

<DateSubmitted>

HOUSE OF REPRESENTATIVES
CONFERENCE COMMITTEE REPORT

Mr. President:
Mr. Speaker:

The Conference Committee, to which was referred

HB3208

By: Cornwell of the House and Paxton of the Senate

Title: Medical marijuana; expanding scope of powers and duties; effective date; emergency.

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. That the Senate recede from its amendment; and
2. By adopting the following conference committee amendment to restore the title to read as follows:

An Act relating to medical marijuana; amending 63 O.S. 2021, Section 427.3, which relates to the Oklahoma Medical Marijuana and Patient Protection Act; expanding scope of powers and duties; directing the Oklahoma Medical Marijuana Authority to declare and establish a moratorium on issuing certain medical marijuana business licenses; providing an exception; requiring review and processing of applications received prior to certain date; directing the Authority to promulgate rules; providing for codification; providing an effective date; and declaring an emergency.

Respectfully submitted,

SENATE CONFEREES

Paxton _____

Leewright _____

Taylor _____

Rosino _____

Dossett (J.J.) _____

1 ENGROSSED SENATE AMENDMENT
TO
2 ENGROSSED HOUSE
BILL NO. 3208

By: Cornwell, West (Josh),
Bashore, and Kendrix of the
House

and

Paxton of the Senate

8 An Act relating to medical marijuana; amending 63
9 O.S. 2021, Section 427.3, which relates to the
Oklahoma Medical Marijuana and Patient Protection
10 Act; expanding scope of powers and duties; directing
Oklahoma Medical Marijuana Authority to declare and
11 establish moratorium on issuing certain medical
marijuana business licenses; providing an exception;
12 requiring review and processing of applications
received prior to certain date; directing the
13 Authority to promulgate rules; providing for
codification; providing an effective date; and
14 declaring an emergency.

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16 AUTHOR: Add the following House Coauthor: Roberts (Eric)

17 AMENDMENT NO. 1. Page 1, strike the title to read

18 "[medical marijuana - Oklahoma Medical Marijuana and
19 Patient Protection Act - scope of powers and duties -
moratorium on issuing certain medical marijuana
20 business licenses - codification - effective date -
emergency]"

1 Passed the Senate the 28th day of April, 2022.

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3 _____
4 Presiding Officer of the Senate

5 Passed the House of Representatives the ____ day of _____,
6 2022.

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8 _____
9 Presiding Officer of the House
10 of Representatives

1 ENGROSSED HOUSE
2 BILL NO. 3208

By: Cornwell, West (Josh),
Bashore, and Kendrix of the
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16 received prior to certain date; directing the
17 Authority to promulgate rules; providing for
18 codification; providing an effective date; and
19 declaring an emergency.

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

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

Section 427.3 A. There is hereby created the Oklahoma Medical
Marijuana Authority within the State Department of Health which
shall address issues related to the medical marijuana program in
Oklahoma including, but not limited to, the issuance of patient
licenses and medical marijuana business licenses, and the
dispensing, cultivating, processing, testing, transporting, storage,

1 research, and the use of and sale of medical marijuana pursuant to
2 the Oklahoma Medical Marijuana and Patient Protection Act.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 12. Declare and establish a moratorium on processing and
2 issuing new medical marijuana business licenses pursuant to Section
3 427.14 of this title for an amount of time the Authority deems
4 necessary.

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

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

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

1 provided, however, the Authority shall be authorized to deny the
2 request for issuance of a medical marijuana business license due to
3 a change in ownership if the licensee is subject to any disciplinary
4 action that may necessitate the revocation, suspension, or
5 nonrenewal of the medical marijuana business license.

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

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

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

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

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1 Passed the House of Representatives the 23rd day of March, 2022.

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4 Presiding Officer of the House
of Representatives

5 Passed the Senate the ____ day of _____, 2022.

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9 Presiding Officer of the Senate