Section 427.14 A. There is hereby created the medical
2 marijuana business license, which shall include the following
3 categories:

- 4 1. Medical marijuana commercial grower;
- 5 2. Medical marijuana processor;
- 6 3. Medical marijuana dispensary;
- 7 4. Medical marijuana transporter; and
- 8 5. Medical marijuana testing laboratory.

9 B. The Oklahoma Medical Marijuana Authority, with the aid of
10 the Office of Management and Enterprise Services, shall develop a
11 website for medical marijuana business applications.

12 C. The Authority shall make available on its website in an
13 easy-to-find location, applications for a medical marijuana
14 business.

15 D. The nonrefundable application fee for a medical marijuana
16 business license shall be Two Thousand Five Hundred Dollars
17 (\$2,500.00).

18 E. All applicants seeking licensure as a medical marijuana
19 business shall comply with the following general requirements:

- 20 1. All applications for licenses and registrations authorized
21 pursuant to this section shall be made upon forms prescribed by the
22 Authority;

1 2. Each application shall identify the city or county in which
2 the applicant seeks to obtain licensure as a medical marijuana
3 business;

4 3. Applicants shall submit a complete application to the
5 ~~Department~~ Authority before the application may be accepted or
6 considered;

7 4. All applications shall be complete and accurate in every
8 detail;

9 5. All applications shall include all attachments or
10 supplemental information required by the forms supplied by the
11 Authority;

12 6. All applications shall be accompanied by a full remittance
13 for the whole amount of the application fees. Application fees are
14 nonrefundable;

15 7. All applicants shall be approved for licensing review that,
16 at a minimum, meets the following criteria:

17 a. all applicants shall be age twenty-five (25) years of
18 age or older,

19 b. any applicant applying as an individual shall show
20 proof that the applicant is an Oklahoma resident
21 pursuant to paragraph 11 of this subsection,

22 c. any applicant applying as an entity shall show that
23 seventy-five percent (75%) of all members, managers,
24 executive officers, partners, board members or any

- 1 other form of business ownership are Oklahoma
2 residents pursuant to paragraph 11 of this subsection,
3 d. all applying individuals or entities shall be
4 registered to conduct business in the State of
5 Oklahoma,
6 e. all applicants shall disclose all ownership interests
7 pursuant to ~~this act~~ the Oklahoma Medical Marijuana
8 and Patient Protection Act, and
9 f. applicants shall not have been convicted of a
10 nonviolent felony in the last two (2) years, and any
11 other felony conviction within the last five (5)
12 years, shall not be current inmates, or currently
13 incarcerated in a jail or corrections facility;

14 8. There shall be no limit to the number of medical marijuana
15 business licenses or categories that an individual or entity can
16 apply for or receive, although each application and each category
17 shall require a separate application and application fee. A
18 commercial grower, processor and dispensary, or any combination
19 thereof, are authorized to share the same address or physical
20 location, subject to the restrictions set forth in ~~this act~~ the
21 Oklahoma Medical Marijuana and Patient Protection Act;

22 9. All applicants for a medical marijuana business license,
23 research facility license or education facility license authorized
24 by ~~this act~~ the Oklahoma Medical Marijuana and Patient Protection

1 Act shall undergo an Oklahoma criminal history background check
2 conducted by the Oklahoma State Bureau of Investigation (OSBI)
3 within thirty (30) days prior to the application for the license,
4 including:

- 5 a. individual applicants applying on their own behalf,
- 6 b. individuals applying on behalf of an entity,
- 7 c. all principal officers of an entity, and
- 8 d. all owners of an entity as defined by ~~this act~~ Section
9 427.2 of this title;

10 10. All applicable fees charged by OSBI are the responsibility
11 of the applicant and shall not be higher than fees charged to any
12 other person or industry for such background checks;

13 11. In order to be considered an Oklahoma resident for purposes
14 of a medical marijuana business application, all applicants shall
15 provide proof of Oklahoma residency for at least two (2) years
16 immediately preceding the date of application or five (5) years of
17 continuous Oklahoma residency during the preceding twenty-five (25)
18 years immediately preceding the date of application. Sufficient
19 documentation of proof of residency shall include a combination of
20 the following:

- 21 a. an unexpired Oklahoma-issued driver license,
- 22 b. an Oklahoma voter identification card,
- 23 c. a utility bill preceding the date of application,
24 excluding cellular telephone and Internet bills,

- 1 d. a residential property deed to property in the State
2 of Oklahoma, and
3 e. a rental agreement preceding the date of application
4 for residential property located in the State of
5 Oklahoma.

6 Applicants that were issued a medical marijuana business license
7 prior to the enactment of the Oklahoma Medical Marijuana and Patient
8 Protection Act are hereby exempt from the two-year or five-year
9 Oklahoma residence requirement mentioned above;

10 12. All license applicants shall be required to submit a
11 registration with the Oklahoma State Bureau of Narcotics and
12 Dangerous Drugs Control as provided in Sections 2-302 through 2-304
13 of ~~Title 63 of the Oklahoma Statutes~~ this title;

14 13. All applicants shall establish their identity through
15 submission of a color copy or digital image of one of the following
16 unexpired documents:

- 17 a. front and back of an Oklahoma driver license,
18 b. front and back of an Oklahoma identification card,
19 c. a United States passport or other photo identification
20 issued by the United States government,
21 d. certified copy of the applicant's birth certificate
22 for minor applicants who do not possess a document
23 listed in this section, or
24

1 e. a tribal identification card approved for
2 identification purposes by the Oklahoma Department of
3 Public Safety; and

4 14. All applicants shall submit an applicant photograph.

5 F. The Authority shall review the medical marijuana business
6 application, approve or reject the application and mail the
7 approval, rejection or status-update letter to the applicant within
8 ninety (90) business days of receipt of the application.

