

1 STATE OF OKLAHOMA

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

3 SENATE BILL 1543

By: Treat

4
5
6 AS INTRODUCED

7 An Act relating to medical marijuana; amending 63
8 O.S. 2021, Sections 420, as last amended by Section
9 1, Chapter 584, O.S.L. 2021, 421, 422, 423, 425, as
10 last amended by Section 5, Chapter 553, O.S.L. 2021,
11 426.1, as last amended by Section 7, Chapter 553,
12 O.S.L. 2021, and 427.2, as last amended by Section 8,
13 Chapter 553, O.S.L. 2021, which relate to medical
14 marijuana; conforming language; updating statutory
15 language; amending 63 O.S. 2021, Section 427.3, as
16 last amended by Section 9, Chapter 553, O.S.L. 2021,
17 which relates to Oklahoma Medical Marijuana
18 Authority; making Authority separate and distinct
19 agency; directing Authority and Executive Director of
20 the Authority to continue to exercise statutory
21 powers, duties, and responsibilities; providing for
22 continuation of rights and privileges of certain
23 licenses subject to certain condition; providing for
24 succession to contractual rights and
responsibilities; requiring Executive Director to
adopt and enforce certain rules and authorizing
further rulemaking authority; authorizing execution
of certain agreement; requiring consent of employees
prior to transfer; providing certain protections
relating to salary, leave, time earned, and benefits;
requiring transfer of personnel to be coordinated
with Office of Management and Enterprise Services;
requiring Authority to pay certain expenses;
abolishing certain division within State Department
of Health upon completion of transfer; directing
certain coordination; providing for certain
transfers; exempting Authority from the Oklahoma
Central Purchasing Act; amending 63 O.S. 2021,
Section 427.4, as amended by Section 10, Chapter 553,
O.S.L. 2021, which relates to Executive Director of
the Authority; providing for appointment of Executive

1 Director; modifying enforcement powers of Authority;
2 requiring investigators to meet certain training
3 requirements; authorizing certain arrests and
4 assistance of law enforcement; allowing Executive
5 Director to employ or contract with attorneys;
6 conforming language; updating statutory language;
7 amending 63 O.S. 2021, Sections 427.6, as last
8 amended by Section 11, Chapter 553, O.S.L. 2021,
9 427.9, 427.10, 427.11, 427.13, as last amended by
10 Section 16, Chapter 553, O.S.L. 2021, 427.14, as last
11 amended by Section 17, Chapter 553, O.S.L. 2021,
12 427.16, as last amended by Section 18, Chapter 553,
13 O.S.L. 2021, 427.17, 427.18, 427.19, 427.20, and
14 427.22, which relate to medical marijuana; conforming
15 language; updating statutory language; amending 63
16 O.S. 2021, Section 427.23, which relates to medical
17 marijuana; removing provisions relating to Medical
18 Marijuana Advisory Council; conforming language;
19 updating statutory language; amending 63 O.S. 2021,
20 Sections 427.24 and 430, as last amended by Section
21 28, Chapter 553, O.S.L. 2021, which relate to medical
22 marijuana; conforming language; updating statutory
23 language; amending 74 O.S. 2021, Section 85.3A, as
24 last amended by Section 13, Chapter 101, O.S.L. 2021,
25 which relates to entities exempted from the Oklahoma
26 Central Purchasing Act; adding exemption; and
27 providing an effective date.

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

29 SECTION 1. AMENDATORY 63 O.S. 2021, Section 420, as last
30 amended by Section 1, Chapter 584, O.S.L. 2021, is amended to read
31 as follows:

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

- 34 1. Consume marijuana legally;

1 2. Legally possess up to three (3) ounces or eighty-four and
2 nine-tenths (84.9) grams of marijuana on their person;

3 3. Legally possess six mature marijuana plants and the
4 harvested marijuana therefrom;

5 4. Legally possess six seedling plants;

6 5. Legally possess one (1) ounce or twenty-eight and three-
7 tenths (28.3) grams of concentrated marijuana;

8 6. Legally possess seventy-two (72) ounces or two thousand
9 thirty-seven and six-tenths (2,037.6) grams of edible marijuana;

10 7. Legally possess up to eight (8) ounces or two hundred
11 twenty-six and four-tenths (226.4) grams of marijuana in their
12 residence; and

13 8. Legally possess seventy-two (72) ounces of topical
14 marijuana.

15 B. Possession of up to one and one-half (1.5) ounces or forty-
16 two and forty-five one-hundredths (42.45) grams of marijuana by
17 persons who can state a medical condition, but are not in possession
18 of a state-issued medical marijuana patient license, shall
19 constitute a misdemeanor offense not subject to imprisonment but
20 punishable by a fine not to exceed Four Hundred Dollars (\$400.00).
21 Any law enforcement officer who comes in contact with a person in
22 violation of this subsection and who is satisfied as to the identity
23 of the person, as well as any other pertinent information the law
24 enforcement officer deems necessary, shall issue to the person a

1 written citation containing a notice to answer the charge against
2 the person in the appropriate court. Upon receiving the written
3 promise of the alleged violator to answer as specified in the
4 citation, the law enforcement officer shall release the person upon
5 personal recognizance unless there has been a violation of another
6 provision of law.

7 C. ~~A regulatory office~~ The Oklahoma Medical Marijuana Authority
8 shall be established ~~under the State Department of Health~~ which
9 shall receive applications for medical marijuana patient and
10 caregiver license recipients, dispensaries, growers and processors
11 within sixty (60) days of the passage of this initiative.

12 D. ~~The State Department of Health~~ Authority shall, within
13 thirty (30) days of passage of this initiative, make available on
14 its website, in an easy-to-find location, an application for a
15 medical marijuana patient license. The license shall be valid for
16 two (2) years. The biannual application fee shall be One Hundred
17 Dollars (\$100.00), or Twenty Dollars (\$20.00) for individuals on
18 Medicaid, Medicare or SoonerCare. The methods of payment shall be
19 provided on the website of the ~~Department~~ Authority. Reprints of
20 the medical marijuana patient license shall be Twenty Dollars
21 (\$20.00).

22 E. A short-term medical marijuana patient license application
23 shall also be made available on the website of the ~~State Department~~
24 ~~of Health~~ Authority. A short-term medical marijuana patient license

1 shall be granted to any applicant who can meet the requirements for
2 a two-year medical marijuana patient license, but whose physician
3 recommendation for medical marijuana is only valid for sixty (60)
4 days. Short-term medical marijuana patient licenses shall be issued
5 for sixty (60) days. The fee for a short-term medical marijuana
6 patient license, reprints of the short-term medical marijuana
7 patient license and the procedure for extending or renewing the
8 license shall be determined by the ~~Department~~ Executive Director of
9 the Authority.

10 F. A temporary medical marijuana patient license application
11 shall also be available on the website of the ~~State Department of~~
12 ~~Health~~ Authority for residents of other states. Temporary medical
13 marijuana patient licenses shall be granted to medical marijuana
14 license holders from other states, provided that such states have
15 state-regulated medical marijuana programs and applicants can prove
16 they are members of such programs. Temporary medical marijuana
17 patient licenses shall be issued for thirty (30) days. The cost for
18 a temporary medical marijuana patient license shall be One Hundred
19 Dollars (\$100.00). Renewal shall be granted with resubmission of a
20 new application. No additional criteria shall be required.
21 Reprints of the temporary medical marijuana patient license shall be
22 Twenty Dollars (\$20.00).

23 G. Medical marijuana patient license applicants shall submit
24 their applications to the ~~State Department of Health~~ Authority for
25

1 approval. The applicant shall be a resident of ~~Oklahoma~~ this state
2 and shall prove residency by a valid driver license, utility bills,
3 or other accepted methods.

4 H. The ~~State Department of Health~~ Authority shall review the
5 medical marijuana patient license application; approve, reject or
6 deny the application; and mail the approval, rejection or denial
7 letter stating any reasons for the rejection or denial to the
8 applicant within fourteen (14) business days of receipt of the
9 application. Approved applicants shall be issued a medical
10 marijuana patient license which shall act as proof of his or her
11 approved status. Applications may only be rejected or denied based
12 on the applicant not meeting stated criteria or improper completion
13 of the application.

14 I. The ~~State Department of Health~~ Authority shall make
15 available, both on its website and through a telephone verification
16 system, an easy method to validate the authenticity of the medical
17 marijuana patient license by the unique 24-character identification
18 number.

19 J. The ~~State Department of Health~~ Authority shall ensure that
20 all medical marijuana patient and caregiver records and information
21 are sealed to protect the privacy of medical marijuana patient
22 license applicants.

23 K. A caregiver license shall be made available for qualified
24 caregivers of a medical marijuana patient license holder who is

1 homebound. As provided in Section 427.11 of this title, the
2 caregiver license shall provide the caregiver the same rights as the
3 medical marijuana patient licensee including the ability to possess
4 marijuana, marijuana products and mature and immature plants
5 pursuant to the Oklahoma Medical Marijuana and Patient Protection
6 Act, but excluding the ability to use marijuana or marijuana
7 products unless the caregiver has a medical marijuana patient
8 license. Applicants for a caregiver license shall submit proof of
9 the license status and homebound status of the medical marijuana
10 patient and proof that the applicant is the designee of the medical
11 marijuana patient. The applicant shall also submit proof that he or
12 she is eighteen (18) years of age or older and proof of his or her
13 ~~Oklahoma~~ state residency.

14 L. All applicants for a medical marijuana patient license shall
15 be eighteen (18) years of age or older. A special exception shall
16 be granted to an applicant under the age of eighteen (18); however,
17 these applications shall be signed by two physicians and the parent
18 or legal guardian of the applicant.

19 M. All applications for a medical marijuana patient license
20 shall be signed by an Oklahoma physician licensed by and in good
21 standing with the State Board of Medical Licensure and Supervision
22 ~~or,~~ the State Board of Osteopathic Examiners, or the Board of
23 Podiatric Medical Examiners. There are no qualifying conditions. A
24 medical marijuana patient license shall be recommended according to

1 the accepted standards a reasonable and prudent physician would
2 follow when recommending or approving any medication. No physician
3 may be unduly stigmatized or harassed for signing a medical
4 marijuana patient license application.

5 N. Counties and cities may enact medical marijuana guidelines
6 allowing medical marijuana patient license holders or caregiver
7 license holders to exceed the state limits set forth in subsection A
8 of this section.

9 SECTION 2. AMENDATORY 63 O.S. 2021, Section 421, is
10 amended to read as follows:

11 Section 421. A. The ~~State Department of Health~~ Oklahoma
12 Medical Marijuana Authority shall, within thirty (30) days of
13 passage of this initiative, make available on its website in an
14 easy-to-find location an application for a medical marijuana
15 dispensary license. The application fee shall be Two Thousand Five
16 Hundred Dollars (\$2,500.00). A method of payment shall be provided
17 on the website of the ~~Department~~ Authority. Dispensary applicants
18 must all be residents of ~~Oklahoma~~ this state. Any entity applying
19 for a dispensary license must be owned by an ~~Oklahoma resident~~ a
20 resident of this state and must be registered to do business in
21 ~~Oklahoma~~ this state. The ~~Department~~ Authority shall have ninety
22 (90) business days to review the application; approve, reject or
23 deny the application; and mail the approval, rejection or denial
24 letter stating reasons for the rejection or denial to the applicant.

1 B. The ~~State Department of Health~~ Authority shall approve all
2 applications which meet the following criteria:

3 1. The applicant must be twenty-five (25) years of age or
4 older;

5 2. The applicant, if applying as an individual, must show
6 residency in ~~the State of Oklahoma~~ this state;

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

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

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

14 6. All applicants must disclose all ownership interests in the
15 dispensary.

16 Applicants with a nonviolent felony conviction in the last two
17 (2) years, any other felony conviction in the last five (5) years,
18 inmates in the custody of the Department of Corrections or any
19 person currently incarcerated shall not qualify for a medical
20 marijuana dispensary license.

21 C. Licensed medical marijuana dispensaries shall be required to
22 complete a monthly sales report to the ~~State Department of Health~~
23 Authority. This report shall be due on the fifteenth of each month
24 and provide reporting on the previous month. This report shall

1 detail the weight of marijuana purchased at wholesale and the weight
2 of marijuana sold to licensed medical marijuana patients and
3 licensed caregivers and account for any waste. The report shall
4 show total sales in dollars, tax collected in dollars, and tax due
5 in dollars. The ~~State Department of Health~~ Authority shall have
6 oversight and auditing responsibilities to ensure that all marijuana
7 being grown is accounted for.

8 D. Only a licensed medical marijuana dispensary may conduct
9 retail sales of marijuana or marijuana derivatives. Beginning on
10 the effective date of this act, licensed medical marijuana
11 dispensaries shall be authorized to package and sell pre-rolled
12 marijuana to licensed medical marijuana patients and licensed
13 caregivers. The products described in this subsection shall contain
14 only the ground parts of the marijuana plant and shall not include
15 marijuana concentrates or derivatives. The total net weight of each
16 pre-roll packaged and sold by a medical marijuana dispensary shall
17 not exceed one (1) gram. These products shall be tested, packaged
18 and labeled in accordance with ~~Oklahoma~~ state law and rules
19 promulgated by the ~~State Commissioner of Health~~ Executive Director
20 of the Oklahoma Medical Marijuana Authority.

