

<DateSubmitted>

HOUSE OF REPRESENTATIVES  
CONFERENCE COMMITTEE REPORT

Mr. President:  
Mr. Speaker:

The Conference Committee, to which was referred

**HB4056**

By: Marti of the House and Paxton of the Senate

Title: Medical marijuana; Laboratory recommendations, standards and operating procedures;  
Oklahoma Medical Marijuana Authority; rules; 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. That the attached 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. 4056

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

7 and

Paxton of the Senate

8  
9  
10  
11 CONFERENCE COMMITTEE SUBSTITUTE

12 An Act relating to medical marijuana; amending 63  
13 O.S. 2021, Section 427.17, which relates to the  
14 Oklahoma Medical Marijuana and Patient Protection  
15 Act; directing certain entities to provide  
16 recommendations, standards and operating procedures  
17 to the Oklahoma Medical Marijuana Authority;  
18 directing the Authority to promulgate rules;  
19 requiring licensed medical marijuana testing  
20 laboratories to comply with rules; providing for  
21 license revocation; and declaring an emergency.

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

23 SECTION 1. AMENDATORY 63 O.S. 2021, Section 427.17, is  
24 amended to read as follows:

Section 427.17 A. There is hereby created a medical marijuana  
testing laboratory license as a category of the medical marijuana  
business license. The Oklahoma Medical Marijuana Authority is

1 hereby enabled to monitor, inspect and audit a licensed testing  
2 laboratory under the Oklahoma Medical Marijuana and Patient  
3 Protection Act.

4 B. 1. The Authority is hereby authorized to contract with a  
5 private laboratory for the purpose of conducting compliance testing  
6 of medical marijuana testing laboratories licensed in this state.  
7 Any such laboratory under contract for compliance testing shall be  
8 prohibited from conducting any other commercial medical marijuana  
9 testing in this state. The laboratory the Authority contracts with  
10 for compliance testing shall not employ, or be owned by, the  
11 following:

12 ~~1. Any~~

13 a. any individual that has a direct or indirect interest  
14 in a licensed medical marijuana business~~+~~l or

15 ~~2. Any~~

16 b. any individual or his or her spouse, parent, child,  
17 spouse of a child, sibling or spouse of a sibling that  
18 has an application for a medical marijuana business  
19 license pending before the Department or is a member  
20 of the board of directors of a medical marijuana  
21 business, or is an individual financially interested  
22 in any licensee or medical marijuana business located  
23 within this state.

24

1        2. The private laboratory under contract with the Authority for  
2 compliance testing and a board or committee comprised of licensed  
3 Oklahoma medical marijuana laboratories currently accredited by the  
4 International Organization for Standardization (ISO) shall provide  
5 to the Authority its recommendations for all equipment and standards  
6 to be utilized by licensed medical marijuana testing laboratories  
7 when testing samples of medical marijuana, medical marijuana  
8 concentrate, and medical marijuana products as well as standard  
9 operating procedures when extracting and testing medical marijuana,  
10 medical marijuana concentrate, and medical marijuana products. The  
11 recommendations shall be submitted to the Authority no later than  
12 June 1, 2023. The Authority shall have ninety (90) days from the  
13 date it receives the recommendations to promulgate new rules or  
14 modify its current rules for laboratory standards and testing.  
15 Beginning June 1, 2024, medical marijuana testing laboratories  
16 renewing their medical marijuana business license shall be subject  
17 to and comply with any new or modified rules relating to the testing  
18 of medical marijuana, medical marijuana concentrate, and medical  
19 marijuana products. The refusal or failure of a medical marijuana  
20 testing laboratory licensee to comply with new or modified rules  
21 relating to laboratory standards and testing procedures promulgated  
22 under the provisions of this paragraph shall result in the permanent  
23 revocation of the medical marijuana testing laboratory license.

24

1 C. The Authority shall develop acceptable testing practices  
2 including, but not limited to, testing, standards, quality control  
3 analysis, equipment certification and calibration, and chemical  
4 identification and substances used.

5 D. A person who is a direct beneficial owner of a medical  
6 marijuana dispensary, medical marijuana commercial grower or medical  
7 marijuana processor shall 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 on medical marijuana and medical  
15 marijuana products for medical marijuana businesses, medical  
16 marijuana research facilities, medical marijuana education  
17 facilities, and testing on marijuana and marijuana products grown or  
18 produced by a patient or caregiver on behalf of a patient, upon  
19 verification of registration. A medical marijuana testing  
20 laboratory may also conduct research related to the development and  
21 improvement of its testing practices and procedures. No state-  
22 approved medical marijuana testing facility shall operate unless a  
23 medical laboratory director is on site during operational hours.

24

1 H. Laboratory applicants and licensees shall comply with the  
2 application requirements of this section and shall submit such other  
3 information as required for a medical marijuana business applicant,  
4 in addition to any information the Authority may request for initial  
5 approval and periodic evaluations during the approval period.