9 G. 1. The Authority shall review the medical marijuana
10 business applications and conduct all investigations, inspections
11 and interviews before approving the application.

12 2. Approved applicants shall be issued a medical marijuana
13 business license for the specific category applied under which shall
14 act as proof of their approved status. Rejection letters shall
15 provide a reason for the rejection. Applications may only be
16 rejected based on the applicant not meeting the standards set forth
17 in the provisions of this section, improper completion of the
18 application, or for a reason provided for in ~~this act~~ the Oklahoma
19 Medical Marijuana and Patient Protection Act. If an application is
20 rejected for failure to provide required information, the applicant
21 shall have thirty (30) days to submit the required information for
22 reconsideration. No additional application fee shall be charged for
23 such reconsideration.

1 3. Status-update letters shall provide a reason for delay in
2 either approval or rejection should a situation arise in which an
3 application was submitted properly, but a delay in processing the
4 application occurred.

5 4. Approval, rejection or status-update letters shall be sent
6 to the applicant in the same method the application was submitted to
7 the ~~Department~~ Authority.

8 H. A medical marijuana business license shall not be issued to
9 or held by:

10 1. A person until all required fees have been paid;

11 2. A person who has been convicted of a nonviolent felony
12 within two (2) years of the date of application, or within five (5)
13 years for any other felony;

14 3. A corporation, if the criminal history of any of its
15 officers, directors or stockholders indicates that the officer,
16 director or stockholder has been convicted of a nonviolent felony
17 within two (2) years of the date of application, or within five (5)
18 years for any other felony;

19 4. A person under twenty-five (25) years of age;

20 5. A person licensed pursuant to this section who, during a
21 period of licensure, or who, at the time of application, has failed
22 to:

23 a. file taxes, interest or penalties due related to a
24 medical marijuana business, or

1 b. pay taxes, interest or penalties due related to a
2 medical marijuana business;

3 6. A sheriff, deputy sheriff, police officer or prosecuting
4 officer, or an officer or employee of the Authority or municipality;
5 or

6 7. A person whose authority to be a caregiver as defined in
7 ~~this act~~ Section 427.2 of this title has been revoked by the
8 ~~Department~~ Authority.

9 I. In investigating the qualifications of an applicant or a
10 licensee, the ~~Department~~, Authority and municipalities may have
11 access to criminal history record information furnished by a
12 criminal justice agency subject to any restrictions imposed by such
13 an agency. In the event the ~~Department~~ Authority considers the
14 criminal history record of the applicant, the ~~Department~~ Authority
15 shall also consider any information provided by the applicant
16 regarding such criminal history record, including but not limited to
17 evidence of rehabilitation, character references and educational
18 achievements, especially those items pertaining to the period of
19 time between the last criminal conviction of the applicant and the
20 consideration of the application for a state license.

21 J. The failure of an applicant to provide the requested
22 information by the Authority deadline may be grounds for denial of
23 the application.

1 K. All applicants shall submit information to the ~~Department~~
2 ~~and~~ Authority in a full, faithful, truthful and fair manner. The
3 ~~Department and~~ Authority may recommend denial of an application
4 where the applicant made misstatements, omissions,
5 misrepresentations or untruths in the application or in connection
6 with the background investigation of the applicant. This type of
7 conduct may be considered as the basis for additional administrative
8 action against the applicant. Typos and scrivener errors shall not
9 be grounds for denial.

10 L. A licensed medical marijuana business premises shall be
11 subject to and responsible for compliance with applicable provisions
12 for medical marijuana business facilities as described in the most
13 recent versions of the Oklahoma Uniform Building Code, the
14 International Building Code and the International Fire Code, unless
15 granted an exemption by the Authority or municipality.

16 M. All medical marijuana business licensees shall pay the
17 relevant licensure fees prior to receiving licensure to operate a
18 medical marijuana business, as defined in ~~this act~~ Section 427.2 of
19 this title for each class of license.

20 SECTION 22. AMENDATORY Section 15, Chapter 11, O.S.L.
21 2019 (63 O.S. Supp. 2020, Section 427.15), is amended to read as
22 follows:

23 Section 427.15 ~~The State Department of Health~~ Oklahoma Medical
24 Marijuana Authority is hereby authorized to develop policies and

1 procedures for disclosure by a medical marijuana business of
2 financial interest and ownership.

3 SECTION 23. AMENDATORY Section 16, Chapter 11, O.S.L.
4 2019 (63 O.S. Supp. 2020, Section 427.16), is amended to read as
5 follows:

6 Section 427.16 A. There is hereby created a medical marijuana
7 transporter license as a category of the medical marijuana business
8 license.

9 B. Pursuant to Section 424 of ~~Title 63 of the Oklahoma Statutes~~
10 this title, the Authority shall issue a medical marijuana
11 transporter license to licensed medical marijuana commercial
12 growers, processors and dispensaries upon issuance of such licenses
13 and upon each renewal.

14 C. A medical marijuana transporter license may also be issued
15 to qualifying applicants who are registered with the Oklahoma
16 Secretary of State and otherwise meet the requirements for a medical
17 marijuana business license set forth in ~~this act~~ Section 427.14 of
18 this title and the requirements set forth in this section to provide
19 logistics, distribution and storage of medical marijuana, medical
20 marijuana concentrate and medical marijuana products.

21 D. A medical marijuana transporter license shall be valid for
22 one (1) year and shall not be transferred with a change of
23 ownership. A licensed medical marijuana transporter shall be
24

1 responsible for all medical marijuana, concentrate and products once
2 the transporter takes control of the product.

3 E. A transporter license shall be required for any person or
4 entity to transport or transfer medical marijuana, concentrate or
5 product from a licensed medical marijuana business to another
6 medical marijuana business, or from a medical marijuana business to
7 a medical marijuana research facility or medical marijuana education
8 facility.