21 E. No medical marijuana dispensary shall offer or allow a
22 medical marijuana patient licensee, caregiver licensee or other
23 member of the public to handle or otherwise have physical contact
24 with any medical marijuana not contained in a sealed or separate
25

1 package. Provided, such prohibition shall not preclude an employee
2 of the medical marijuana dispensary from handling loose or
3 nonpackaged medical marijuana to be placed in packaging consistent
4 with the Oklahoma Medical Marijuana and Patient Protection Act and
5 the rules promulgated by the ~~Authority~~ Executive Director for the
6 packaging of medical marijuana for retail sale. Provided, further,
7 such prohibition shall not prevent a medical marijuana dispensary
8 from displaying samples of its medical marijuana in separate display
9 cases, jars or other containers and allowing medical marijuana
10 patient licensees and caregiver licensees the ability to handle or
11 smell the various samples as long as the sample medical marijuana is
12 used for display purposes only and is not offered for retail sale.

13 SECTION 3. AMENDATORY 63 O.S. 2021, Section 422, is
14 amended to read as follows:

15 Section 422. A. The ~~State Department of Health~~ Oklahoma
16 Medical Marijuana Authority shall, within thirty (30) days of
17 passage of this initiative, make available on its website in an
18 easy-to-find location an application for a commercial grower
19 license. The application fee shall be Two Thousand Five Hundred
20 Dollars (\$2,500.00). A method of payment shall be provided on the
21 website of the ~~Department~~ Authority. The ~~State Department of Health~~
22 Authority shall have ninety (90) days to review the application;
23 approve, reject or deny the application; and mail the approval,
24

1 rejection or denial letter stating the reasons for the rejection or
2 denial to the applicant.

3 B. The ~~State Department of Health~~ Authority shall approve all
4 applications which meet the following criteria:

5 1. The applicant must be twenty-five (25) years of age or
6 older;

7 2. The applicant, if applying as an individual, must show
8 residency in ~~the State of Oklahoma~~ this state;

9 3. All applying entities must show that all members, managers,
10 and board members are ~~Oklahoma~~ residents of this state;

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

14 5. All applying individuals or entities must be registered to
15 conduct business in ~~the State of Oklahoma~~ this state; and

16 6. All applicants must disclose all ownership interests in the
17 commercial grower operation.

18 Applicants with a nonviolent felony conviction in the last two
19 (2) years, any other felony conviction in the last five (5) years,
20 inmates in the custody of the Department of Corrections or any
21 person currently incarcerated shall not qualify for a commercial
22 grower license.

23 C. A licensed commercial grower may sell marijuana to a
24 licensed dispensary or a licensed processor. Further, sales by a
25

1 licensed commercial grower shall be considered wholesale sales and
2 shall not be subject to taxation. Under no circumstances may a
3 licensed commercial grower sell marijuana directly to a licensed
4 medical marijuana patient or licensed caregiver. A licensed
5 commercial grower may only sell at the wholesale level to a licensed
6 dispensary, a licensed grower or a licensed processor. If the
7 federal government lifts restrictions on buying and selling
8 marijuana between states, then a licensed commercial grower would be
9 allowed to sell and buy marijuana wholesale from, or to, an out-of-
10 state wholesale provider. A licensed commercial grower shall be
11 required to complete a monthly yield and sales report to the ~~State~~
12 ~~Department of Health~~ Authority. This report shall be due on the
13 fifteenth of each month and provide reporting on the previous month.
14 This report shall detail the amount of marijuana harvested in
15 pounds, the amount of drying or dried marijuana on hand, the amount
16 of marijuana sold to licensed processors in pounds, the amount of
17 waste in pounds, and the amount of marijuana sold to licensed
18 dispensaries in pounds. Additionally, this report shall show total
19 wholesale sales in dollars. The ~~State Department of Health~~
20 Authority shall have oversight and auditing responsibilities to
21 ensure that all marijuana being grown by licensed commercial growers
22 is accounted for.

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

1 E. Beginning on ~~the effective date of this act~~ November 1,
2 2021, licensed commercial growers shall be authorized to package and
3 sell pre-rolled marijuana to licensed medical marijuana
4 dispensaries. The products described in this subsection shall
5 contain only the ground parts of the marijuana plant and shall not
6 include marijuana concentrates or derivatives. The total net weight
7 of each pre-roll packaged and sold by medical marijuana commercial
8 growers shall not exceed one (1) gram. These products must be
9 tested, packaged and labeled in accordance with ~~Oklahoma~~ state law
10 and rules promulgated by the ~~State Commissioner of Health~~ Executive
11 Director of the Oklahoma Medical Marijuana Authority.

12 SECTION 4. AMENDATORY 63 O.S. 2021, Section 423, is
13 amended to read as follows:

14 Section 423. A. The ~~State Department of Health~~ Oklahoma
15 Medical Marijuana Authority shall, within thirty (30) days of
16 passage of this initiative, make available on its website in an
17 easy-to-find location an application for a medical marijuana
18 processing license. The ~~Department~~ Authority shall be authorized to
19 issue two types of medical marijuana processor licenses based on the
20 level of risk posed by the type of processing conducted:

- 21 1. Nonhazardous medical marijuana processor license; and
- 22 2. Hazardous medical marijuana processor license.

23 The application fee for a nonhazardous or hazardous medical
24 marijuana processor license shall be Two Thousand Five Hundred

1 Dollars (\$2,500.00). A method of payment shall be provided on the
2 website of the ~~Department~~ Authority. The ~~State Department of Health~~
3 Authority shall have ninety (90) days to review the application;
4 approve, reject or deny the application; and mail the approval,
5 rejection or denial letter stating the reasons for the rejection or
6 denial to the applicant.

7 B. The ~~State Department of Health~~ Authority shall approve all
8 applications which meet the following criteria:

9 1. The applicant must be twenty-five (25) years of age or
10 older;

11 2. The applicant, if applying as an individual, must show
12 residency in ~~the State of Oklahoma~~ this state;

13 3. All applying entities must show that all members, managers,
14 and board members are ~~Oklahoma~~ residents of this state;

15 4. An applying entity may show ownership of ~~non-Oklahoma~~
16 nonstate residents, but that percentage ownership may not exceed
17 twenty-five percent (25%);

18 5. All applying individuals or entities must be registered to
19 conduct business in ~~the State of Oklahoma~~ this state; and

20 6. All applicants must disclose all ownership interests in the
21 processing operation.

22 Applicants with a nonviolent felony conviction in the last two
23 (2) years, any other felony conviction in the last five (5) years,
24 inmates in the custody of the Department of Corrections or any

1 person currently incarcerated shall not qualify for a medical
2 marijuana processing license.

3 C. 1. A licensed processor may take marijuana plants and
4 distill or process these plants into concentrates, edibles, and
5 other forms for consumption.

6 2. ~~As required by subsection D of this section, the State~~
7 ~~Department of Health~~ The Executive Director of the Authority shall,
8 within sixty (60) days of passage of this initiative, make available
9 a set of standards which shall be used by licensed processors in the
10 preparation of edible marijuana products. The standards should be
11 in line with current food preparation guidelines. No excessive or
12 punitive rules may be established by the ~~State Department of Health~~
13 Executive Director.

14 3. Up to two times a year, the ~~State Department of Health~~
15 Authority may inspect a processing operation and determine its
16 compliance with the preparation standards. If deficiencies are
17 found, a written report of the deficiency shall be issued to the
18 licensed processor. The licensed processor shall have one (1) month
19 to correct the deficiency or be subject to a fine of Five Hundred
20 Dollars (\$500.00) for each deficiency.

21 4. A licensed processor may sell marijuana products it creates
22 to a licensed dispensary or any other licensed processor. All sales
23 by a licensed processor shall be considered wholesale sales and
24 shall not be subject to taxation.

1 5. Under no circumstances may a licensed processor sell
2 marijuana or any marijuana product directly to a licensed medical
3 marijuana patient or licensed caregiver. However, a licensed
4 processor may process cannabis into a concentrated form for a
5 licensed medical marijuana patient for a fee.

6 6. Licensed processors shall be required to complete a monthly
7 yield and sales report to the ~~State Department of Health~~ Authority.
8 This report shall be due on the fifteenth of each month and shall
9 provide reporting on the previous month. This report shall detail
10 the amount of marijuana and medical marijuana products purchased in
11 pounds, the amount of marijuana cooked or processed in pounds, and
12 the amount of waste in pounds. Additionally, this report shall show
13 total wholesale sales in dollars. The ~~State Department of Health~~
14 Authority shall have oversight and auditing responsibilities to
15 ensure that all marijuana being processed is accounted for.

16 D. The ~~Department~~ Authority shall oversee the inspection and
17 compliance of licensed processors producing products with marijuana
18 as an additive. ~~The State Department of Health shall be compelled~~
19 ~~to, within thirty (30) days of passage of this initiative, appoint~~
20 ~~twelve (12) Oklahoma residents to the Medical Marijuana Advisory~~
21 ~~Council, who are marijuana industry experts, to create a list of~~
22 ~~food safety standards for processing and handling medical marijuana~~
23 ~~in Oklahoma. These standards shall be adopted by the Department and~~
24 ~~the Department may enforce these standards for licensed processors.~~

1 ~~The Department shall develop a standards review procedure and these~~
2 ~~standards can be altered by calling another council of twelve (12)~~
3 ~~Oklahoma marijuana industry experts. A signed letter of twenty~~
4 ~~operating, licensed processors shall constitute a need for a new~~
5 ~~council and standards review.~~

6 ~~E.~~ If it becomes permissible under federal law, marijuana may
7 be moved across state lines.

8 ~~F.~~ E. Any device used for the processing or consumption of
9 medical marijuana shall be considered legal to be sold,
10 manufactured, distributed and possessed. No merchant, wholesaler,
11 manufacturer or individual may be unduly harassed or prosecuted for
12 selling, manufacturing or possessing marijuana paraphernalia.

13 SECTION 5. AMENDATORY 63 O.S. 2021, Section 425, as last
14 amended by Section 5, Chapter 553, O.S.L. 2021, is amended to read
15 as follows:

16 Section 425. A. No school or landlord may refuse to enroll or
17 lease to and may not otherwise penalize a person solely for his or
18 her status as a medical marijuana patient licensee, unless failing
19 to do so would cause the school or landlord the potential to lose a
20 monetary or licensing-related benefit under federal law or
21 regulations.

22 B. Unless a failure to do so would cause an employer the
23 potential to lose a monetary or licensing-related benefit under
24 federal law or regulations, an employer may not discriminate against

1 a person in hiring, termination or imposing any term or condition of
2 employment or otherwise penalize a person based upon the status of
3 the person as a medical marijuana patient licensee. Employers may
4 take action against a medical marijuana patient licensee if the
5 licensee uses or possesses marijuana while in his or her place of
6 employment or during the hours of employment. Employers may not
7 take action against a medical marijuana patient licensee solely
8 based upon the status of an employee as a medical marijuana patient
9 licensee or the results of a drug test showing positive for
10 marijuana or its components.

11 C. For the purposes of medical care, including organ
12 transplants, the authorized use of marijuana by a medical marijuana
13 patient licensee shall be considered the equivalent of the use of
14 any other medication under the direction of a physician and does not
15 constitute the use of an illicit substance or otherwise disqualify a
16 registered qualifying patient from medical care.

17 D. No medical marijuana patient licensee may be denied custody
18 of or visitation or parenting time with a minor child, and there is
19 no presumption of neglect or child endangerment for conduct allowed
20 under this law unless the behavior of the medical marijuana patient
21 licensee creates an unreasonable danger to the safety of the minor
22 child.

23 E. No person who possesses a medical marijuana patient license
24 may be unduly withheld from holding another state-issued license by

1 virtue of his or her status as a medical marijuana patient licensee
2 including, but not limited to, a concealed carry permit.

3 F. 1. No city or local municipality may unduly change or
4 restrict zoning laws to prevent the opening of a medical marijuana
5 dispensary.

6 2. For purposes of this subsection, an undue change or
7 restriction of municipal zoning laws means an act which entirely
8 prevents medical marijuana dispensaries from operating within
9 municipal boundaries as a matter of law. Municipalities may follow
10 their standard planning and zoning procedures to determine if
11 certain zones or districts would be appropriate for locating
12 marijuana-licensed premises, medical marijuana businesses or any
13 other premises where marijuana or its by-products are cultivated,
14 grown, processed, stored or manufactured.

15 3. A medical marijuana dispensary does not include those other
16 entities licensed by the Oklahoma Medical Marijuana Authority as
17 marijuana-licensed premises, medical marijuana businesses or other
18 facilities or locations where marijuana or any product containing
19 marijuana or its by-products are cultivated, grown, processed,
20 stored or manufactured.

21 G. The location of any medical marijuana dispensary is
22 specifically prohibited within one thousand (1,000) feet of any
23 public school or private school. The distance indicated in this
24 subsection shall be measured from the nearest property line of such

1 public school or private school to the nearest perimeter wall of the
2 licensed premises of such medical marijuana dispensary. If a
3 medical marijuana dispensary met the requirements of this subsection
4 at the time of its initial licensure, the medical marijuana
5 dispensary licensee shall be permitted to continue operating at the
6 licensed premises in the same manner and not be subject to
7 nonrenewal or revocation due to subsequent events or changes in
8 regulations occurring after licensure that would render the medical
9 marijuana dispensary in violation by being within one thousand
10 (1,000) feet of a public school or private school. If any public
11 school or private school is established within one thousand (1,000)
12 feet of any medical marijuana dispensary after such medical
13 marijuana dispensary has been licensed, the provisions of this
14 subsection shall not be a deterrent to the renewal of such license
15 or warrant revocation of the license. For purposes of this
16 subsection, a property owned, used or operated by a public school or
17 by a private school that is not used for classroom instruction on
18 core curriculum, such as an administrative building, athletic
19 facility, ballpark, field or stadium, shall not constitute a public
20 school or private school unless such property is located on the same
21 campus as a building used for classroom instruction on core
22 curriculum.

