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HOUSE OF REPRESENTATIVES CONFERENCE COMMITTEE REPORT

	resident:						
Mr. S _l	peaker:						
The C	Conference Committee, to	which was referred	i				
			HB3971				
Ву:	Burns of the House and L	_eewright of the Se	enate				
Title:	Medical marijuana; aus shoppers; inspections;	_	noma Medical Marijuana Authority Its; effective date.	to employ secret			
-			ereto, beg leave to report that we hereto, same with the following recomme				
	at the Senate recede from at the attached Conference						
Respectfully submitted,							
House	Action	Date	Senate Action	Date			

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SENATE CONFERE	<u>EES</u>		
Leewright		_	
Paxton		_	
Taylor		_	
Rosino		_	
Dossett (J.J.)		_	

House Action ______ Date _____ Senate Action _____ Date _____

1 STATE OF OKLAHOMA 2 2nd Session of the 58th Legislature (2022) 3 CONFERENCE COMMITTEE SUBSTITUTE FOR ENGROSSED 4 HOUSE BILL NO. 3971 By: Burns, West (Josh) and 5 McDugle of the House 6 and 7 Leewright of the Senate 8 9 10 CONFERENCE COMMITTEE SUBSTITUTE An Act relating to medical marijuana; authorizing the 11 Oklahoma Medical Marijuana Authority to employ secret shoppers for certain purpose; directing secret 12 shoppers to purchase specific amounts for compliance 1.3 tests; providing guidelines for testing samples; directing secret shoppers to deliver samples to 14 quality assurance laboratories for certain testing; directing the Authority to annually inspect minimum number of licensed medical marijuana dispensaries; 15 providing for the recall of medical marijuana and 16 marijuana products for safety failures; providing for the verification of certain laboratory results; 17 requiring the retention of investigative results for certain number of years; directing the Authority to 18 implement rules for providing certain notice; authorizing the Authority to take certain 19 disciplinary actions; allowing the Authority to share investigative results with certain entities; authorizing the Authority to conduct further 20 evaluation of investigative results; providing for the revocation of business licenses under certain 2.1 circumstances; directing the Authority to implement 22 certain rules; providing for codification; and providing an effective date. 23 24 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

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SECTION 1. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 427.25 of Title 63, unless there is created a duplication in numbering, reads as follows:

- A. The Oklahoma Medical Marijuana Authority shall implement rules to employ secret shoppers. Secret shoppers shall purchase medical marijuana or marijuana products from licensed medical marijuana dispensaries.
- B. For each purchase, the secret shopper shall buy an amount of medical marijuana or marijuana products sufficient for five complete compliance tests. Four samples shall be tested by licensed medical marijuana testing laboratories, one of which shall be the laboratory of origin, if applicable. One sample shall be kept in reserve by the Authority in the event of a discrepancy between the testing laboratories, which may require retesting of the medical marijuana or marijuana products. When making purchases from a licensed medical marijuana dispensary, the secret shopper shall ask for the certificate of analysis for each product purchased.
- C. The secret shopper shall deliver the medical marijuana or marijuana products to a quality assurance laboratory for homogenization. Once the samples have been homogenized, the samples shall be delivered to four randomly selected licensed medical marijuana testing laboratories for compliance testing which shall include the testing for pesticides, heavy metals, microbials, residual solvents for extracted products, and potency. One sample

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shall be kept by the Authority in reserve. If the medical marijuana or marijuana products were previously tested with available results from a licensed medical marijuana testing laboratory, that testing laboratory shall be one of the four licensed medical marijuana testing laboratories chosen by the Authority. For the avoidance of doubt, neither the licensed medical marijuana dispensary nor the licensed medical marijuana testing laboratory shall be told that the business entity is selling medical marijuana or marijuana products to a secret shopper or testing samples submitted by a secret shopper employed by the Authority and posing as a licensed medical marijuana patient.

- D. The Authority shall inspect, by secret shopper, a minimum of fifty licensed medical marijuana dispensaries annually beginning January 1, 2024. In the year 2025, the Authority shall inspect, by secret shopper, a minimum of ten percent (10%) of randomly selected licensed medical marijuana dispensaries in Oklahoma per year.
- E. 1. When the licensed medical marijuana testing laboratories unanimously confirm test results with safety failures for contaminants, the Authority shall recall the medical marijuana or marijuana product within seven (7) days of obtaining the test results. The name of the licensed medical marijuana dispensary and any other relevant product information shall be made public via a press release issued by the Authority. If there is greater than one but less than four contaminant fails among the licensed medical

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marijuana testing laboratories, the Authority shall work with a quality assurance laboratory to verify the results of the licensed medical marijuana testing laboratories and take appropriate action.

- 2. When the average of total potency or total terpene results collected from a licensed medical marijuana testing laboratory for a particular product is outside the allowable limits, the Authority shall work with a quality assurance laboratory to verify the results of the testing laboratory. If results are verified to be outside the allowable limits, the Authority shall require relabeling of the medical marijuana or marijuana products.
- 3. All investigative results shall be retained by the Authority for a minimum of three (3) years.
- 4. The Authority shall implement rules to notify any licensed medical marijuana dispensary and licensed medical marijuana grower or licensed medical marijuana processor of any investigative results determined to be noncompliant.
- 5. After the licensed medical marijuana dispensary and licensed medical marijuana grower or licensed medical marijuana processor is notified of the investigative results, such results may be used by the Authority to take action against the licensee, assess fines, or assess other civil penalties available to the Authority.
- 6. The Authority shall implement rules on sharing such investigative results with any other law enforcement agencies or regulatory authorities.

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- 7. The Authority may elect to conduct further evaluations of the investigative results at any time for verification or for other purposes reasonably related to sanitation, public health, or public safety.
- F. The failure of any licensed medical marijuana business to cooperate with the provisions of this section may result in the revocation of the license at the discretion of the Authority.
- G. The Authority shall implement rules necessary to enforce the provisions of this act.
- 10 | SECTION 2. This act shall become effective January 1, 2024.

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