9 F. A medical marijuana transporter licensee may contract with
10 multiple licensed medical marijuana businesses.

11 G. A medical marijuana transporter may maintain a licensed
12 premises to temporarily store medical marijuana, concentrate and
13 products and to use as a centralized distribution point. A medical
14 marijuana transporter may store and distribute medical marijuana,
15 concentrate and products from the licensed premises. The licensed
16 premises shall meet all security requirements applicable to a
17 medical marijuana business.

18 H. A medical marijuana transporter licensee shall use the seed-
19 to-sale tracking system developed pursuant to ~~this act~~ Section
20 427.13 of this title to create shipping manifests documenting the
21 transport of medical marijuana, concentrate and products throughout
22 the state.

23
24

1 I. A licensed medical marijuana transporter may maintain and
2 operate one or more warehouses in the state to handle medical
3 marijuana, concentrate and products.

4 J. All medical marijuana, concentrate and product shall be
5 transported:

6 1. In vehicles equipped with Global Positioning System (GPS)
7 trackers;

8 2. In a locked container and clearly labeled "Medical Marijuana
9 or Derivative"; and

10 3. In a secured area of the vehicle that is not accessible by
11 the driver during transit.

12 K. A transporter agent may possess marijuana at any location
13 while the transporter agent is transferring marijuana to or from a
14 licensed medical marijuana business, medical marijuana research
15 facility or medical marijuana education facility. The ~~Department~~
16 Authority shall administer and enforce the provisions of this
17 section concerning transportation.

18 L. The Authority shall issue a transporter agent license to
19 individual agents, employees, officers or owners of a transporter
20 license in order for the individual to qualify to transport medical
21 marijuana or product.

22 M. The annual fee for a transporter agent license shall be One
23 Hundred Dollars (\$100.00) and shall be paid by the transporter
24 license holder or the individual applicant.

1 N. The Authority shall issue each transporter agent a registry
2 identification card within thirty (30) days of receipt of:

- 3 1. The name, address and date of birth of the person;
- 4 2. Proof of residency as required for a medical marijuana
5 business license;
- 6 3. Proof of identity as required for a medical marijuana
7 business license;
- 8 4. Possession of a valid Oklahoma driver license;
- 9 5. Verification of employment with a licensed transporter;
- 10 6. The application and affiliated fee; and
- 11 7. A criminal background check conducted by the Oklahoma State
12 Bureau of Investigation, paid for by the applicant.

13 O. If the transporter agent application is denied, the
14 ~~Department~~ Authority shall notify the transporter in writing of the
15 reason for denying the registry identification card.

16 P. A registry identification card for a transporter shall
17 expire one (1) year after the date of issuance or upon notification
18 from the holder of the transporter license that the transporter
19 agent ceases to work as a transporter.

20 Q. The ~~Department~~ Authority may revoke the registry
21 identification card of a transporter agent who knowingly violates
22 any provision of this section, and the transporter is subject to any
23 other penalties established by law for the violation.

24

1 R. The ~~Department~~ Authority may revoke or suspend the
2 transporter license of a transporter that the ~~Department~~ Authority
3 determines knowingly aided or facilitated a violation of any
4 provision of this section, and the licenseholder is subject to any
5 other penalties established in law for the violation.

6 S. Vehicles used in the transport of medical marijuana or
7 medical marijuana product shall be:

8 1. Insured at or above the legal requirements in Oklahoma;

9 2. Capable of securing medical marijuana during transport; and

10 3. In possession of a shipping container as defined in ~~this act~~
11 Section 427.2 of this title capable of securing all transported
12 product.

13 T. Prior to the transport of any medical marijuana or products,
14 an inventory manifest shall be prepared at the origination point of
15 the medical marijuana. The inventory manifest shall include the
16 following information:

17 1. For the origination point of the medical marijuana:

18 a. the licensee number for the commercial grower,
19 processor or dispensary,

20 b. address of origination of transport, and

21 c. name and contact information for the originating
22 licensee;

23 2. For the end recipient license holder of the medical
24 marijuana:

- a. the license number for the dispensary, commercial grower, processor, research facility or education facility destination,
- b. address of the destination, and
- c. name and contact information for the destination licensee;

3. Quantities by weight or unit of each type of medical marijuana product contained in transport;

4. The date of the transport and the approximate time of departure;

5. The arrival date and estimated time of arrival;

6. Printed names and signatures of the personnel accompanying the transport; and

7. Notation of the transporting licensee.

U. 1. A separate inventory manifest shall be prepared for each licensee receiving the medical marijuana.

2. The transporter agent shall provide the other medical marijuana business with a copy of the inventory manifest at the time the product changes hands and after the other licensee prints his or her name and signs the inventory manifest.

3. An inventory manifest shall not be altered after departing the originating premises other than in cases where the printed name and signature of receipt by the receiving licensee is necessary.

1 4. A receiving licensee shall refuse to accept any medical
2 marijuana or product that is not accompanied by an inventory
3 manifest.

4 5. Originating and receiving licensees shall maintain copies of
5 inventory manifests and logs of quantities of medical marijuana
6 received for three (3) years from date of receipt.

7 SECTION 24. AMENDATORY Section 17, Chapter 11, O.S.L.
8 2019, as amended by Section 4, Chapter 312, O.S.L. 2019 (63 O.S.
9 Supp. 2020, Section 427.17), is amended to read as follows:

10 Section 427.17 A. There is hereby created a medical marijuana
11 testing laboratory license as a category of the medical marijuana
12 business license. The Authority is hereby enabled to monitor,
13 inspect and audit a licensed testing laboratory under ~~this act~~ the
14 Oklahoma Medical Marijuana and Patient Protection Act.