23 H. Research shall be provided for under this law. A researcher
24 may apply to the ~~State Department of Health~~ Oklahoma Medical

1 Marijuana Authority for a special research license. The research
2 license shall be granted, provided the applicant meets the criteria
3 listed in the Oklahoma Medical Marijuana and Patient Protection Act.
4 Research licensees shall be required to file monthly consumption
5 reports to the ~~State Department of Health~~ Authority with amounts of
6 marijuana used for research. Biomedical and clinical research which
7 is subject to federal regulations and institutional oversight shall
8 not be subject to oversight by the ~~State Department of Health~~
9 Authority.

10 SECTION 6. AMENDATORY 63 O.S. 2021, Section 426.1, as
11 last amended by Section 7, Chapter 553, O.S.L. 2021, is amended to
12 read as follows:

13 Section 426.1. A. All licensure revocation hearings conducted
14 pursuant to marijuana licenses established in the Oklahoma Statutes
15 shall be recorded. A party may request a copy of the recording of
16 the proceedings. Copies shall be provided to local law enforcement
17 if the revocation was based on alleged criminal activity.

18 B. The ~~State Department of Health~~ Oklahoma Medical Marijuana
19 Authority shall assist any law enforcement officer in the
20 performance of his or her duties upon such request by the law
21 enforcement officer or the request of other local officials having
22 jurisdiction. Except for license information concerning licensed
23 patients, as defined in Section 427.2 of this title, the ~~Department~~

1 Authority shall share information with law enforcement agencies upon
2 request without a subpoena or search warrant.

3 C. The ~~State Department of Health~~ Authority shall make
4 available all information on whether or not a medical marijuana
5 patient or caregiver license is valid to law enforcement
6 electronically through an online verification system.

7 D. The ~~Department~~ Authority shall make available to ~~Oklahoma~~
8 state agencies and political subdivisions a list of marijuana-
9 licensed premises, medical marijuana businesses or any other
10 premises where marijuana or its by-products are licensed to be
11 cultivated, grown, processed, stored or manufactured to aid ~~Oklahoma~~
12 state agencies and county and municipal governments in identifying
13 locations within their jurisdiction and ensuring compliance with
14 applicable laws, rules and regulations.

15 E. Any marijuana-licensed premises, medical marijuana business
16 or any other premises where marijuana or its by-products are
17 licensed to be cultivated, grown, processed, stored or manufactured
18 shall submit with its application or request to change location,
19 after notifying the political subdivision of its intent, a
20 certificate of compliance from the political subdivision where the
21 facility of the applicant or licensee is to be located certifying
22 compliance with zoning classifications, applicable municipal
23 ordinances and all applicable safety, electrical, fire, plumbing,
24 waste, construction and building specification codes.

1 Once a certificate of compliance has been submitted to the
2 Oklahoma Medical Marijuana Authority showing full compliance as
3 outlined in this subsection, no additional certificate of compliance
4 shall be required for license renewal unless a change of use or
5 occupancy occurs, or there is any change concerning the facility or
6 location that would, by law, require additional inspection,
7 licensure or permitting by the state or municipality.

8 SECTION 7. AMENDATORY 63 O.S. 2021, Section 427.2, as
9 last amended by Section 8, Chapter 553, O.S.L. 2021, is amended to
10 read as follows:

11 Section 427.2. As used in the Oklahoma Medical Marijuana and
12 Patient Protection Act:

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

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

21 3. "Batch number" means a unique numeric or alphanumeric
22 identifier assigned prior to testing to allow for inventory tracking
23 and traceability;

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

3 5. "Caregiver" means a family member or assistant who regularly
4 looks after a medical marijuana license holder whom a physician
5 attests needs assistance;

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

7 a. designed or constructed to be significantly difficult
8 for children under five (5) years of age to open and
9 not difficult for normal adults to use properly as
10 defined by 16 C.F.R. 1700.15 (1995) and 16 C.F.R.
11 1700.20 (1995),

12 b. opaque so that the outermost packaging does not allow
13 the product to be seen without opening the packaging
14 material, and

15 c. resealable to maintain its child-resistant
16 effectiveness for multiple openings for any product
17 intended for more than a single use or containing
18 multiple servings;

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

22 8. ~~"Commissioner" means the State Commissioner of Health;~~

23 9. "Complete application" means a document prepared in
24 accordance with the provisions set forth in the Oklahoma Medical
25

1 Marijuana and Patient Protection Act, rules promulgated pursuant
2 thereto, and the forms and instructions provided by the ~~Department~~
3 Oklahoma Medical Marijuana Authority, including any supporting
4 documentation required and the applicable license application fee;

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

6 ~~11.~~ 9. "Director" means the Executive Director of the Oklahoma
7 Medical Marijuana Authority;

8 ~~12.~~ 10. "Dispense" means the selling of medical marijuana or a
9 medical marijuana product to a qualified patient or the designated
10 caregiver of the patient that is packaged in a suitable container
11 appropriately labeled for subsequent administration to or use by a
12 qualifying patient;

13 ~~13.~~ 11. "Dispensary" means a medical marijuana dispensary, an
14 entity that has been licensed by the ~~Department~~ Authority pursuant
15 to the Oklahoma Medical Marijuana and Patient Protection Act to
16 purchase medical marijuana or medical marijuana products from a
17 licensed medical marijuana commercial grower or licensed medical
18 marijuana processor, to prepare and package noninfused pre-rolled
19 medical marijuana, and to sell medical marijuana or medical
20 marijuana products to licensed patients and caregivers as defined in
21 this section, or sell or transfer products to another licensed
22 dispensary;

23 ~~14.~~ 12. "Edible medical marijuana product" means any medical-
24 marijuana-infused product for which the intended use is oral

1 consumption including, but not limited to, any type of food, drink
2 or pill;

3 ~~15.~~ 13. "Entity" means an individual, general partnership,
4 limited partnership, limited liability company, trust, estate,
5 association, corporation, cooperative or any other legal or
6 commercial entity;

7 ~~16.~~ 14. "Flower" means the reproductive organs of the marijuana
8 or cannabis plant referred to as the bud or parts of the plant that
9 are harvested and used for consumption in a variety of medical
10 marijuana products;

11 ~~17.~~ 15. "Flowering" means the reproductive state of the
12 marijuana or cannabis plant in which there are physical signs of
13 flower or budding out of the nodes of the stem;

14 ~~18.~~ 16. "Food-based medical marijuana concentrate" means a
15 medical marijuana concentrate that was produced by extracting
16 cannabinoids from medical marijuana through the use of propylene
17 glycol, glycerin, butter, olive oil, coconut oil or other typical
18 food-safe cooking fats;

19 ~~19.~~ 17. "Harvest batch" means a specifically identified
20 quantity of medical marijuana that is uniform in strain, cultivated
21 utilizing the same cultivation practices, harvested at the same time
22 from the same location and cured under uniform conditions;

23 ~~20.~~ 18. "Harvested marijuana" means postflowering medical
24 marijuana not including trim, concentrate or waste;

1 ~~21.~~ 19. "Heat- or pressure-based medical marijuana concentrate"
2 means a medical marijuana concentrate that was produced by
3 extracting cannabinoids from medical marijuana through the use of
4 heat or pressure;

5 ~~22.~~ 20. "Immature plant" means a nonflowering marijuana plant
6 that has not demonstrated signs of flowering;

7 ~~23.~~ 21. "Inventory tracking system" means the required tracking
8 system that accounts for the entire life span of medical marijuana
9 and medical marijuana products, including any testing samples
10 thereof and medical marijuana waste;

11 ~~24.~~ 22. "Licensed patient" or "patient" means a person who has
12 been issued a medical marijuana patient license by the ~~State~~
13 ~~Department of Health or~~ Oklahoma Medical Marijuana Authority;

14 ~~25.~~ 23. "Licensed premises" means the premises specified in an
15 application for a medical marijuana business license, medical
16 marijuana research facility license or medical marijuana education
17 facility license pursuant to the Oklahoma Medical Marijuana and
18 Patient Protection Act that are owned or in possession of the
19 licensee and within which the licensee is authorized to cultivate,
20 manufacture, distribute, sell, store, transport, test or research
21 medical marijuana or medical marijuana products in accordance with
22 the provisions of the Oklahoma Medical Marijuana and Patient
23 Protection Act and rules promulgated pursuant thereto;

1 ~~26.~~ 24. "Manufacture" means the production, propagation,
2 compounding or processing of a medical marijuana product, excluding
3 marijuana plants, either directly or indirectly by extraction from
4 substances of natural or synthetic origin, or independently by means
5 of chemical synthesis, or by a combination of extraction and
6 chemical synthesis;

7 ~~27.~~ 25. "Marijuana" shall have the same meaning as such term is
8 defined in Section 2-101 of this title;

9 ~~28.~~ 26. "Material change" means any change that would affect
10 the qualifications for licensure of an applicant or licensee;

11 ~~29.~~ 27. "Mature plant" means a harvestable female marijuana
12 plant that is flowering;

13 ~~30.~~ 28. "Medical marijuana business (MMB)" means a licensed
14 medical marijuana dispensary, medical marijuana processor, medical
15 marijuana commercial grower, medical marijuana laboratory, medical
16 marijuana business operator or a medical marijuana transporter;

17 ~~31.~~ 29. "Medical marijuana concentrate" or "concentrate" means
18 a specific subset of medical marijuana that was produced by
19 extracting cannabinoids from medical marijuana. Categories of
20 medical marijuana concentrate include water-based medical marijuana
21 concentrate, food-based medical marijuana concentrate, solvent-based
22 medical marijuana concentrate, and heat- or pressure-based medical
23 marijuana concentrate;

1 ~~32.~~ 30. "Medical marijuana commercial grower" or "commercial
2 grower" means an entity licensed to cultivate, prepare and package
3 medical marijuana or package medical marijuana as pre-rolls, and
4 transfer or contract for transfer medical marijuana and medical
5 marijuana pre-rolls to a medical marijuana dispensary, medical
6 marijuana processor, any other medical marijuana commercial grower,
7 medical marijuana research facility or medical marijuana education
8 facility. A commercial grower may sell seeds, flower or clones to
9 commercial growers pursuant to the Oklahoma Medical Marijuana and
10 Patient Protection Act;

11 ~~33.~~ 31. "Medical marijuana education facility" or "education
12 facility" means a person or entity approved pursuant to the Oklahoma
13 Medical Marijuana and Patient Protection Act to operate a facility
14 providing training and education to individuals involving the
15 cultivation, growing, harvesting, curing, preparing, packaging or
16 testing of medical marijuana, or the production, manufacture,
17 extraction, processing, packaging or creation of medical-marijuana-
18 infused products or medical marijuana products as described in the
19 Oklahoma Medical Marijuana and Patient Protection Act;

20 ~~34.~~ 32. "Medical-marijuana-infused product" means a product
21 infused with medical marijuana including, but not limited to, edible
22 products, ointments and tinctures;

23 ~~35.~~ 33. "Medical marijuana product" or "product" means a
24 product that contains cannabinoids that have been extracted from
25

1 plant material or the resin therefrom by physical or chemical means
2 and is intended for administration to a qualified patient including,
3 but not limited to, oils, tinctures, edibles, pills, topical forms,
4 gels, creams, vapors, patches, liquids, and forms administered by a
5 nebulizer, excluding live plant forms which are considered medical
6 marijuana;

7 ~~36.~~ 34. "Medical marijuana processor" means a person or entity
8 licensed pursuant to the Oklahoma Medical Marijuana and Patient
9 Protection Act to operate a business including the production,
10 manufacture, extraction, processing, packaging or creation of
11 concentrate, medical-marijuana-infused products or medical marijuana
12 products as described in the Oklahoma Medical Marijuana and Patient
13 Protection Act;

14 ~~37.~~ 35. "Medical marijuana research facility" or "research
15 facility" means a person or entity approved pursuant to the Oklahoma
16 Medical Marijuana and Patient Protection Act to conduct medical
17 marijuana research. A medical marijuana research facility is not a
18 medical marijuana business;

19 ~~38.~~ 36. "Medical marijuana testing laboratory" or "laboratory"
20 means a public or private laboratory licensed pursuant to the
21 Oklahoma Medical Marijuana and Patient Protection Act to conduct
22 testing and research on medical marijuana and medical marijuana
23 products;

1 ~~39.~~ 37. "Medical marijuana transporter" or "transporter" means
2 a person or entity that is licensed pursuant to the Oklahoma Medical
3 Marijuana and Patient Protection Act. A medical marijuana
4 transporter does not include a medical marijuana business that
5 transports its own medical marijuana, medical marijuana concentrate
6 or medical marijuana products to a property or facility adjacent to
7 or connected to the licensed premises if the property is another
8 licensed premises of the same medical marijuana business;

9 ~~40.~~ 38. "Medical marijuana waste" or "waste" means unused,
10 surplus, returned or out-of-date marijuana, plant debris of the
11 plant of the genus Cannabis including dead plants and all unused
12 plant parts and roots, except the term shall not include roots,
13 stems, stalks and fan leaves;

14 ~~41.~~ 39. "Medical use" means the acquisition, possession, use,
15 delivery, transfer or transportation of medical marijuana, medical
16 marijuana products, medical marijuana devices or paraphernalia
17 relating to the administration of medical marijuana to treat a
18 licensed patient;

19 ~~42.~~ 40. "Mother plant" means a marijuana plant that is grown or
20 maintained for the purpose of generating clones, and that will not
21 be used to produce plant material for sale to a medical marijuana
22 processor or medical marijuana dispensary;

23 ~~43.~~ 41. "Oklahoma physician" or "physician" means a physician
24 licensed by and in good standing with the State Board of Medical
25

