

<DateSubmitted>

HOUSE OF REPRESENTATIVES
CONFERENCE COMMITTEE REPORT

Mr. President:
Mr. Speaker:

The Conference Committee, to which was referred

HB4055

By: Marti of the House and Paxton of the Senate

Title: Medical marijuana; public utilities; report monthly commodity usage; Oklahoma Medical Marijuana Authority; monitoring; 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. That the Senate recede from its amendment; and
2. That the following Conference Committee Substitute be adopted.

Respectfully submitted,

SENATE CONFEREES

Paxton _____

Leewright _____

Taylor _____

Rosino _____

Dossett (J.J.) _____

1 STATE OF OKLAHOMA

2 2nd Session of the 58th Legislature (2022)

3 CONFERENCE COMMITTEE
4 SUBSTITUTE
5 FOR ENGROSSED
6 HOUSE BILL NO. 4055

By: Marti, Davis, Talley, and
McDugle of the House

7 and

Paxton of the Senate

8
9
10 CONFERENCE COMMITTEE SUBSTITUTE

11 An Act relating to medical marijuana; requiring
12 licensed medical marijuana commercial growers to
13 inform retail suppliers or electric cooperatives as
14 to their license status; requiring transmission of
15 monthly usage reports in certain format to the
16 Oklahoma Medical Marijuana Authority; amending 63
17 O.S. 2021, Section 427.3, which relates to the
18 Oklahoma Medical Marijuana and Patient Protection
19 Act; requiring establishment of procedures to
20 monitor, collect, and transmit certain usage
21 information of licensed medical marijuana commercial
22 growers; providing for the transmission of monthly
23 usage reports; requiring the development of rules,
24 exemptions, and procedures; providing for license
revocation; providing for codification; and providing
an effective date.

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

SECTION 1. NEW LAW A new section of law to be codified
in the Oklahoma Statutes as Section 180.12 of Title 17, unless there
is created a duplication in numbering, reads as follows:

1 Every existing licensed medical marijuana commercial grower
2 shall be required to inform retail suppliers or electric
3 cooperatives utilized of their status as a licensed medical
4 marijuana commercial grower within thirty (30) days after the
5 effective date of this act. Every licensed medical marijuana
6 commercial grower that receives a license after the effective date
7 of this act shall inform retail suppliers or electric cooperatives
8 utilized of their status as a licensed medical marijuana commercial
9 grower at the time of the connection of services. As provided for
10 in paragraph 12 of subsection D of Section 427.3 of Title 63 of the
11 Oklahoma Statutes, a licensed medical marijuana commercial grower
12 shall transmit monthly reports to the Oklahoma Medical Marijuana
13 Authority providing the amount of electricity and water consumed.
14 The monthly reports shall be transmitted in an electronic format
15 that can be integrated with the seed-to-sale software of the
16 Authority.

17 SECTION 2. AMENDATORY 63 O.S. 2021, Section 427.3, is
18 amended to read as follows:

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

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

11 D. The Department shall exercise its respective powers and
12 perform its respective duties and functions as specified in the
13 Oklahoma Medical Marijuana and Patient Protection Act and this title
14 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
24

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;

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 of Health 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. Establish an electronic procedure for monitoring,
2 collecting, and transmitting licensed medical marijuana commercial
3 growers' monthly usage of electricity and water provided by retail
4 suppliers or electric cooperatives. The Authority shall provide
5 licensed medical marijuana commercial growers a means to transmit
6 monthly reports regarding the amounts of electricity and water
7 consumed by licensed medical marijuana commercial growers. In
8 addition, the Authority shall develop rules, exemptions from the
9 requirements of this paragraph, and any necessary procedures for the
10 metering of the usage of electricity and water by licensed medical
11 marijuana commercial growers that are not supplied by retail
12 suppliers or electric cooperatives including, but not limited to,
13 the usage of well water and gas-powered generators. Refusal or
14 failure to submit the required monthly usage reports or use of an
15 unpermitted water source by a licensed medical marijuana commercial
16 grower shall result in the permanent revocation of the medical
17 marijuana commercial grower license.

18 SECTION 3. This act shall become effective November 1, 2022.

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