15 B. The Authority is hereby authorized to contract with a
16 private laboratory for the purpose of conducting compliance testing
17 of medical marijuana testing laboratories licensed in this state.
18 Any such laboratory under contract for compliance testing shall be
19 prohibited from conducting any other commercial medical marijuana
20 testing in this state.

21 C. The Authority shall have the authority to develop acceptable
22 testing and research practices, including but not limited to
23 testing, standards, quality control analysis, equipment
24 certification and calibration, and chemical identification and

1 substances used in bona fide research methods so long as it complies
2 with ~~this act~~ the Oklahoma Medical Marijuana and Patient Protection
3 Act.

4 D. A person who is a direct beneficial owner or an indirect
5 beneficial owner of a medical marijuana dispensary, medical
6 marijuana commercial grower, or medical marijuana processor shall
7 not be an owner of a laboratory.

8 E. A laboratory and a laboratory applicant shall comply with
9 all applicable local ordinances, including but not limited to
10 zoning, occupancy, licensing and building codes.

11 F. A separate license shall be required for each specific
12 laboratory.

13 G. A medical marijuana testing laboratory license may be issued
14 to a person who performs testing and research on medical marijuana
15 and medical marijuana products for medical marijuana businesses,
16 medical marijuana research facilities, medical marijuana education
17 facilities, and testing and research on marijuana and marijuana
18 products grown or produced by a patient or caregiver on behalf of a
19 patient, upon verification of registration. No state-approved
20 medical marijuana testing facility shall operate unless a medical
21 laboratory director is on site during operational hours.

22 H. A laboratory applicant shall comply with the application
23 requirements of this section and shall submit such other information
24 as required for a medical marijuana business applicant, in addition

1 to any information the Authority may request for initial approval
2 and periodic evaluations during the approval period.

3 I. A medical marijuana testing laboratory may accept samples of
4 medical marijuana, medical marijuana concentrate or medical
5 marijuana product from a medical marijuana business for testing and
6 research purposes only, which purposes may include the provision of
7 testing services for samples submitted by a medical marijuana
8 business for product development. The ~~Department~~ Authority may
9 require a medical marijuana business to submit a sample of medical
10 marijuana, medical marijuana concentrate or medical marijuana
11 product to a medical marijuana testing laboratory upon demand.

12 J. A medical marijuana testing laboratory may accept samples of
13 medical marijuana, medical marijuana concentrate or medical
14 marijuana product from an individual person for testing only under
15 the following conditions:

16 1. The individual person is a patient or caregiver pursuant to
17 ~~this act~~ the Oklahoma Medical Marijuana and Patient Protection Act
18 or is a participant in an approved clinical or observational study
19 conducted by a research facility; and

20 2. The medical marijuana testing laboratory shall require the
21 patient or caregiver to produce a valid patient license and current
22 and valid photo identification.

23 K. A medical marijuana testing laboratory may transfer samples
24 to another medical marijuana testing laboratory for testing. All

1 laboratory reports provided to or by a medical marijuana business or
2 to a patient or caregiver shall identify the medical marijuana
3 testing laboratory that actually conducted the test.

4 L. A medical marijuana testing laboratory may utilize a
5 licensed medical marijuana transporter to transport samples of
6 medical marijuana, medical marijuana concentrate and medical
7 marijuana product for testing, in accordance with ~~this act~~ the
8 Oklahoma Medical Marijuana and Patient Protection Act and the rules
9 adopted pursuant thereto, between the originating medical marijuana
10 business requesting testing services and the destination laboratory
11 performing testing services.

12 M. The medical marijuana testing laboratory shall establish
13 policies to prevent the existence of or appearance of undue
14 commercial, financial or other influences that may diminish the
15 competency, impartiality and integrity of the testing processes or
16 results of the laboratory, or that may diminish public confidence in
17 the competency, impartiality and integrity of the testing processes
18 or results of the laboratory. At a minimum, employees, owners or
19 agents of a medical marijuana testing laboratory who participate in
20 any aspect of the analysis and results of a sample are prohibited
21 from improperly influencing the testing process, improperly
22 manipulating data, or improperly benefiting from any ongoing
23 financial, employment, personal or business relationship with the
24 medical marijuana business that provided the sample.

1 N. The ~~Department~~ Authority, pursuant to rules promulgated by
2 the ~~State Commissioner of Health~~ Director of the Alcoholic Beverage
3 Laws Enforcement Commission, shall develop standards, policies and
4 procedures as necessary for:

5 1. The cleanliness and orderliness of a laboratory premises and
6 the location of the laboratory in a secure location, and inspection,
7 cleaning and maintenance of any equipment or utensils used for the
8 analysis of test samples;

9 2. Testing procedures, testing standards for cannabinoid and
10 terpenoid potency and safe levels of contaminants, and remediation
11 procedures;

12 3. Controlled access areas for storage of medical marijuana and
13 medical marijuana product test samples, waste and reference
14 standards;

15 4. Records to be retained and computer systems to be utilized
16 by the laboratory;

17 5. The possession, storage and use by the laboratory of
18 reagents, solutions and reference standards;

19 6. A certificate of analysis (COA) for each lot of reference
20 standard;

21 7. The transport and disposal of unused marijuana, marijuana
22 products and waste;

23 8. The mandatory use by a laboratory of an inventory tracking
24 system to ensure all test batches or samples containing medical

1 marijuana, medical marijuana concentrate or medical marijuana
2 products are identified and tracked from the point they are
3 transferred from a medical marijuana business, a patient or a
4 caregiver through the point of transfer, destruction or disposal.
5 The inventory tracking system reporting shall include the results of
6 any tests that are conducted on medical marijuana, medical marijuana
7 concentrate or medical marijuana product;

8 9. Standards of performance;

9 10. The employment of laboratory personnel;

10 11. A written standard operating procedure manual to be
11 maintained and updated by the laboratory;

12 12. The successful participation in a ~~Department-approved~~ an
13 Authority-approved proficiency testing program for each testing
14 category listed in this section, in order to obtain and maintain
15 certification;

16 13. The establishment of and adherence to a quality assurance
17 and quality control program to ensure sufficient monitoring of
18 laboratory processes and quality of results reported;

19 14. The establishment by the laboratory of a system to document
20 the complete chain of custody for samples from receipt through
21 disposal;

22 15. The establishment by the laboratory of a system to retain
23 and maintain all required records, including business records, and
24

1 processes to ensure results are reported in a timely and accurate
2 manner; and

3 16. Any other aspect of laboratory testing of medical marijuana
4 or medical marijuana product deemed necessary by the ~~Department~~
5 Authority.