1 Licensure and Supervision, the State Board of Osteopathic Examiners
2 or the Board of Podiatric Medical Examiners;

3 ~~44.~~ 42. "Oklahoma resident" means an individual who can provide
4 proof of residency as required by the Oklahoma Medical Marijuana and
5 Patient Protection Act;

6 ~~45.~~ 43. "Owner" means, except where the context otherwise
7 requires, a direct beneficial owner including, but not limited to,
8 all persons or entities as follows:

- 9 a. all shareholders owning an interest of a corporate
10 entity and all officers of a corporate entity,
11 b. all partners of a general partnership,
12 c. all general partners and all limited partners that own
13 an interest in a limited partnership,
14 d. all members that own an interest in a limited
15 liability company,
16 e. all beneficiaries that hold a beneficial interest in a
17 trust and all trustees of a trust,
18 f. all persons or entities that own interest in a joint
19 venture,
20 g. all persons or entities that own an interest in an
21 association,
22 h. the owners of any other type of legal entity, and
23
24
25

1 i. any other person holding an interest or convertible
2 note in any entity which owns, operates or manages a
3 licensed facility;

4 ~~46.~~ 44. "Package" or "packaging" means any container or wrapper
5 that may be used by a medical marijuana business to enclose or
6 contain medical marijuana;

7 ~~47.~~ 45. "Person" means a natural person, partnership,
8 association, business trust, company, corporation, estate, limited
9 liability company, trust or any other legal entity or organization,
10 or a manager, agent, owner, director, servant, officer or employee
11 thereof, except that "person" does not include any governmental
12 organization;

13 ~~48.~~ 46. "Pesticide" means any substance or mixture of
14 substances intended for preventing, destroying, repelling or
15 mitigating any pest or any substance or mixture of substances
16 intended for use as a plant regulator, defoliant or desiccant,
17 except that the term "pesticide" shall not include any article that
18 is a "new animal drug" as designated by the United States Food and
19 Drug Administration;

20 ~~49.~~ 47. "Production batch" means:

21 a. any amount of medical marijuana concentrate of the
22 same category and produced using the same extraction
23 methods, standard operating procedures and an
24

1 identical group of harvest batch of medical marijuana,
2 or

3 b. any amount of medical marijuana product of the same
4 exact type, produced using the same ingredients,
5 standard operating procedures and the same production
6 batch of medical marijuana concentrate;

7 ~~50.~~ 48. "Public institution" means any entity established or
8 controlled by the federal government, state government, or a local
9 government or municipality including, but not limited to,
10 institutions of higher education or related research institutions;

11 ~~51.~~ 49. "Public money" means any funds or money obtained by the
12 holder from any governmental entity including, but not limited to,
13 research grants;

14 ~~52.~~ 50. "Recommendation" means a document that is signed or
15 electronically submitted by a physician on behalf of a patient for
16 the use of medical marijuana pursuant to the Oklahoma Medical
17 Marijuana and Patient Protection Act;

18 ~~53.~~ 51. "Registered to conduct business" means a person that
19 has provided proof that the business applicant or licensee is in
20 good standing with the ~~Oklahoma~~ Secretary of State;

21 ~~54.~~ 52. "Remediation" means the process by which a harvest
22 batch or production batch that fails testing undergoes a procedure
23 to remedy the harvest batch or production batch and is retested in
24 accordance with ~~Oklahoma~~ state laws, rules and regulations;

1 ~~55.~~ 53. "Research project" means a discrete scientific endeavor
2 to answer a research question or a set of research questions related
3 to medical marijuana and is required for a medical marijuana
4 research license. A research project shall include a description of
5 a defined protocol, clearly articulated goals, defined methods and
6 outputs, and a defined start and end date. The description shall
7 demonstrate that the research project will comply with all
8 requirements in the Oklahoma Medical Marijuana and Patient
9 Protection Act and rules promulgated pursuant thereto. All research
10 and development conducted by a medical marijuana research facility
11 shall be conducted in furtherance of an approved research project;

12 ~~56.~~ 54. "Revocation" means the final decision by the ~~Department~~
13 Authority that any license issued pursuant to the Oklahoma Medical
14 Marijuana and Patient Protection Act is rescinded because the
15 individual or entity does not comply with the applicable
16 requirements set forth in the Oklahoma Medical Marijuana and Patient
17 Protection Act or rules promulgated pursuant thereto;

18 ~~57.~~ 55. "School" means a public or private elementary, middle
19 or high school used for school classes and instruction. A
20 homeschool, daycare or child-care facility shall not be considered a
21 "school" as used in the Oklahoma Medical Marijuana and Patient
22 Protection Act;

23 ~~58.~~ 56. "Shipping container" means a hard-sided container with
24 a lid or other enclosure that can be secured in place. A shipping
25

1 container is used solely for the transport of medical marijuana,
2 medical marijuana concentrate, or medical marijuana products between
3 medical marijuana businesses, a medical marijuana research facility,
4 or a medical marijuana education facility;

5 ~~59.~~ 57. "Solvent-based medical marijuana concentrate" means a
6 medical marijuana concentrate that was produced by extracting
7 cannabinoids from medical marijuana through the use of a solvent
8 approved by the ~~Department~~ Executive Director;

9 ~~60.~~ 58. "State Question" means Oklahoma State Question No. 788,
10 Initiative Petition No. 412, approved by a majority vote of the
11 citizens of Oklahoma on June 26, 2018;

12 ~~61.~~ 59. "Strain" means the name given to a particular variety
13 of medical marijuana that is based on a combination of factors which
14 may include, but is not limited to, botanical lineage, appearance,
15 chemical profile and accompanying effects. An example of a "strain"
16 would be "OG Kush" or "Pineapple Express";

17 ~~62.~~ 60. "THC" means tetrahydrocannabinol, which is the primary
18 psychotropic cannabinoid in marijuana formed by decarboxylation of
19 naturally tetrahydrocannabinolic acid, which generally occurs by
20 exposure to heat;

21 ~~63.~~ 61. "Transporter agent" means a person who transports
22 medical marijuana or medical marijuana products as an employee of a
23 licensed medical marijuana business and holds a transporter agent
24

1 license specific to that business pursuant to the Oklahoma Medical
2 Marijuana and Patient Protection Act;

3 ~~64.~~ 62. "Universal symbol" means the image established by the
4 ~~State Department of Health or~~ Oklahoma Medical Marijuana Authority
5 and made available to licensees through its website indicating that
6 the medical marijuana or the medical marijuana product contains THC;

7 ~~65.~~ 63. "Usable marijuana" means the dried leaves, flowers,
8 oils, vapors, waxes and other portions of the marijuana plant and
9 any mixture or preparation thereof, excluding seeds, roots, stems,
10 stalks and fan leaves; and

11 ~~66.~~ 64. "Water-based medical marijuana concentrate" means a
12 concentrate that was produced by extracting cannabinoids from
13 medical marijuana through the use of only water, ice or dry ice.

14 SECTION 8. AMENDATORY 63 O.S. 2021, Section 427.3, as
15 last amended by Section 9, Chapter 553, O.S.L. 2021, is amended to
16 read as follows:

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

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

4 1. Beginning on the effective date of this act, the Authority
5 shall cease to be part of or a division of the State Department of
6 Health and shall be deemed to be a separate and distinct agency, to
7 be known as the Oklahoma Medical Marijuana Authority. The Authority
8 and the Executive Director of the Authority shall continue to
9 exercise their statutory powers, duties, and contractual
10 responsibilities. All records, property, equipment, assets, monies,
11 financial interests, liabilities, matters pending, and funds of the
12 division shall be transferred to the Authority.

13 2. All licenses granted by the Department pertaining to medical
14 marijuana shall maintain rights and privileges under the authority
15 of the Authority; provided, however, that all licenses shall be
16 subject to revocation, suspension, or disciplinary action for
17 violation of any of the provisions of the Oklahoma Medical Marijuana
18 and Patient Protection Act and rules promulgated by the Executive
19 Director.

20 3. The Authority shall succeed to any contractual rights or
21 responsibilities incurred by the Department pertaining to medical
22 marijuana.

23 4. Rules promulgated by the State Commissioner of Health
24 pertaining to medical marijuana that are in effect on the effective

1 date of this act shall be immediately adopted and enforced by the
2 Executive Director. The Executive Director maintains the authority
3 to further promulgate and enforce rules.

4 5. The Department and the Authority may enter into an agreement
5 for the transfer of personnel from the Department to the Authority.
6 No employee shall be transferred to the Authority except on the
7 freely given written consent of the employee. All employees who are
8 transferred to the Authority shall not be required to accept a
9 lesser grade or salary than presently received. All employees shall
10 retain leave, sick and annual time earned, and any retirement and
11 longevity benefits which have accrued during their tenure with the
12 Department. The transfer of personnel between the state agencies
13 shall be coordinated with the Office of Management and Enterprise
14 Services.

15 6. The expenses incurred by the Authority as a result of the
16 transfer required by this subsection shall be paid by the Authority.

17 7. The division within the Department known as the Oklahoma
18 Medical Marijuana Authority shall be abolished by the Department
19 after the transfer has been completed.

20 8. The Office of Management and Enterprise Services shall
21 coordinate the transfer of records, property, equipment, assets,
22 funds, allotments, purchase orders, liabilities, outstanding
23 financial obligations, or encumbrances provided for in this
24 subsection.

1 C. The ~~Department~~ Authority shall implement the provisions of
2 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 the
5 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 the Oklahoma Medical Marijuana and Patient Protection Act and
9 this title including, but not limited to, the following:

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

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

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

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

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

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

6 6. Inspect and examine all licensed premises of medical
7 marijuana businesses, research facilities, education facilities and
8 waste disposal facilities in which medical marijuana is cultivated,
9 manufactured, sold, stored, transported, tested, distributed or
10 disposed of;

11 7. Upon action by the federal government by which the
12 production, sale and use of marijuana in ~~Oklahoma~~ this state does
13 not violate federal law, work with the ~~Oklahoma State~~ Banking
14 Department and the State Treasurer to develop good practices and
15 standards for banking and finance for medical marijuana businesses;

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

18 9. Establish a fee schedule and collect fees for performing
19 background checks as the ~~Commissioner~~ Executive Director deems
20 appropriate. The fees charged pursuant to this paragraph shall not
21 exceed the actual cost incurred for each background check;

22 10. Establish a fee schedule and collect fees for material
23 changes requested by the licensee; and
24
25

1 11. Establish regulations, which require a medical marijuana
2 business to submit information to the Oklahoma Medical Marijuana
3 Authority, deemed reasonably necessary to assist the Authority in
4 the prevention of diversion of medical marijuana by a licensed
5 medical marijuana business. Such information required by the
6 Authority may include, but shall not be limited to:

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

19 E. The Authority shall be exempt from the Oklahoma Central
20 Purchasing Act.

21 SECTION 9. AMENDATORY 63 O.S. 2021, Section 427.4, as
22 amended by Section 10, Chapter 553, O.S.L. 2021, is amended to read
23 as follows:
24

1 Section 427.4. A. The Oklahoma Medical Marijuana Authority, ~~in~~
2 ~~conjunction with the State Department of Health,~~ shall employ an
3 Executive Director and other personnel as necessary to assist the
4 Authority in carrying out its duties. The Executive Director shall
5 be appointed by the Governor, with the advice and consent of the
6 Senate. The Executive Director shall serve at the pleasure of the
7 Governor and may be removed or replaced without cause. Compensation
8 for the Executive Director shall be determined pursuant to Section
9 3601.2 of Title 74 of the Oklahoma Statutes.

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

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

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

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

23 D. The ~~Commissioner~~ Executive Director may delegate to any
24 officer or employee of the ~~Department~~ Authority any of the powers of

1 the Executive Director and may designate any officer or employee of
2 the ~~Department~~ Authority to perform any of the duties of the
3 Executive Director.

4 E. The Executive Director ~~shall be authorized to suggest~~ may
5 promulgate rules governing the oversight and implementation of the
6 Oklahoma Medical Marijuana and Patient Protection Act.

7 F. The ~~Department~~ Authority is hereby authorized to create
8 employment positions necessary for the implementation of its
9 obligations pursuant to the Oklahoma Medical Marijuana and Patient
10 Protection Act including, but not limited to, Authority
11 investigators and a senior director of enforcement. The ~~Department~~
12 ~~and the~~ Authority, the senior director of enforcement, the Executive
13 Director, and ~~Department~~ investigators of the Authority shall have
14 all the powers and authority of ~~any~~ a peace officer of this state
15 for the purpose of enforcing the provisions of the Oklahoma Medical
16 Marijuana and Patient Protection Act and rules promulgated by the
17 Executive Director. These powers shall include but not be limited
18 to:

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

22 2. ~~Serve~~ Serving all warrants, summonses, subpoenas,
23 administrative citations, notices or other processes relating to the
24

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

3 3. ~~Assist or aid~~ Seizing any medical marijuana or medical
4 marijuana product illegally held in violation of the Oklahoma
5 Medical Marijuana Patient Protection Act, any other laws of this
6 state, or any rules promulgated by the Executive Director;

7 4. Assisting or aiding any law enforcement officer in the
8 performance of his or her duties upon such law enforcement officer's
9 request or the request of other local officials having jurisdiction;

10 5. Referring any evidence, reports, or charges regarding
11 violations of any provision of the Oklahoma Medical Marijuana and
12 Patient Protection Act that carries criminal penalty to the
13 appropriate law enforcement authority and prosecutorial authority
14 for action;

15 6. Aiding the enforcement authorities of this state or any
16 county or municipality of the state, or the federal government, in
17 prosecutions of violations of the Oklahoma Medical Marijuana and
18 Patient Protection Act;

19 4. ~~Require~~ 7. Requiring any business applicant or licensee to
20 permit an inspection of licensed premises during business hours or
21 at any time of apparent operation, marijuana equipment, and
22 marijuana accessories, or books and records; and to permit the
23 testing of or examination of medical marijuana, concentrate, or
24 product;

1 ~~5. Require~~ 8. Requiring applicants and licensees to submit
2 complete and current applications, information and fees required by
3 the Oklahoma Medical Marijuana and Patient Protection Act, the
4 Oklahoma Medical Marijuana Waste Management Act and Sections 420
5 through 426.1 of this title, and approve material changes made by
6 the applicant or licensee;

7 ~~6. Require~~ 9. Requiring medical marijuana business licensees
8 to submit a sample or unit of medical marijuana or medical marijuana
9 product to the quality assurance laboratory when the ~~Department~~
10 Authority has reason to believe the medical marijuana or medical
11 marijuana product may be unsafe for patient consumption or
12 inhalation or has not been tested in accordance with the provisions
13 of the Oklahoma Medical Marijuana and Patient Protection Act and the
14 rules and regulations ~~of the Department~~ promulgated by the Executive
15 Director. The licensee shall provide the samples or units of
16 medical marijuana or medical marijuana products at its own expense
17 but shall not be responsible for the costs of testing; and

18 ~~7. Require~~ 10. Requiring medical marijuana business licensees
19 to periodically submit samples or units of medical marijuana or
20 medical marijuana products to the quality assurance laboratory for
21 quality assurance purposes. Licensed growers, processors,
22 dispensaries and transporters shall not be required to submit
23 samples or units of medical marijuana or medical marijuana products
24 more than twice a year. The licensee shall provide the samples or

1 units of medical marijuana or medical marijuana products at its own
2 expense but shall not be responsible for the costs of testing.