6 I. A medical marijuana testing laboratory may accept samples of  
7 medical marijuana, medical marijuana concentrate or medical  
8 marijuana product from a medical marijuana business, medical  
9 marijuana research facility or medical marijuana education facility  
10 for testing purposes only, which purposes may include the provision  
11 of testing services for samples submitted by a medical marijuana  
12 business for product development. The Department may require a  
13 medical marijuana business to submit a sample of medical marijuana,  
14 medical marijuana concentrate or medical marijuana product to a  
15 medical marijuana testing or quality assurance laboratory upon  
16 demand.

17 J. A medical marijuana testing laboratory may accept samples of  
18 medical marijuana, medical marijuana concentrate or medical  
19 marijuana product from an individual person for testing only under  
20 the following conditions:

21 1. The individual person is a patient or caregiver pursuant to  
22 the Oklahoma Medical Marijuana and Patient Protection Act or is a  
23 participant in an approved clinical or observational study conducted  
24 by a research facility; and

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

4           K. A medical marijuana testing laboratory may transfer samples  
5 to another medical marijuana testing laboratory for testing. All  
6 laboratory reports provided to or by a medical marijuana business or  
7 to a patient or caregiver shall identify the medical marijuana  
8 testing laboratory that actually conducted the test.

9           L. A medical marijuana testing laboratory may utilize a  
10 licensed medical marijuana transporter to transport samples of  
11 medical marijuana, medical marijuana concentrate and medical  
12 marijuana product for testing, in accordance with the Oklahoma  
13 Medical Marijuana and Patient Protection Act and the rules adopted  
14 pursuant thereto, between the originating medical marijuana business  
15 requesting testing services and the destination laboratory  
16 performing testing services.

17           M. The medical marijuana testing laboratory shall establish  
18 policies to prevent the existence of or appearance of undue  
19 commercial, financial or other influences that may diminish the  
20 competency, impartiality and integrity of the testing processes or  
21 results of the laboratory, or that may diminish public confidence in  
22 the competency, impartiality and integrity of the testing processes  
23 or results of the laboratory. At a minimum, employees, owners or  
24 agents of a medical marijuana testing laboratory who participate in



1 any aspect of the analysis and results of a sample are prohibited  
2 from improperly influencing the testing process, improperly  
3 manipulating data or improperly benefiting from any ongoing  
4 financial, employment, personal or business relationship with the  
5 medical marijuana business that provided the sample. A medical  
6 marijuana testing laboratory shall not test samples for any medical  
7 marijuana business in which an owner, employee or agent of the  
8 medical marijuana testing laboratory has any form of ownership or  
9 financial interest in the medical marijuana business.

10 N. The Department, pursuant to rules promulgated by the State  
11 Commissioner of Health, shall develop standards, policies and  
12 procedures as necessary for:

13 1. The cleanliness and orderliness of a laboratory premises and  
14 the location of the laboratory in a secure location, and inspection,  
15 cleaning and maintenance of any equipment or utensils used for the  
16 analysis of test samples;

17 2. Testing procedures, testing standards for cannabinoid and  
18 terpenoid potency and safe levels of contaminants, and remediation  
19 procedures;

20 3. Controlled access areas for storage of medical marijuana and  
21 medical marijuana product test samples, waste and reference  
22 standards;

23 4. Records to be retained and computer systems to be utilized  
24 by the laboratory;

- 1           5. The possession, storage and use by the laboratory of  
2 reagents, solutions and reference standards;
- 3           6. A certificate of analysis (COA) for each lot of reference  
4 standard;
- 5           7. The transport and disposal of unused marijuana, marijuana  
6 products and waste;
- 7           8. The mandatory use by a laboratory of an inventory tracking  
8 system to ensure all harvest and production batches or samples  
9 containing medical marijuana, medical marijuana concentrate or  
10 medical marijuana products are identified and tracked from the point  
11 they are transferred from a medical marijuana business, a patient or  
12 a caregiver through the point of transfer, destruction or disposal.  
13 The inventory tracking system reporting shall include the results of  
14 any tests that are conducted on medical marijuana, medical marijuana  
15 concentrate or medical marijuana product;
- 16           9. Standards of performance;
- 17           10. The employment of laboratory personnel;
- 18           11. A written standard operating procedure manual to be  
19 maintained and updated by the laboratory;
- 20           12. The successful participation in a Department-approved  
21 proficiency testing program for each testing category listed in this  
22 section, in order to obtain and maintain certification;
- 23  
24

1 13. The establishment of and adherence to a quality assurance  
2 and quality control program to ensure sufficient monitoring of  
3 laboratory processes and quality of results reported;

4 14. The immediate recall of medical marijuana or medical  
5 marijuana products that test above allowable thresholds or are  
6 otherwise determined to be unsafe;

7 15. The establishment by the laboratory of a system to document  
8 the complete chain of custody for samples from receipt through  
9 disposal;

10 16. The establishment by the laboratory of a system to retain  
11 and maintain all required records, including business records, and  
12 processes to ensure results are reported in a timely and accurate  
13 manner; and

14 17. Any other aspect of laboratory testing of medical marijuana  
15 or medical marijuana product deemed necessary by the Department.