6 O. A medical marijuana testing laboratory shall promptly
7 provide the ~~Department~~ Authority or designee of the ~~Department~~
8 Authority access to a report of a test and any underlying data that
9 is conducted on a sample at the request of a medical marijuana
10 business or qualified patient. A medical marijuana testing
11 laboratory shall also provide access to the ~~Department~~ Authority or
12 designee of the ~~Department~~ Authority to laboratory premises and to
13 any material or information requested by the ~~Department~~ Authority to
14 determine compliance with the requirements of this section.

15 P. A medical marijuana testing laboratory shall retain all
16 results of laboratory tests conducted on marijuana or products for a
17 period of at least two (2) years and shall make them available to
18 the ~~Department~~ Authority upon request.

19 Q. A medical marijuana testing laboratory shall test samples
20 from each harvest batch or product batch, as appropriate, of medical
21 marijuana, medical marijuana concentrate and medical marijuana
22 product for each of the following categories of testing, consistent
23 with standards developed by the ~~Commissioner~~ Authority:

24 1. Microbials;

- 1 2. Mycotoxins;
- 2 3. Residual solvents;
- 3 4. Pesticides;
- 4 5. Tetrahydrocannabinol (THC) and other cannabinoid potency;
- 5 6. Terpenoid potency; and
- 6 7. Heavy metals.

7 R. A test batch shall not exceed ten (10) pounds of usable
8 marijuana or medical marijuana product, as appropriate. A grower
9 shall separate each harvest lot of usable marijuana into harvest
10 batches containing no more than ten (10) pounds. A processor shall
11 separate each medical marijuana production lot into production
12 batches containing no more than ten (10) pounds.

13 S. Medical marijuana testing laboratory licensure shall be
14 contingent upon successful on-site inspection, successful
15 participation in proficiency testing and ongoing compliance with the
16 applicable requirements in this section.

17 T. A medical marijuana testing laboratory shall be inspected
18 prior to initial licensure and annually thereafter by an inspector
19 approved by the Authority.

20 U. Beginning on a date determined by the ~~Commissioner~~ Director
21 of the Alcoholic Beverage Laws Enforcement Commission, not later
22 than January 1, 2020, medical marijuana testing laboratory licensure
23 shall be contingent upon accreditation by the NELAC Institute (TNI),
24 ANSI/ASQ National Accreditation Board or another accrediting body

1 approved by the ~~Commissioner~~ Director, and any applicable standards
2 as determined by the ~~Department~~ Authority.

3 V. A commercial grower shall not transfer or sell medical
4 marijuana and a processor shall not transfer, sell or process into a
5 concentrate or product any medical marijuana, medical marijuana
6 concentrate or medical marijuana product unless samples from each
7 harvest batch or production batch from which that medical marijuana,
8 medical marijuana concentrate or medical marijuana product was
9 derived has been tested by a medical marijuana testing facility for
10 contaminants and passed all contaminant tests required by ~~this act~~
11 the Oklahoma Medical Marijuana and Patient Protection Act.

12 SECTION 25. AMENDATORY Section 18, Chapter 11, O.S.L.
13 2019 (63 O.S. Supp. 2020, Section 427.18), is amended to read as
14 follows:

15 Section 427.18 A. An Oklahoma medical marijuana business shall
16 not sell, transfer or otherwise distribute medical marijuana or
17 medical marijuana product that has not been packaged and labeled in
18 accordance with this section and rules promulgated by the ~~State~~
19 ~~Commissioner of Health~~ Director of the Alcoholic Beverage Laws
20 Enforcement Commission.

21 B. A medical marijuana dispensary shall return medical
22 marijuana and medical marijuana product that does not meet packaging
23 or labeling requirements in this section or rules promulgated
24 pursuant thereto to the entity who transferred it to the dispensary.

1 The medical marijuana dispensary shall document to whom the item was
2 returned, what was returned and the date of the return or dispose of
3 any usable marijuana that does not meet these requirements in
4 accordance with ~~this act~~ the Oklahoma Medical Marijuana and Patient
5 Protection Act.

6 C. 1. Medical marijuana packaging shall be packaged to
7 minimize its appeal to children and shall not depict images other
8 than the business name logo of the medical marijuana producer and
9 image of the product.

10 2. A medical marijuana business shall not place any content on
11 a container in a manner that reasonably appears to target
12 individuals under the age of twenty-one (21), including but not
13 limited to cartoon characters or similar images.

14 3. Labels on a container shall not include any false or
15 misleading statements.

16 4. No container shall be intentionally or knowingly labeled so
17 as to cause a reasonable patient confusion as to whether the medical
18 marijuana, medical marijuana concentrate or medical marijuana
19 product is a trademarked product or labeled in a manner that
20 violates any federal trademark law or regulation.

21 5. The label on the container shall not make any claims
22 regarding health or physical benefits to the patient.

23
24

1 6. All medical marijuana, medical marijuana concentrate and
2 medical marijuana products shall be in a child-resistant container
3 at the point of transfer to the patient or caregiver.