3 G. All investigators of the Authority shall meet all training
4 requirements and qualifications for peace officers as required by
5 Section 3311 et seq. of Title 70 of the Oklahoma Statutes.

6 H. The senior director of enforcement and any investigator of
7 the Authority as provided by subsection F of this section may arrest
8 a violator or suspected violator of any laws of this state committed
9 in the presence of the senior director of enforcement or any
10 investigator of the Authority or upon the development of probable
11 cause that such crime has been committed. The senior director of
12 enforcement and any investigator of the Authority as provided by
13 subsection F of this section may, upon request of a sheriff or
14 another peace officer of this state, or any political subdivision
15 thereof, assist in the apprehension and arrest of a violator or
16 suspected violator of any of the laws of this state.

17 I. The Executive Director may employ or contract with
18 attorneys, as needed, to advise the Executive Director and the
19 Authority on all legal matters and to appear for and represent the
20 Executive Director and the Authority in all administrative hearings
21 and all litigation or other proceedings which may arise in the
22 discharge of their duties. At the request of the Executive
23 Director, such attorneys shall assist district attorneys in
24

1 prosecuting charges of violators of the Oklahoma Medical Marijuana
2 and Patient Protection Act.

3 SECTION 10. AMENDATORY 63 O.S. 2021, Section 427.6, as
4 last amended by Section 11, Chapter 553, O.S.L. 2021, is amended to
5 read as follows:

6 Section 427.6. A. ~~The State Department of Health~~ Oklahoma
7 Medical Marijuana Authority shall address issues related to the
8 medical marijuana program in ~~Oklahoma~~ this state including, but not
9 limited to, monitoring and disciplinary actions as they relate to
10 the medical marijuana program.

11 B. 1. ~~The Department~~ Authority or its designee may perform on-
12 site inspections or investigations of a licensee or applicant for
13 any medical marijuana business license, research facility, education
14 facility or waste disposal facility to determine compliance with
15 applicable laws, rules and regulations or submissions made pursuant
16 to this section. ~~The Department~~ Authority may enter the licensed
17 premises of a medical marijuana business, research facility,
18 education facility or waste disposal facility licensee or applicant
19 to assess or monitor compliance or ensure qualifications for
20 licensure.

21 2. Post-licensure inspections shall be limited to twice per
22 calendar year. However, investigations and additional inspections
23 may occur when the ~~Department~~ Authority believes an investigation or
24 additional inspection is necessary due to a possible violation of

1 applicable laws, rules or regulations. The ~~State Commissioner of~~
2 ~~Health~~ Executive Director of the Authority may adopt rules imposing
3 penalties including, but not limited to, monetary fines and
4 suspension or revocation of licensure for failure to allow the
5 Authority reasonable access to the licensed premises for purposes of
6 conducting an inspection.

7 3. The ~~Department~~ Authority may review relevant records of a
8 licensed medical marijuana business, licensed medical marijuana
9 research facility, licensed medical marijuana education facility or
10 licensed medical marijuana waste disposal facility, and may require
11 and conduct interviews with such persons or entities and persons
12 affiliated with such entities, for the purpose of determining
13 compliance with ~~Department~~ requirements of the Executive Director
14 and applicable laws, rules and regulations.

15 4. The ~~Department~~ Authority may refer complaints alleging
16 criminal activity that are made against a licensee to appropriate
17 ~~Oklahoma~~ state or local law enforcement authorities.

18 C. Disciplinary action may be taken against an applicant or
19 licensee for not adhering to applicable laws pursuant to the terms,
20 conditions and guidelines set forth in the Oklahoma Medical
21 Marijuana and Patient Protection Act.

22 D. Disciplinary actions may include revocation, suspension or
23 denial of an application, license or final authorization and other
24 action deemed appropriate by the ~~Department~~ Executive Director.

1 E. Disciplinary actions may be imposed upon a medical marijuana
2 business licensee for:

3 1. Failure to comply with or satisfy any provision of
4 applicable laws, rules or regulations;

5 2. Falsification or misrepresentation of any material or
6 information submitted to the ~~Department~~ Authority or other
7 licensees;

8 3. Failing to allow or impeding entry by authorized
9 representatives of the ~~Department~~ Authority;

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

12 5. Failure to submit or disclose information required by
13 applicable laws, rules or regulations or otherwise requested by the
14 ~~Department~~ Authority;

15 6. Failure to correct any violation of this section cited as a
16 result of a review or audit of financial records or other materials;

17 7. Failure to comply with requested access by the ~~Department~~
18 Authority to the licensed premises or materials;

19 8. Failure to pay a required monetary penalty;

20 9. Diversion of medical marijuana or any medical marijuana
21 product, as determined by the ~~Department~~ Authority;

22 10. Threatening or harming a medical marijuana patient
23 licensee, caregiver licensee, a medical practitioner or an employee
24 of the ~~Department~~ Authority; and

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

3 F. Disciplinary actions against a licensee may include the
4 imposition of monetary penalties, which may be assessed by the
5 ~~Department~~ Authority. The ~~Department~~ Authority may suspend or
6 revoke a license for failure to pay any monetary penalty lawfully
7 assessed by the ~~Department~~ Authority against a licensee.

8 G. Penalties for sales or purchases by a medical marijuana
9 business to persons other than those allowed by law occurring within
10 any two-year time period may include an initial fine of One Thousand
11 Dollars (\$1,000.00) for a first violation and a fine of Five
12 Thousand Dollars (\$5,000.00) for any subsequent violation.

13 Penalties for grossly inaccurate or fraudulent reporting occurring
14 within any two-year time period may include an initial fine of Five
15 Thousand Dollars (\$5,000.00) for a first violation and a fine of Ten
16 Thousand Dollars (\$10,000.00) for any subsequent violation. The
17 medical marijuana business may be subject to a revocation of any
18 license granted pursuant to the Oklahoma Medical Marijuana and
19 Patient Protection Act upon a showing that the violation was willful
20 or grossly negligent.

21 H. 1. First offense for intentional and impermissible
22 diversion of medical marijuana, concentrate, or products by a
23 patient or caregiver to an unauthorized person shall not be punished
24

1 under a criminal statute but may be subject to a fine of Two Hundred
2 Dollars (\$200.00).

3 2. The second offense for impermissible diversion of medical
4 marijuana, concentrate, or products by a patient or caregiver to an
5 unauthorized person shall not be punished under a criminal statute
6 but may be subject to a fine of not to exceed Five Hundred Dollars
7 (\$500.00) and may result in revocation of the license upon a showing
8 that the violation was willful or grossly negligent.

9 I. The intentional diversion of medical marijuana, medical
10 marijuana concentrate or medical marijuana products by a licensed
11 medical marijuana patient or caregiver, medical marijuana business
12 or employee of a medical marijuana business to an unauthorized minor
13 person who the licensed medical marijuana patient or caregiver,
14 medical marijuana business or employee of a medical marijuana
15 business knew or reasonably should have known to be a minor person
16 shall be subject to a cite and release citation and, upon a finding
17 of guilt or a plea of no contest, a fine of Two Thousand Five
18 Hundred Dollars (\$2,500.00). For a second or subsequent offense,
19 the licensed medical marijuana patient or caregiver, medical
20 marijuana business or employee of a medical marijuana business shall
21 be subject to a cite and release citation and, upon a finding of
22 guilt or a plea of no contest, a fine of Five Thousand Dollars
23 (\$5,000.00) and automatic termination of the medical marijuana
24 license.

1 J. Nothing in this section shall be construed to prevent the
2 criminal prosecution, after the presentation of evidence and a
3 finding beyond a reasonable doubt, of a licensed medical marijuana
4 patient or caregiver, medical marijuana business or employee of a
5 medical marijuana business who has diverted medical marijuana,
6 medical marijuana concentrate or medical marijuana products to an
7 unauthorized person with the intent or knowledge that the
8 unauthorized person was to engage in the distribution or trafficking
9 of medical marijuana, medical marijuana concentrate or medical
10 marijuana products.

11 K. In addition to any other remedies provided for by law, the
12 ~~Department~~ Authority, pursuant to ~~its~~ rules and regulations
13 promulgated by the Executive Director, may issue a written order to
14 any licensee the ~~Department~~ Authority has reason to believe has
15 violated Sections 420 through 426.1 of this title, the Oklahoma
16 Medical Marijuana and Patient Protection Act, the Oklahoma Medical
17 Marijuana Waste Management Act, or any rules promulgated by the
18 ~~State Commissioner of Health~~ Executive Director and to whom the
19 ~~Department~~ Authority has served, not less than thirty (30) days
20 previously, a written notice of violation of such statutes or rules.

21 1. The written order shall state with specificity the nature of
22 the violation. The ~~Department~~ Authority may impose any disciplinary
23 action authorized under the provisions of this section including,
24 but not limited to, the assessment of monetary penalties.

1 2. Any order issued pursuant to the provisions of this section
2 shall become a final order unless, not more than thirty (30) days
3 after the order is served to the licensee, the licensee requests an
4 administrative hearing in accordance with the rules and regulations
5 ~~of the Department~~ promulgated by the Executive Director. Upon such
6 request, the ~~Department~~ Authority shall promptly initiate
7 administrative proceedings.

8 L. Whenever the ~~Department~~ Executive Director finds that an
9 emergency exists requiring immediate action in order to protect the
10 health or welfare of the public, the ~~Department~~ Executive Director
11 may issue an order, without providing notice or hearing, stating the
12 existence of ~~said~~ an emergency and requiring that action be taken as
13 the ~~Department~~ Executive Director deems necessary to meet the
14 emergency. Such action may include, but is not limited to, ordering
15 the licensee to immediately cease and desist operations by the
16 licensee. The order shall be effective immediately upon issuance.
17 Any person to whom the order is directed shall comply immediately
18 with the provisions of the order. The ~~Department~~ Authority may
19 assess a penalty not to exceed Ten Thousand Dollars (\$10,000.00) per
20 day of noncompliance with the order. In assessing such a penalty,
21 the ~~Department~~ Authority shall consider the seriousness of the
22 violation and any efforts to comply with applicable requirements.
23 Upon application to the ~~Department~~ Authority, the licensee shall be
24 offered a hearing within ten (10) days of the issuance of the order.

1 M. All hearings held pursuant to this section shall be in
2 accordance with the ~~Oklahoma~~ Administrative Procedures Act.

3 SECTION 11. AMENDATORY 63 O.S. 2021, Section 427.9, is
4 amended to read as follows:

5 Section 427.9. A. The Oklahoma Medical Marijuana Authority may
6 contact the recommending physician of an applicant for a medical
7 marijuana patient license or current holder of a medical marijuana
8 patient license to verify the need of the applicant or licensee for
9 the license and the information submitted with the application.

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

20 C. The patient license shall be valid for up to two (2) years
21 from the date of issuance, unless the recommendation of the
22 physician is terminated pursuant to the Oklahoma Medical Marijuana
23 and Patient Protection Act or revoked by the ~~Department~~ Authority.

1 SECTION 12. AMENDATORY 63 O.S. 2021, Section 427.10, is

2 amended to read as follows:

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

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

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

1 condition of a patient or for otherwise violating the applicable
2 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 licensed medical
5 marijuana dispensary.

6 E. If the physician determines the continued use of medical
7 marijuana by the patient no longer meets the requirements set forth
8 in the Oklahoma Medical Marijuana and Patient Protection Act, the
9 physician shall notify the ~~Department~~ Oklahoma Medical Marijuana
10 Authority and the license shall be immediately voided without right
11 to an individual proceeding.

12 SECTION 13. AMENDATORY 63 O.S. 2021, Section 427.11, is
13 amended to read as follows:

14 Section 427.11. A. The caregiver license shall provide the
15 caregiver the same rights as the medical marijuana patient licensee,
16 including the ability to possess marijuana, marijuana products, and
17 mature and immature plants pursuant to the Oklahoma Medical
18 Marijuana and Patient Protection Act, but excluding the ability to
19 use marijuana or marijuana products unless the caregiver has a
20 medical marijuana patient license. Caregivers shall be authorized
21 to deliver marijuana and products to their authorized patients.
22 Caregivers shall be authorized to possess medical marijuana and
23 medical marijuana products up to the sum of the possession limits
24

1 for the patients under his or her care pursuant to the Oklahoma
2 Medical Marijuana and Patient Protection Act.