16 O. A medical marijuana testing laboratory shall promptly  
17 provide the Department or designee of the Department access to a  
18 report of a test and any underlying data that is conducted on a  
19 sample at the request of a medical marijuana business or qualified  
20 patient. A medical marijuana testing laboratory shall also provide  
21 access to the Department or designee of the Department to laboratory  
22 premises and to any material or information requested by the  
23 Department to determine compliance with the requirements of this  
24 section.

1 P. A medical marijuana testing laboratory shall retain all  
2 results of laboratory tests conducted on marijuana or products for a  
3 period of at least seven (7) years and shall make them available to  
4 the Department upon request.

5 Q. A medical marijuana testing laboratory shall test samples  
6 from each harvest batch or product batch, as appropriate, of medical  
7 marijuana, medical marijuana concentrate and medical marijuana  
8 product for each of the following categories of testing, consistent  
9 with standards developed by the Commissioner:

- 10 1. Microbials;
- 11 2. Mycotoxins;
- 12 3. Residual solvents;
- 13 4. Pesticides;
- 14 5. Tetrahydrocannabinol (THC) and other cannabinoid potency;
- 15 6. Terpenoid type and concentration; and
- 16 7. Heavy metals.

17 R. A licensed medical marijuana testing laboratory shall test  
18 each individual harvest batch. A grower shall separate each harvest  
19 lot of usable marijuana into harvest batches containing no more than  
20 fifteen (15) pounds, with the exception of any plant material to be  
21 sold to a licensed processor for the purposes of turning the plant  
22 material into concentrate which may be separated into harvest  
23 batches of no more than fifty (50) pounds. A processor shall  
24 separate each medical marijuana production lot into production

1 batches containing no more than four (4) liters of concentrate or  
2 nine (9) pounds for nonliquid products, and for final products, the  
3 Oklahoma Medical Marijuana Authority shall be authorized to  
4 promulgate rules on final products as necessary. Provided, however,  
5 the Authority shall not require testing of final products less often  
6 than every one thousand (1,000) grams of THC. As used in this  
7 subsection, "final products" shall include, but not be limited to,  
8 cookies, brownies, candies, gummies, beverages and chocolates.

9 S. Medical marijuana testing laboratory licensure shall be  
10 contingent upon successful on-site inspection, successful  
11 participation in proficiency testing and ongoing compliance with the  
12 applicable requirements in this section.

13 T. A medical marijuana testing laboratory shall be inspected  
14 prior to initial licensure and up to two (2) times per year  
15 thereafter by an inspector approved by the Authority. The Authority  
16 may enter the licensed premises of a testing laboratory to conduct  
17 investigations and additional inspections when the Authority  
18 believes an investigation or additional inspection is necessary due  
19 to a possible violation of applicable laws, rules or regulations.

20 U. Medical marijuana testing laboratories shall obtain  
21 accreditation by an accrediting body approved by the Commissioner  
22 within one (1) year of the date the initial license is issued.  
23 Renewal of any medical marijuana testing laboratory license shall be  
24 contingent upon accreditation in accordance with this subsection.

1 All medical marijuana testing laboratories shall obtain  
2 accreditation prior to applying for and receiving a medical  
3 marijuana testing laboratory license.

4 V. Unless authorized by the provisions of this section, a  
5 commercial grower shall not transfer or sell medical marijuana and a  
6 processor shall not transfer, sell or process into a concentrate or  
7 product any medical marijuana, medical marijuana concentrate or  
8 medical marijuana product unless samples from each harvest batch or  
9 production batch from which that medical marijuana, medical  
10 marijuana concentrate or medical marijuana product was derived has  
11 been tested by a medical marijuana testing laboratory and passed all  
12 contaminant tests required by the Oklahoma Medical Marijuana and  
13 Patient Protection Act and applicable laws, rules and regulations.  
14 A licensed commercial grower may transfer medical marijuana that has  
15 failed testing to a licensed processor only for the purposes of  
16 decontamination or remediation and only in accordance with the  
17 provisions of the Oklahoma Medical Marijuana and Patient Protection  
18 Act and the rules and regulations of the Department. Remediated and  
19 decontaminated medical marijuana may be returned only to the  
20 originating licensed commercial grower.

21 W. Kief shall not be transferred or sold except as authorized  
22 in the rules and regulations of the Department.

23 SECTION 2. It being immediately necessary for the preservation  
24 of the public peace, health or safety, an emergency is hereby

1 declared to exist, by reason whereof this act shall take effect and  
2 be in full force from and after its passage and approval.

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4 58-2-11527 GRS 05/11/22

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