4 D. ~~The State Department of Health~~ Oklahoma Medical Marijuana
5 Authority shall develop minimum standards for packaging and labeling
6 of medical marijuana and medical marijuana products. Such standards
7 shall include, but not be limited to, the required contents of
8 labels to be affixed to all medical marijuana and medical marijuana
9 products prior to transfer to a licensed patient or caregiver, which
10 shall include, at a minimum:

11 1. A universal symbol indicating that the product contains
12 tetrahydrocannabinol (THC);

13 2. THC and other cannabinoid potency, and terpenoid potency;

14 3. A statement indicating that the product has been tested for
15 contaminants;

16 4. One or more product warnings to be determined by the
17 ~~Department~~ Authority; and

18 5. Any other information the ~~Department~~ Authority deems
19 necessary.

20 SECTION 26. AMENDATORY Section 19, Chapter 11, O.S.L.
21 2019 (63 O.S. Supp. 2020, Section 427.19), is amended to read as
22 follows:

23 Section 427.19 A. A medical marijuana research license may be
24 issued to a person to grow, cultivate, possess and transfer, by sale

1 or donation, marijuana pursuant to ~~this act~~ the Oklahoma Medical
2 Marijuana and Patient Protection Act for the limited research
3 purposes identified in this section.

4 B. The fee for a medical marijuana research license shall be
5 Five Hundred Dollars (\$500.00) and shall be payable by an applicant
6 for a medical marijuana research license upon submission of his or
7 her application to the Authority.

8 C. A medical marijuana research license may be issued for the
9 following research purposes:

- 10 1. To test chemical potency and composition levels;
- 11 2. To conduct clinical investigations of marijuana-derived
12 medicinal products;
- 13 3. To conduct research on the efficacy and safety of
14 administering marijuana as part of medical treatment;
- 15 4. To conduct genomic, horticultural or agricultural research;
- 16 and
- 17 5. To conduct research on marijuana-affiliated products or
18 systems.

19 D. 1. As part of the application process for a medical
20 marijuana research license, an applicant shall submit to the
21 Authority a description of the research that the applicant intends
22 to conduct and whether the research will be conducted with a public
23 institution or using public money. If the research will not be
24 conducted with a public institution or with public money, the

1 Authority shall grant the application if it determines that the
2 applicant meets the criteria in this section.

3 2. If the research will be conducted with a public institution
4 or public money, the ~~Department~~ Authority shall review the research
5 project of the applicant to determine if it meets the requirements
6 of this section and to assess the following:

7 a. the quality, study design, value or impact of the
8 project,

9 b. whether the applicant has the appropriate personnel,
10 expertise, facilities, infrastructure, funding and
11 human, animal or other approvals in place to
12 successfully conduct the project, and

13 c. whether the amount of marijuana to be grown by the
14 applicant is consistent with the scope and goals of
15 the project.

16 3. If the Authority determines that the research project does
17 not meet the requirements of this section or assesses the criteria
18 to be inadequate, the application shall be denied.

19 E. A medical marijuana research licensee may only transfer, by
20 sale or donation, marijuana grown within its operation to other
21 medical marijuana research licensees. The ~~Department~~ Authority may
22 revoke a medical marijuana research license for violations of this
23 section and any other violation of ~~this act~~ the Oklahoma Medical
24 Marijuana and Patient Protection Act.

1 F. A medical marijuana research licensee may contract to
2 perform research in conjunction with a public higher education
3 research institution or another medical marijuana research licensee.

4 G. The growing, cultivating, possessing or transferring, by
5 sale or donation, of marijuana in accordance with this section and
6 the rules promulgated pursuant thereto, by a medical marijuana
7 research licensee shall not be a criminal or civil offense under
8 state law. A medical marijuana research license shall be issued in
9 the name of the applicant and shall specify the location in Oklahoma
10 at which the medical marijuana research licensee intends to operate.
11 A medical marijuana research licensee shall not allow any other
12 person to exercise the privilege of the license.

13 H. If the research conducted includes a public institution or
14 public money, the Authority shall review any reports made by medical
15 marijuana research licensees under state licensing authority rule
16 and provide the Authority with its determination on whether the
17 research project continues to meet research qualifications pursuant
18 to this section.

19 SECTION 27. AMENDATORY Section 20, Chapter 11, O.S.L.
20 2019 (63 O.S. Supp. 2020, Section 427.20), is amended to read as
21 follows:

22 Section 427.20 A. There is hereby created a medical marijuana
23 education facility license.

24

1 B. A medical marijuana education facility license may be issued
2 to a person to possess or cultivate marijuana for the limited
3 education and research purposes identified in this section.

4 C. A medical marijuana education facility license may only be
5 granted to a not-for-profit organization structured under Section
6 501(c)(3) of the Internal Revenue Code, operating as an Oklahoma
7 not-for-profit registered organization with the Office of the
8 Secretary of State.

9 D. A medical marijuana education facility license may only be
10 granted upon the submission of a fee of Five Hundred Dollars
11 (\$500.00) to the Authority.

12 E. A medical marijuana education facility license may be issued
13 for the following education and research purposes:

14 1. To test cultivation techniques, strategies, infrastructure,
15 mediums, lighting and other related technology;

16 2. To demonstrate cultivation techniques, strategies,
17 infrastructure, mediums, lighting and other related technology;

18 3. To demonstrate the application and use of product
19 manufacturing technologies;

20 4. To conduct genomic, horticultural or agricultural research;
21 and

22 5. To conduct research on marijuana-affiliated products or
23 systems.