3 B. An individual caregiver shall be limited to exercising the
4 marijuana cultivation rights of no more than five licensed patients
5 as prescribed by the Oklahoma Medical Marijuana and Patient
6 Protection Act.

7 C. The license of a caregiver shall not extend beyond the
8 expiration date of the underlying patient license regardless of the
9 issue date.

10 D. A medical marijuana patient license holder may request, at
11 any time, to withdraw the license of his or her caregiver. In the
12 event that such a request is made or upon the expiration of the
13 medical marijuana license of the patient, the license of the
14 caregiver shall be immediately withdrawn by the ~~Department~~ Oklahoma
15 Medical Marijuana Authority without the right to a hearing.

16 SECTION 14. AMENDATORY 63 O.S. 2021, Section 427.13, as
17 last amended by Section 16, Chapter 553, O.S.L. 2021, is amended to
18 read as follows:

19 Section 427.13. A. All medical marijuana and medical marijuana
20 products shall be purchased solely from ~~an Oklahoma-licensed a~~
21 state-licensed medical marijuana business, and shall not be
22 purchased from any out-of-state providers.

23 B. 1. The Authority shall have oversight and auditing
24 responsibilities to ensure that all marijuana being grown in
25

1 ~~Oklahoma~~ this state is accounted for and shall implement an
2 inventory tracking system. Pursuant to these duties, the Authority
3 shall require that each medical marijuana business, medical
4 marijuana research facility, medical marijuana education facility
5 and medical marijuana waste disposal facility keep records for every
6 transaction with another medical marijuana business, patient or
7 caregiver. Inventory shall be tracked and updated after each
8 individual sale and reported to the Authority.

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

- 12 a. notification of when marijuana seeds and clones are
13 planted,
- 14 b. notification of when marijuana plants are harvested
15 and destroyed,
- 16 c. notification of when marijuana is transported, sold,
17 stolen, diverted or lost,
- 18 d. a complete inventory of all marijuana, seeds, plant
19 tissue, clones, plants, usable marijuana or trim,
20 leaves and other plant matter, batches of extract, and
21 marijuana concentrates,
- 22 e. all samples sent to a testing laboratory, an unused
23 portion of a sample returned to a licensee, all
24

1 samples utilized by licensee for purposes of
2 negotiating a sale, and

3 f. all samples used for quality testing by a licensee.

4 3. Each medical marijuana business, medical marijuana research
5 facility, medical marijuana education facility and medical marijuana
6 waste disposal facility shall use a seed-to-sale tracking system or
7 integrate its own seed-to-sale tracking system with the seed-to-sale
8 tracking system established by the Authority.

9 4. These records shall include, but not be limited to, the
10 following:

11 a. the name and license number of the medical marijuana
12 business that cultivated, manufactured or sold the
13 medical marijuana or medical marijuana product,

14 b. the address and phone number of the medical marijuana
15 business that cultivated, manufactured or sold the
16 medical marijuana or medical marijuana product,

17 c. the type of product received during the transaction,

18 d. the batch number of the marijuana plant used,

19 e. the date of the transaction,

20 f. the total spent in dollars,

21 g. all point-of-sale records,

22 h. marijuana excise tax records, and
23
24
25

1 i. any additional information as may be reasonably
2 required by the ~~Department~~ Executive Director of the
3 Oklahoma Medical Marijuana Authority.

4 5. All inventory tracking records retained by a medical
5 marijuana business, medical marijuana research facility, medical
6 marijuana education facility or medical marijuana waste disposal
7 facility containing medical marijuana patient or caregiver
8 information shall comply with all relevant state and federal laws
9 including, but not limited to, the Health Insurance Portability and
10 Accountability Act of 1996 (HIPAA).

11 SECTION 15. AMENDATORY 63 O.S. 2021, Section 427.14, as
12 last amended by Section 17, Chapter 553, O.S.L. 2021, is amended to
13 read as follows:

14 Section 427.14. A. There is hereby created the medical
15 marijuana business license, which shall include the following
16 categories:

- 17 1. Medical marijuana commercial grower;
- 18 2. Medical marijuana processor;
- 19 3. Medical marijuana dispensary;
- 20 4. Medical marijuana transporter; and
- 21 5. Medical marijuana testing laboratory.

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

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

4 D. The annual, nonrefundable application fee for a medical
5 marijuana business license shall be Two Thousand Five Hundred
6 Dollars (\$2,500.00).

7 E. All applicants seeking licensure or licensure renewal as a
8 medical marijuana business shall comply with the following general
9 requirements:

10 1. All applications for licenses and registrations authorized
11 pursuant to this section shall be made upon forms prescribed by the
12 Authority;

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

16 3. Applicants shall submit a complete application to the
17 ~~Department~~ Authority before the application may be accepted or
18 considered;

19 4. All applications shall be complete and accurate in every
20 detail;

21 5. All applications shall include all attachments or
22 supplemental information required by the forms supplied by the
23 Authority;

1 6. All applications shall be accompanied by a full remittance
2 for the whole amount of the application fees. Application fees are
3 nonrefundable;

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

- 6 a. twenty-five (25) years of age or older,
- 7 b. if applying as an individual, proof that the applicant
8 is ~~an Oklahoma resident~~ a resident of this state
9 pursuant to paragraph 11 of this subsection,
- 10 c. if applying as an entity, proof that seventy-five
11 percent (75%) of all members, managers, executive
12 officers, partners, board members or any other form of
13 business ownership are ~~Oklahoma residents~~ of this
14 state pursuant to paragraph 11 of this subsection,
- 15 d. if applying as an individual or entity, proof that the
16 individual or entity is registered to conduct business
17 in ~~the State of Oklahoma~~ this state,
- 18 e. disclosure of all ownership interests pursuant to the
19 Oklahoma Medical Marijuana and Patient Protection Act,
20 and
- 21 f. proof that the medical marijuana business, medical
22 marijuana research facility, medical marijuana
23 education facility and medical marijuana waste
24 disposal facility applicant or licensee has not been

1 convicted of a nonviolent felony in the last two (2)
2 years, or any other felony conviction within the last
3 five (5) years, is not a current inmate in the custody
4 of the Department of Corrections, or currently
5 incarcerated in a jail or corrections facility;

6 8. There shall be no limit to the number of medical marijuana
7 business licenses or categories that an individual or entity can
8 apply for or receive, although each application and each category
9 shall require a separate application and application fee. A
10 commercial grower, processor and dispensary, or any combination
11 thereof, are authorized to share the same address or physical
12 location, subject to the restrictions set forth in the Oklahoma
13 Medical Marijuana and Patient Protection Act;

14 9. All applicants for a medical marijuana business license,
15 research facility license or education facility license authorized
16 by the Oklahoma Medical Marijuana and Patient Protection Act, or for
17 a renewal of such license, shall undergo ~~an Oklahoma~~ a state
18 criminal history background check conducted by the Oklahoma State
19 Bureau of Investigation (OSBI) within thirty (30) days prior to the
20 application for the license, including:

- 21 a. individual applicants applying on their own behalf,
- 22 b. individuals applying on behalf of an entity,
- 23 c. all principal officers of an entity, and

1 d. all owners of an entity as defined by the Oklahoma
2 Medical Marijuana and Patient Protection Act;

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

6 11. In order to be considered ~~an Oklahoma resident~~ a resident
7 of this state for purposes of a medical marijuana business
8 application, all applicants shall provide proof of ~~Oklahoma state~~ state
9 residency for at least two (2) years immediately preceding the date
10 of application or five (5) years of continuous ~~Oklahoma state~~ state
11 residency during the preceding twenty-five (25) years immediately
12 preceding the date of application. Sufficient documentation of
13 proof of state residency shall include a combination of the
14 following:

- 15 a. an unexpired ~~Oklahoma-issued~~ state-issued driver
16 license,
17 b. ~~an Oklahoma~~ a state-issued identification card,
18 c. a utility bill preceding the date of application,
19 excluding cellular telephone and Internet bills,
20 d. a residential property deed to property in ~~the State~~
21 ~~of Oklahoma~~ this state, and
22 e. a rental agreement preceding the date of application
23 for residential property located in ~~the State of~~
24 ~~Oklahoma~~ this state.

1 Applicants that were issued a medical marijuana business license
2 prior to August 30, 2019, are hereby exempt from the two-year or
3 five-year ~~Oklahoma~~ state residence requirement mentioned above;

4 12. All license applicants shall be required to submit a
5 registration with the Oklahoma State Bureau of Narcotics and
6 Dangerous Drugs Control as provided in Sections 2-302 through 2-304
7 of this title;

8 13. All applicants shall establish their identity through
9 submission of a color copy or digital image of one of the following
10 unexpired documents:

- 11 a. front of ~~an Oklahoma~~ a state-issued driver license,
- 12 b. front of ~~an Oklahoma~~ a state-issued identification
13 card,
- 14 c. a United States passport or other photo identification
15 issued by the United States government, or
- 16 d. a tribal identification card approved for
17 identification purposes by the ~~Oklahoma~~ Department of
18 Public Safety; and

19 14. All applicants shall submit an applicant photograph.

20 F. The Authority shall review the medical marijuana business
21 application; approve, reject or deny the application; and mail the
22 approval, rejection, denial or status-update letter to the applicant
23 within ninety (90) business days of receipt of the application.

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

4 2. Approved applicants shall be issued a medical marijuana
5 business license for the specific category applied under, which
6 shall act as proof of their approved status. Rejection and denial
7 letters shall provide a reason for the rejection or denial.
8 Applications may only be rejected or denied based on the applicant
9 not meeting the standards set forth in the provisions of the
10 Oklahoma Medical Marijuana and Patient Protection Act and Sections
11 420 through 426.1 of this title, improper completion of the
12 application, or for a reason provided for in the Oklahoma Medical
13 Marijuana and Patient Protection Act and Sections 420 through 426.1
14 of this title. If an application is rejected for failure to provide
15 required information, the applicant shall have thirty (30) days to
16 submit the required information for reconsideration. No additional
17 application fee shall be charged for such reconsideration. Unless
18 the ~~Department~~ Authority determines otherwise, an application that
19 has been resubmitted but is still incomplete or contains errors that
20 are not clerical or typographical in nature shall be denied.

21 3. Status-update letters shall provide a reason for delay in
22 either approval, rejection or denial should a situation arise in
23 which an application was submitted properly but a delay in
24 processing the application occurred.

1 4. Approval, rejection, denial or status-update letters shall
2 be sent to the applicant in the same method the application was
3 submitted to the ~~Department~~ Authority.

4 H. A license for a medical marijuana business, medical
5 marijuana research facility, medical marijuana education facility or
6 medical marijuana waste disposal facility shall not be issued to or
7 held by:

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

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

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

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

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

21 a. file taxes, interest or penalties due related to a
22 medical marijuana business, or

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

1 6. A sheriff, deputy sheriff, police officer or prosecuting
2 officer, or an officer or employee of the Authority or municipality;

3 7. A person whose authority to be a caregiver, as defined in
4 Section 427.2 of this title, has been revoked by the ~~Department~~
5 Authority; or

6 8. A person who was involved in the management or operations of
7 any medical marijuana business, medical marijuana research facility,
8 medical marijuana education facility or medical marijuana waste
9 disposal facility that, after the initiation of a disciplinary
10 action, has had a medical marijuana license revoked, not renewed, or
11 surrendered during the five (5) years preceding submission of the
12 application and for the following violations:

- 13 a. unlawful sales or purchases,
- 14 b. any fraudulent acts, falsification of records or
15 misrepresentation to the Authority, medical marijuana
16 patient licensees, caregiver licensees or medical
17 marijuana business licensees,
- 18 c. any grossly inaccurate or fraudulent reporting,
- 19 d. threatening or harming any medical marijuana patient,
20 caregiver, medical practitioner or employee of the
21 ~~Department~~ Authority,
- 22 e. knowingly or intentionally refusing to permit the
23 ~~Department~~ Authority access to premises or records,

- f. using a prohibited, hazardous substance for processing in a residential area,
- g. criminal acts relating to the operation of a medical marijuana business, or
- h. any violations that endanger public health and safety or product safety.

I. In investigating the qualifications of an applicant or a licensee, the ~~Department~~, Authority and municipalities may have access to criminal history record information furnished by a criminal justice agency subject to any restrictions imposed by such an agency.

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

K. All applicants and licensees shall submit information to the ~~Department~~ and Authority in a full, faithful, truthful and fair manner. The ~~Department~~ and Authority may recommend denial of an application where the applicant or licensee made misstatements, omissions, misrepresentations or untruths in the application or in connection with the background investigation of the applicant. This type of conduct may be grounds for administrative action against the applicant or licensee. Typos and scrivener errors shall not be grounds for denial.

1 L. A licensed medical marijuana business premises shall be
2 subject to and responsible for compliance with applicable provisions
3 consistent with the zoning where such business is located as
4 described in the most recent versions of the Oklahoma Uniform
5 Building Code, the International Building Code and the International
6 Fire Code, unless granted an exemption by a municipality or
7 appropriate code enforcement entity.

8 M. All medical marijuana business, medical marijuana research
9 facility, medical marijuana education facility and medical marijuana
10 waste disposal facility licensees shall pay the relevant licensure
11 fees prior to receiving licensure to operate.

12 N. A medical marijuana business, medical marijuana research
13 facility, medical marijuana education facility or medical marijuana
14 waste disposal facility that attempts to renew its license after the
15 expiration date of the license shall pay a late renewal fee in an
16 amount to be determined by the ~~Department~~ Executive Director of the
17 Authority to reinstate the license. Late renewal fees are
18 nonrefundable. A license that has been expired for more than ninety
19 (90) days shall not be renewed.

20 O. No medical marijuana business, medical marijuana research
21 facility, medical marijuana education facility or medical marijuana
22 waste disposal facility shall possess, sell or transfer medical
23 marijuana or medical marijuana products without a valid, unexpired
24 license issued by the ~~Department~~ Authority.

1 SECTION 16. AMENDATORY 63 O.S. 2021, Section 427.16, as
2 last amended by Section 18, Chapter 553, O.S.L. 2021 is amended to
3 read as follows:

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

7 B. Pursuant to Section 424 of this title, the Oklahoma Medical
8 Marijuana Authority shall issue a medical marijuana transporter
9 license to licensed medical marijuana commercial growers, processors
10 and dispensaries upon issuance of such licenses and upon each
11 renewal. Medical marijuana transporter licenses shall also be
12 issued to licensed medical marijuana research facilities, medical
13 marijuana education facilities and medical marijuana testing
14 laboratories upon issuance of such licenses and upon each renewal.

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

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

1 ownership. A licensed medical marijuana transporter shall be
2 responsible for all medical marijuana, medical marijuana concentrate
3 and medical marijuana products once the transporter takes control of
4 the product.

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

11 F. A medical marijuana transporter licensee may contract with
12 multiple licensed medical marijuana businesses.

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

21 H. A medical marijuana transporter licensee shall use the seed-
22 to-sale tracking system developed pursuant to the Oklahoma Medical
23 Marijuana and Patient Protection Act to create shipping manifests
24

1 documenting the transport of medical marijuana, medical marijuana
2 concentrate and medical marijuana products throughout the state.

3 I. A licensed medical marijuana transporter may maintain and
4 operate one or more warehouses in the state to handle medical
5 marijuana, medical marijuana concentrate and medical marijuana
6 products. Each location shall be registered and inspected by the
7 Authority prior to its use.

8 J. With the exception of a lawful transfer between medical
9 marijuana businesses who are licensed to operate at the same
10 physical address, all medical marijuana, medical marijuana
11 concentrate and medical marijuana products shall be transported:

12 1. In vehicles equipped with Global Positioning System (GPS)
13 trackers;

14 2. In a locked container and clearly labeled "Medical Marijuana
15 or Derivative"; and

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

18 K. A transporter agent may possess marijuana at any location
19 while the transporter agent is transferring marijuana to or from a
20 licensed medical marijuana business, licensed medical marijuana
21 research facility or licensed medical marijuana education facility.
22 The ~~Department~~ Authority shall administer and enforce the provisions
23 of this section concerning transportation.

1 L. The Authority shall issue a transporter agent license to
2 individual agents, employees, officers or owners of a transporter
3 license in order for the individual to qualify to transport medical
4 marijuana, medical marijuana concentrate or medical marijuana
5 products.

6 M. The annual fee for a transporter agent license shall be
7 Twenty-five Dollars (\$25.00) and shall be paid by the transporter
8 license holder or the individual applicant. Transporter license
9 reprints shall be Twenty Dollars (\$20.00).

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

- 12 1. The name, address and date of birth of the person;
- 13 2. Proof of current ~~Oklahoma~~ state residency;
- 14 3. Proof of identity as required for a medical marijuana
15 business license;
- 16 4. Possession of a valid ~~Oklahoma~~ state-issued driver license;
- 17 5. Verification of employment with a licensed transporter;
- 18 6. The application and affiliated fee; and
- 19 7. A copy of the criminal background check conducted by the
20 Oklahoma State Bureau of Investigation, paid for by the applicant.

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

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

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

9 R. The ~~Department~~ Authority may revoke or suspend the
10 transporter license of a transporter that the ~~Department~~ Authority
11 determines knowingly aided or facilitated a violation of any
12 provision of this section, and the license holder is subject to any
13 other penalties established in law for the violation.

14 S. Vehicles used in the transport of medical marijuana or
15 medical marijuana product shall be:

- 16 1. Insured at or above the legal requirements in ~~Oklahoma~~ this
17 state;
- 18 2. Capable of securing medical marijuana during transport; and
- 19 3. In possession of a shipping container as defined in Section
20 427.2 of this title capable of securing all transported products.

21 T. Prior to the transport of any medical marijuana, medical
22 marijuana concentrate or medical marijuana products, an inventory
23 manifest shall be prepared at the origination point of the medical
24

1 marijuana. The inventory manifest shall include the following
2 information:

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

- 4 a. the licensee number for the commercial grower,
5 processor or dispensary,
- 6 b. address of origination of transport, and
- 7 c. name and contact information for the originating
8 licensee;

9 2. For the end recipient license holder of the medical
10 marijuana:

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

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

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

21 5. The arrival date and estimated time of arrival;

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

24 7. Notation of the transporting licensee.

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

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

7 3. A receiving licensee shall refuse to accept any medical
8 marijuana, medical marijuana concentrate or medical marijuana
9 products that are not accompanied by an inventory manifest.

10 4. Originating and receiving licensees shall maintain copies of
11 inventory manifests and logs of quantities of medical marijuana
12 received for seven (7) years from date of receipt.

13 SECTION 17. AMENDATORY 63 O.S. 2021, Section 427.17, is
14 amended to read as follows:

15 Section 427.17. A. There is hereby created a medical marijuana
16 testing laboratory license as a category of the medical marijuana
17 business license. The Oklahoma Medical Marijuana Authority is
18 hereby enabled to monitor, inspect and audit a licensed testing
19 laboratory under the Oklahoma Medical Marijuana and Patient
20 Protection Act.

21 B. The Authority is hereby authorized to contract with a
22 private laboratory for the purpose of conducting compliance testing
23 of medical marijuana testing laboratories licensed in this state.
24 Any such laboratory under contract for compliance testing shall be

1 prohibited from conducting any other commercial medical marijuana
2 testing in this state. The laboratory the Authority contracts with
3 for compliance testing shall not employ, or be owned by, the
4 following:

5 1. Any individual that has a direct or indirect interest in a
6 licensed medical marijuana business; or

7 2. Any individual or his or her spouse, parent, child, spouse
8 of a child, sibling or spouse of a sibling that has an application
9 for a medical marijuana business license pending before the
10 ~~Department~~ Authority or is a member of the board of directors of a
11 medical marijuana business, or is an individual financially
12 interested in any licensee or medical marijuana business located
13 within this state.

14 C. The Authority shall develop acceptable testing practices
15 including, but not limited to, testing, standards, quality control
16 analysis, equipment certification and calibration, and chemical
17 identification and substances used.

18 D. A person who is a direct beneficial owner of a medical
19 marijuana dispensary, medical marijuana commercial grower or medical
20 marijuana processor shall not be an owner of a laboratory.

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

1 F. A separate license shall be required for each specific
2 laboratory.

3 G. A medical marijuana testing laboratory license may be issued
4 to a person who performs testing on medical marijuana and medical
5 marijuana products for medical marijuana businesses, medical
6 marijuana research facilities, medical marijuana education
7 facilities, and testing on marijuana and marijuana products grown or
8 produced by a patient or caregiver on behalf of a patient, upon
9 verification of registration. A medical marijuana testing
10 laboratory may also conduct research related to the development and
11 improvement of its testing practices and procedures. No state-
12 approved medical marijuana testing facility shall operate unless a
13 medical laboratory director is on site during operational hours.

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

19 I. A medical marijuana testing laboratory may accept samples of
20 medical marijuana, medical marijuana concentrate or medical
21 marijuana product from a medical marijuana business, medical
22 marijuana research facility or medical marijuana education facility
23 for testing purposes only, which purposes may include the provision
24 of testing services for samples submitted by a medical marijuana

1 business for product development. The ~~Department~~ Authority may
2 require a medical marijuana business to submit a sample of medical
3 marijuana, medical marijuana concentrate or medical marijuana
4 product to a medical marijuana testing or quality assurance
5 laboratory upon demand.

6 J. A medical marijuana testing laboratory may accept samples of
7 medical marijuana, medical marijuana concentrate or medical
8 marijuana product from an individual person for testing only under
9 the following conditions:

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

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

17 K. A medical marijuana testing laboratory may transfer samples
18 to another medical marijuana testing laboratory for testing. All
19 laboratory reports provided to or by a medical marijuana business or
20 to a patient or caregiver shall identify the medical marijuana
21 testing laboratory that actually conducted the test.

22 L. A medical marijuana testing laboratory may utilize a
23 licensed medical marijuana transporter to transport samples of
24 medical marijuana, medical marijuana concentrate and medical

1 marijuana product for testing, in accordance with the Oklahoma
2 Medical Marijuana and Patient Protection Act and the rules adopted
3 pursuant thereto, between the originating medical marijuana business
4 requesting testing services and the destination laboratory
5 performing testing services.

6 M. The medical marijuana testing laboratory shall establish
7 policies to prevent the existence of or appearance of undue
8 commercial, financial or other influences that may diminish the
9 competency, impartiality and integrity of the testing processes or
10 results of the laboratory, or that may diminish public confidence in
11 the competency, impartiality and integrity of the testing processes
12 or results of the laboratory. At a minimum, employees, owners or
13 agents of a medical marijuana testing laboratory who participate in
14 any aspect of the analysis and results of a sample are prohibited
15 from improperly influencing the testing process, improperly
16 manipulating data or improperly benefiting from any ongoing
17 financial, employment, personal or business relationship with the
18 medical marijuana business that provided the sample. A medical
19 marijuana testing laboratory shall not test samples for any medical
20 marijuana business in which an owner, employee or agent of the
21 medical marijuana testing laboratory has any form of ownership or
22 financial interest in the medical marijuana business.

23 N. The ~~Department~~ Authority, pursuant to rules promulgated by
24 the ~~State Commissioner of Health~~ Executive Director of the

1 Authority, shall develop standards, policies and procedures as
2 necessary for:

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

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

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

13 4. Records to be retained and computer systems to be utilized
14 by the laboratory;

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

17 6. A certificate of analysis (COA) for each lot of reference
18 standard;

19 7. The transport and disposal of unused marijuana, marijuana
20 products and waste;

21 8. The mandatory use by a laboratory of an inventory tracking
22 system to ensure all harvest and production batches or samples
23 containing medical marijuana, medical marijuana concentrate or
24 medical marijuana products are identified and tracked from the point
25

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

6 9. Standards of performance;

7 10. The employment of laboratory personnel;

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

10 12. The successful participation in a ~~Department-approved~~
11 proficiency testing program approved by the Executive Director for
12 each testing category listed in this section, in order to obtain and
13 maintain certification;

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

17 14. The immediate recall of medical marijuana or medical
18 marijuana products that test above allowable thresholds or are
19 otherwise determined to be unsafe;

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

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

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

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

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 seven (7) 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~~ Executive Director:

- 24 1. Microbials;

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

7 R. A licensed medical marijuana testing laboratory shall test
8 each individual harvest batch. A grower shall separate each harvest
9 lot of usable marijuana into harvest batches containing no more than
10 fifteen (15) pounds, with the exception of any plant material to be
11 sold to a licensed processor for the purposes of turning the plant
12 material into concentrate which may be separated into harvest
13 batches of no more than fifty (50) pounds. A processor shall
14 separate each medical marijuana production lot into production
15 batches containing no more than four (4) liters of concentrate or
16 nine (9) pounds for nonliquid products, and for final products, the
17 Oklahoma Medical Marijuana Authority shall be authorized to
18 promulgate rules on final products as necessary. Provided, however,
19 the Authority shall not require testing of final products less often
20 than every one thousand (1,000) grams of THC. As used in this
21 subsection, "final products" shall include, but not be limited to,
22 cookies, brownies, candies, gummies, beverages and chocolates.

23 S. Medical marijuana testing laboratory licensure shall be
24 contingent upon successful on-site inspection, successful

1 participation in proficiency testing and ongoing compliance with the
2 applicable requirements in this section.

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

10 U. Medical marijuana testing laboratories shall obtain
11 accreditation by an accrediting body approved by the ~~Commissioner~~
12 Executive Director within one (1) year of the date the initial
13 license is issued. Renewal of any medical marijuana testing
14 laboratory license shall be contingent upon accreditation in
15 accordance with this subsection. All medical marijuana testing
16 laboratories shall obtain accreditation prior to applying for and
17 receiving a medical marijuana testing laboratory license.

18 V. Unless authorized by the provisions of this section, a
19 commercial grower shall not transfer or sell medical marijuana and a
20 processor shall not transfer, sell or process into a concentrate or
21 product any medical marijuana, medical marijuana concentrate or
22 medical marijuana product unless samples from each harvest batch or
23 production batch from which that medical marijuana, medical
24 marijuana concentrate or medical marijuana product was derived has

1 been tested by a medical marijuana testing laboratory and passed all
2 contaminant tests required by the Oklahoma Medical Marijuana and
3 Patient Protection Act and applicable laws, rules and regulations.

4 A licensed commercial grower may transfer medical marijuana that has
5 failed testing to a licensed processor only for the purposes of
6 decontamination or remediation and only in accordance with the
7 provisions of the Oklahoma Medical Marijuana and Patient Protection
8 Act and the rules and regulations ~~of the Department~~ promulgated by
9 the Executive Director. Remediated and decontaminated medical
10 marijuana may be returned only to the originating licensed
11 commercial grower.

12 W. Kief shall not be transferred or sold except as authorized
13 in the rules and regulations ~~of the Department~~ promulgated by the
14 Executive Director.