24

1 F. As part of the application process for a medical marijuana
2 education facility license, an applicant shall submit to the
3 Authority a description of the project and curriculum that the
4 applicant intends to conduct and whether the project and curriculum
5 will be conducted with a public institution or using public money.
6 If the research will not be conducted with a public institution or
7 with public money, the Authority shall grant the application. If
8 the research will be conducted with a public institution or public
9 money, the Authority shall review the research project of the
10 applicant to determine if it meets the requirements of this section
11 and to assess the following:

- 12 1. The quality, study design, value or impact of the project;
- 13 2. Whether the applicant has the appropriate personnel,
14 expertise, facilities, infrastructure, funding, and human, animal or
15 other approvals in place to successfully conduct the project; and
- 16 3. Whether the amount of marijuana to be grown by the applicant
17 is consistent with the scope and goals of the project.

18 If the Authority determines that the education project does not meet
19 the requirements of this section or assesses the criteria to be
20 inadequate, the application shall be denied.

21 G. A medical marijuana education facility licensee may only
22 transfer, by sale or donation, marijuana grown within its operation
23 to medical marijuana research licensees. The ~~Department~~ Authority
24 may revoke a medical marijuana education facility license for

1 violations of this section and any other violation of ~~this act~~ the
2 Oklahoma Medical Marijuana and Patient Protection Act.

3 H. A medical marijuana education facility licensee may contract
4 to perform research in conjunction with a public higher education
5 research institution or another research licensee.

6 I. The growing, cultivating, possessing or transferring, by
7 sale or donation, of marijuana in accordance with this section and
8 the rules promulgated pursuant thereto, by a medical marijuana
9 education facility licensee shall not be a criminal or civil offense
10 under state law. A medical marijuana education facility license
11 shall be issued in the name of the applicant and shall specify the
12 location in Oklahoma at which the medical marijuana education
13 facility licensee intends to operate. A medical marijuana education
14 facility licensee shall not allow any other person to exercise the
15 privilege of the license.

16 SECTION 28. AMENDATORY Section 22, Chapter 11, O.S.L.
17 2019 (63 O.S. Supp. 2020, Section 427.22), is amended to read as
18 follows:

19 Section 427.22 A. An application or renewal and supporting
20 information submitted by a qualifying patient or designated
21 caregiver under the provisions of ~~this act~~ the Oklahoma Medical
22 Marijuana and Patient Protection Act including, without limitation,
23 information regarding the physician of the qualifying patient shall
24

1 be considered confidential medical records that are exempt from the
2 Oklahoma Open Records Act.

3 B. The dispensary records with patient information shall be
4 treated as confidential records that are exempt from the Oklahoma
5 Open Records Act.

6 C. All financial information provided by an applicant in its
7 application to the Authority shall be treated as confidential
8 records that are exempt from the Oklahoma Open Records Act.

9 D. All information provided by an applicant that constitutes
10 private business information shall be treated as confidential
11 records that are exempt from the Oklahoma Open Records Act.

12 E. As used in this section, "private business information"
13 means information that, if disclosed, would give advantage to
14 competitors or bidders including, but not limited to, information
15 related to the planning, site location, operations, strategy, or
16 product development and marketing of an applicant, unless approval
17 for release of those records is granted by the business.

18 SECTION 29. AMENDATORY Section 23, Chapter 11, O.S.L.
19 2019, as amended by Section 11, Chapter 477, O.S.L. 2019 (63 O.S.
20 Supp. 2020, Section 427.23), is amended to read as follows:

21 Section 427.23 A. ~~The State Commissioner of Health~~ Director of
22 the Alcoholic Beverage Laws Enforcement Commission, the Oklahoma Tax
23 Commission, the State Treasurer, the Secretary of State and the
24 Director of the Office of Management and Enterprise Services shall

1 promulgate rules to implement the provisions of ~~this act~~ the
2 Oklahoma Medical Marijuana and Patient Protection Act.

3 B. The Food Safety Standards Board, in addition to the powers
4 and duties granted in Section 423 of ~~Title 63 of the Oklahoma~~
5 ~~Statutes~~ this title, may recommend to the ~~State Commissioner of~~
6 ~~Health~~ Director of the Alcoholic Beverage Laws Enforcement
7 Commission rules relating to all aspects of the cultivation and
8 manufacture of medical marijuana products.

9 SECTION 30. AMENDATORY Section 2, Chapter 337, O.S.L.
10 2019 (63 O.S. Supp. 2020, Section 428.1), is amended to read as
11 follows:

12 Section 428.1 As used in ~~this act~~ the Oklahoma Medical
13 Marijuana Waste Management Act:

14 1. "Authority" shall mean the Oklahoma Medical Marijuana
15 Authority, or successor agency;

16 2. "Commercial licensee" shall mean any person or entity issued
17 a license by the Oklahoma Medical Marijuana Authority, or successor
18 agency, to conduct commercial business in this state;

19 3. "Disposal" shall mean the final disposition of medical
20 marijuana waste by either a process which renders the waste unusable
21 through physical destruction or a recycling process;

22 4. "Facility" shall mean a location where the disposal of
23 medical marijuana waste takes place by a licensee;

24

1 5. "License" shall mean a medical marijuana waste disposal
2 license;

3 6. "Licensee" shall mean the holder of a medical marijuana
4 waste disposal license;

5 7. "Medical marijuana waste" shall mean unused, surplus,
6 returned or out-of-date marijuana and plant debris of the plant of
7 the genus Cannabis, including dead plants and all unused plant
8 parts, except the term shall not include roots, stems, stalks and
9 fan leaves; and

10 8. "Medical marijuana waste disposal license" shall mean a
11 license issued by the Oklahoma Medical Marijuana Authority, or
12 successor agency.

13 SECTION 31. AMENDATORY Section 3, Chapter 337, O.S.L.
14 2019 (63 O.S. Supp. 2020, Section 429), is amended to read as
15 follows:

16 Section 429. A. Medical marijuana waste shall be subject to
17 the provisions of ~~this act~~ the Oklahoma Medical Marijuana Waste
18 Management Act and shall not be subject to the provisions of the
19 Uniform Controlled Dangerous Substances Act. Nothing in ~~this act~~
20 the Oklahoma Medical Marijuana Waste Management Act shall alter or
21 affect the jurisdictional areas of environmental responsibility of
22 the Department of Environmental Quality as provided for in Title 27A
23 of the Oklahoma Statutes.

24

1 B. Commercial licensees, medical marijuana research facilities
2 and medical marijuana education facilities shall be authorized to
3 destroy the following marijuana plant parts without being required
4 to utilize the services of a medical marijuana waste disposal
5 facility:

- 6 1. Root balls;
- 7 2. Stems;
- 8 3. Fan leaves; and
- 9 4. Seeds.

10 Unless restricted by local ordinance, commercial licensees,
11 medical marijuana research facilities and medical marijuana
12 education facilities shall be authorized to destroy the above-listed
13 marijuana plant parts on-site by open burning, incineration,
14 burying, mulching, composting or any other technique approved by the
15 Department of Environmental Quality.

16 C. Commercial licensees, medical marijuana research facilities
17 and medical marijuana education facilities engaged in the disposal
18 of medical marijuana waste shall create and maintain documentation
19 on a form prescribed by the Oklahoma Medical Marijuana Authority
20 that includes precise weights or counts of medical marijuana waste
21 and the manner in which the medical marijuana waste is disposed.
22 Such documentation shall contain a witness affidavit and signature
23 attesting to the lawful disposal of the medical marijuana waste
24 under penalty of perjury. All disposal records shall be maintained

1 by commercial licensees, medical marijuana research facilities and
2 medical marijuana educational facilities for a period of five (5)
3 years and shall be subject to inspection and auditing by the
4 Authority.

5 SECTION 32. AMENDATORY Section 4, Chapter 337, O.S.L.
6 2019 (63 O.S. Supp. 2020, Section 430), is amended to read as
7 follows:

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

1 conclusion of the first year, the Authority shall assess the need
2 for additional licenses and shall, if demonstrated, increase the
3 number of licenses as deemed 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:

24

- 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 shall be measured from any entrance of the school to the nearest property line point of the facility, and

1 e. documents establishing the applicant, the members,
2 managers and board members, if applicable, and
3 seventy-five percent (75%) of the ownership interests
4 are Oklahoma residents as established in Section 420
5 et seq. of ~~Title 63 of the Oklahoma Statutes~~ this
6 title, as it relates to proof of residency.

7 C. No license shall be issued except upon proof of sufficient
8 liability insurance and financial responsibility. Liability
9 insurance shall be provided by the applicant and shall apply to
10 sudden and nonsudden bodily injury or property damage on, below or
11 above the surface, as required by the rules of the Authority. Such
12 insurance shall be maintained for the period of operation of the
13 facility and shall provide coverage for damages resulting from
14 operation of the facility during operation and after closing. In
15 lieu of liability insurance required by this subsection, an
16 equivalent amount of cash, securities, bond or alternate financial
17 assurance, of a type and in an amount acceptable to the Authority,
18 may be substituted; provided, that such deposit shall be maintained
19 for a period of five (5) years after the date of last operation of
20 the facility.

21 D. Submission of an application for a medical marijuana waste
22 disposal license shall constitute permission for entry to and
23 inspection of the facility of the licensee during hours of operation
24 and other reasonable times. Refusal to permit such entry of

1 inspection shall constitute grounds for the nonrenewal, suspension
2 or revocation of a license. The Authority may perform an annual
3 unannounced on-site inspection of the operations and facility of the
4 licensee. If the Authority receives a complaint concerning
5 noncompliance by a licensee with the provisions of ~~this act~~ the
6 Oklahoma Medical Marijuana Waste Management Act, the Authority may
7 conduct additional unannounced, on-site inspections beyond an annual
8 inspection. The Authority shall refer all complaints alleging
9 criminal activity that are made against a licensed facility to
10 appropriate state or local law enforcement authorities.

11 E. The Authority shall issue a permit for each medical
12 marijuana waste disposal facility operated by a licensee. A permit
13 shall be issued only upon proper application by a licensee and
14 determination by the Authority that the proposed site and facility
15 are physically and technically suitable. Upon a finding that a
16 proposed medical marijuana waste disposal facility is not physically
17 or technically suitable, the Authority shall deny the permit. The
18 Authority shall have the authority to revoke a permit upon a finding
19 that the site and facility are not physically and technically
20 suitable for processing. The Authority may, upon determining that
21 public health or safety requires emergency action, issue a temporary
22 permit for treatment or storage of medical marijuana waste for a
23 period not to exceed ninety (90) days.

24

1 F. The cost of a medical marijuana waste disposal license shall
2 be Five Thousand Dollars (\$5,000.00) for the initial license. The
3 cost of a medical marijuana waste disposal facility permit shall be
4 Five Hundred Dollars (\$500.00). A medical marijuana waste disposal
5 facility permit that has been revoked shall be reinstated upon
6 remittance of a reinstatement fee of Five Hundred Dollars (\$500.00)
7 to restore the facility permit. All license and permit fees shall
8 be deposited into the ~~Public Health Special~~ Oklahoma Medical
9 Marijuana Authority Revolving Fund as provided in Section ~~1-107~~
10 427.5 of ~~Title 63 of the Oklahoma Statutes~~ this title.

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

15 H. All commercial licensees, as defined in Section ~~2~~ 428.1 of
16 ~~this act~~ this title, shall utilize a licensed medical marijuana
17 waste disposal service to process all medical marijuana waste
18 generated by the licensee.

19 I. The ~~State Commissioner of Health~~ Director of the Alcoholic
20 Beverage Laws Enforcement Commission shall promulgate rules for the
21 implementation of ~~this act~~ the Oklahoma Medical Marijuana Waste
22 Management Act. Promulgated rules shall address disposal process
23 standards, site security and any other subject matter deemed
24 necessary by the Authority.