15 SECTION 18. AMENDATORY 63 O.S. 2021, Section 427.18, is
16 amended to read as follows:

17 Section 427.18. A. ~~An Oklahoma~~ A medical marijuana business
18 shall not sell, transfer or otherwise distribute medical marijuana
19 or medical marijuana product that has not been packaged and labeled
20 in accordance with this section and rules promulgated by the ~~State~~
21 ~~Commissioner of Health~~ Executive Director of the Oklahoma Medical
22 Marijuana Authority.

23 B. A medical marijuana dispensary shall return medical
24 marijuana and medical marijuana product that does not meet packaging

1 or labeling requirements in this section or rules promulgated
2 pursuant thereto to the entity who transferred it to the dispensary.
3 The medical marijuana dispensary shall document to whom the item was
4 returned, what was returned and the date of the return or dispose of
5 any usable marijuana that does not meet these requirements in
6 accordance with the Oklahoma Medical Marijuana and Patient
7 Protection Act.

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

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

16 3. Labels on a container shall not include any false or
17 misleading statements.

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

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

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~~ Executive Director shall
5 develop minimum standards for packaging and labeling of medical
6 marijuana and medical marijuana products. Such standards shall
7 include, but not be limited to, the required contents of labels to
8 be affixed to all medical marijuana and medical marijuana products
9 prior to transfer to a licensed patient or caregiver, which shall
10 include, at a minimum:

11 1. THC and other cannabinoid potency, and terpenoid potency;

12 2. A statement indicating that the product has been tested for
13 contaminants;

14 3. One or more product warnings to be determined by the
15 ~~Department~~ Executive Director; and

16 4. Any other information the ~~Department~~ Executive Director
17 deems necessary.

18 SECTION 19. AMENDATORY 63 O.S. 2021, Section 427.19, is
19 amended to read as follows:

20 Section 427.19. A. A medical marijuana research license may be
21 issued to a person to grow, cultivate, possess and transfer, by sale
22 or donation, marijuana pursuant to the Oklahoma Medical Marijuana
23 and Patient Protection Act for the limited research purposes
24 identified in this section.

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

6 C. A medical marijuana research license may be issued for the
7 following research purposes:

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

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

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

- 5 a. the quality, study design, value or impact of the
6 project,
- 7 b. whether the applicant has the appropriate personnel,
8 expertise, facilities, infrastructure, funding and
9 human, animal or other approvals in place to
10 successfully conduct the project, and
- 11 c. whether the amount of marijuana to be grown by the
12 applicant is consistent with the scope and goals of
13 the project.

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

17 E. A medical marijuana research licensee may only transfer, by
18 sale or donation, marijuana grown within its operation to other
19 medical marijuana research licensees. The ~~Department~~ Authority may
20 revoke a medical marijuana research license for violations of this
21 section and any other violation of the Oklahoma Medical Marijuana
22 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 this state at which the medical marijuana research licensee intends
11 to operate. A medical marijuana research licensee shall not allow
12 any other 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 20. AMENDATORY 63 O.S. 2021, Section 427.20, is
20 amended to read as follows:

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

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 a~~
7 not-for-profit organization in this state registered ~~organization~~
8 with the Office of the Secretary of State.

9 D. A medical marijuana education facility license may only be
10 granted upon the submission of an annual fee of Five Hundred Dollars
11 (\$500.00) to the Oklahoma Medical Marijuana 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
25

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 project and curriculum will not be conducted with a public
7 institution or with public money, the Authority shall grant the
8 application. If the research will be conducted with a public
9 institution or public money, the Authority shall review the research
10 project of the applicant to determine if it meets the requirements
11 of this section 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 applicable
2 laws, rules and regulations.

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~~ this state at which the medical marijuana
13 education facility licensee intends to operate. A medical marijuana
14 education facility licensee shall not allow any other person to
15 exercise the privilege of the license.

16 SECTION 21. AMENDATORY 63 O.S. 2021, Section 427.22, is
17 amended to read as follows:

18 Section 427.22. A. All medical marijuana patient and caregiver
19 records and information including, but not limited to, any
20 application or renewal and supporting information submitted by a
21 qualifying patient or designated caregiver under the provisions of
22 the Oklahoma Medical Marijuana and Patient Protection Act and
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 or a
7 licensee in an application to the Authority shall be treated as
8 confidential records that are exempt from the Oklahoma Open Records
9 Act.

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

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

20 F. All monthly report, inventory tracking and seed-to-sale
21 information, data and records submitted to the ~~Department~~ Authority
22 shall be treated as confidential records and are exempt from the
23 Oklahoma Open Records Act.

1 G. Except for license information concerning licensed patients,
2 the ~~Department~~ Authority may share confidential information with
3 other ~~Oklahoma~~ state agencies to assist those agencies in ensuring
4 compliance with applicable laws, rules and regulations.

5 SECTION 22. AMENDATORY 63 O.S. 2021, Section 427.23, is
6 amended to read as follows:

7 Section 427.23. A. The ~~State Commissioner of Health~~ Executive
8 Director of the Oklahoma Medical Marijuana Authority, the Oklahoma
9 Tax Commission, the State Treasurer, the Secretary of State and the
10 Director of the Office of Management and Enterprise Services shall
11 promulgate rules to implement the provisions of the Oklahoma Medical
12 Marijuana and Patient Protection Act.

13 B. ~~The Medical Marijuana Advisory Council, in addition to the~~
14 ~~powers and duties granted in Section 423 of this title, may~~
15 ~~recommend to the State Commissioner of Health rules relating to all~~
16 ~~aspects regarding the safe cultivation and manufacturing of medical~~
17 ~~marijuana products. In addition to the twelve (12) members required~~
18 ~~in Section 423 of this title, the State Department of Health may~~
19 ~~appoint up to eight additional members. The makeup of the Council~~
20 ~~shall include medical marijuana industry representation.~~

21 SECTION 23. AMENDATORY 63 O.S. 2021, Section 427.24, is
22 amended to read as follows:

23 Section 427.24. A. Whenever an authorized agent of the ~~State~~
24 ~~Department of Health~~ Oklahoma Medical Marijuana Authority finds, in

1 whole or in part, that the medical marijuana or medical marijuana
2 product fails to meet the requirements of Sections 420 through 426.1
3 of ~~Title 63 of the Oklahoma Statutes~~ this title or the Oklahoma
4 Medical Marijuana and Patient Protection Act as it relates to health
5 and safety, the medical marijuana or medical marijuana product is
6 handled in violation of applicable laws or rules and regulations ~~of~~
7 ~~the Department~~ promulgated by the Executive Director of the
8 Authority, or the medical marijuana or medical marijuana product may
9 be poisonous, deleterious to health or is otherwise unsafe, an
10 electronic or physical tag or other appropriate marking or hold
11 shall be affixed to the medical marijuana or medical marijuana
12 product which shall give notice that the medical marijuana or
13 medical marijuana product is or is suspected of being manufactured,
14 produced, transferred, sold or offered for sale in violation of
15 applicable laws or rules and regulations ~~of the Department~~
16 promulgated by the Executive Director and is embargoed. The notice
17 shall further provide a warning to all persons not to remove or
18 dispose of the medical marijuana or medical marijuana product until
19 permission for removal or disposal is given by the ~~Department~~
20 Executive Director. It shall be unlawful for any person to remove
21 or dispose of the medical marijuana or medical marijuana product
22 embargoed without permission by the ~~Department~~ Executive Director.

23 B. If the ~~State Commissioner of Health~~ Executive Director finds
24 that medical marijuana or medical marijuana product embargoed

1 pursuant to subsection A of this section does not meet the
2 requirements of applicable laws or rules and regulations ~~of the~~
3 ~~Department~~ promulgated by the Executive Director, or is poisonous,
4 deleterious to health or otherwise unsafe, the ~~Commissioner~~
5 Executive Director may institute an action in the district court in
6 whose jurisdiction the medical marijuana or medical marijuana
7 product is embargoed for the condemnation and destruction of the
8 medical marijuana or medical marijuana product. If the ~~Commissioner~~
9 Executive Director finds that the medical marijuana or medical
10 marijuana product embargoed does meet the requirements of applicable
11 laws and the rules and regulations ~~of the Department~~ promulgated by
12 the Executive Director and is not poisonous, deleterious to health
13 or otherwise unsafe, the ~~Commissioner~~ Executive Director shall
14 remove the embargo. In any court proceeding regarding an embargo,
15 neither the ~~State Department of Health, the Oklahoma Medical~~
16 ~~Marijuana Authority~~ or the ~~Commissioner~~ Executive Director shall be
17 held liable if the court finds reasonable belief for the embargo.

18 C. Except as otherwise provided in subsection D of this
19 section, if the court finds that the embargoed medical marijuana or
20 medical marijuana product, in whole or in part, is in violation of
21 any applicable laws or rules and regulations ~~of the Department~~
22 promulgated by the Executive Director or is poisonous, deleterious
23 to health or otherwise unsafe, the medical marijuana or medical
24 marijuana product shall be destroyed at the expense of the defendant

1 under the supervision of the ~~Commissioner~~ Executive Director. All
2 court costs, fees, costs of storage and disposal and other proper
3 expenses shall be paid by the defendant of the medical marijuana or
4 medical marijuana product.

5 D. The court may order that the medical marijuana or medical
6 marijuana product be delivered to the defendant for appropriate
7 labeling or processing under the supervision of the ~~Commissioner~~
8 Executive Director only if:

- 9 1. The violation can be corrected by proper processing of
10 medical marijuana or medical marijuana product;
- 11 2. All costs, fees and expenses have been paid; and
- 12 3. A sufficient bond is executed and conditioned for
13 appropriate labeling or processing as the court may require.

14 The expense of supervision shall be paid to the ~~Commissioner~~
15 Executive Director by the person obtaining release of the medical
16 marijuana or medical marijuana product under bond.

17 SECTION 24. AMENDATORY 63 O.S. 2021, Section 430, as
18 last amended by Section 28, Chapter 28, O.S.L. 2021, is amended to
19 read as follows:

20 Section 430. A. There is hereby created and authorized a
21 medical marijuana waste disposal license. A person or entity in
22 possession of a medical marijuana waste disposal license shall be
23 entitled to possess, transport and dispose of medical marijuana
24 waste. No person or entity shall dispose of medical marijuana waste

1 without a valid medical marijuana waste disposal license. The
2 Oklahoma Medical Marijuana Authority shall issue licenses upon
3 proper application by a licensee and determination by the Authority
4 that the proposed site and facility are physically and technically
5 suitable. Upon a finding that a proposed medical marijuana waste
6 disposal facility is not physically or technically suitable, the
7 Authority shall deny the license. The Authority may, upon
8 determining that public health or safety requires emergency action,
9 issue a temporary license for treatment or storage of medical
10 marijuana waste for a period not to exceed ninety (90) days. The
11 Authority shall not, for the first year of the licensure program,
12 issue more than ten medical marijuana waste disposal licenses. Upon
13 the conclusion of the first year, the Authority shall assess the
14 need for additional medical marijuana waste disposal licenses and
15 shall, if demonstrated, increase the number of licenses as deemed
16 necessary by the Authority.

17 B. Entities applying for a medical marijuana waste disposal
18 license shall undergo the following screening process:

19 1. Complete an application form, as prescribed by the
20 Authority, which shall include:

- 21 a. an attestation that the applicant is authorized to
22 make application on behalf of the entity,
- 23 b. full name of the organization,
- 24 c. trade name, if applicable,

- d. type of business organization,
- e. complete mailing address,
- f. an attestation that the commercial entity will not be located on tribal land,
- g. telephone number and email address of the entity, and
- h. name, residential address and date of birth of each owner and each member, manager and board member, if applicable;

2. The application for a medical marijuana waste disposal license made by an individual on his or her own behalf shall be on the form prescribed by the Authority and shall include, but not be limited to:

- 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

1 3. Each application shall be accompanied by the following
2 documentation:

- 3 a. a list of all persons or entities that have an
4 ownership interest in the entity,
- 5 b. a certificate of good standing from the ~~Oklahoma~~
6 Secretary of State, if applicable,
- 7 c. an Affidavit of Lawful Presence for each owner,
- 8 d. proof that the proposed location of the disposal
9 facility is at least one thousand (1,000) feet from a
10 public or private school. The distance indicated in
11 this subparagraph shall be measured from the nearest
12 property line of such public or private school to the
13 nearest perimeter wall of the premises of such
14 disposal facility. If any public or private school is
15 established within one thousand (1,000) feet of any
16 disposal facility after such disposal facility has
17 been licensed, the provisions of this subparagraph
18 shall not be a deterrent to the renewal of such
19 license or warrant revocation of the license, and
- 20 e. documents establishing the applicant, the members,
21 managers and board members, if applicable, and
22 seventy-five percent (75%) of the ownership interests
23 are ~~Oklahoma~~ residents of this state as established in
24

1 Section 420 et seq. of this title, as it relates to
2 proof of state residency.

3 C. No license shall be issued except upon proof of sufficient
4 liability insurance and financial responsibility. Liability
5 insurance shall be provided by the applicant and shall apply to
6 sudden and nonsudden bodily injury or property damage on, below or
7 above the surface, as required by the rules ~~of the Authority~~
8 promulgated by the Executive Director. Such insurance shall be
9 maintained for the period of operation of the facility and shall
10 provide coverage for damages resulting from operation of the
11 facility during operation and after closing.

12 D. Submission of an application for a medical marijuana waste
13 disposal license shall constitute permission for entry to and
14 inspection of the facility of the licensee during hours of operation
15 and other reasonable times. Refusal to permit such entry of
16 inspection shall constitute grounds for the nonrenewal, suspension
17 or revocation of a license. The Authority may perform an annual
18 unannounced on-site inspection of the operations and any facility of
19 the licensee. If the Authority receives a complaint concerning
20 noncompliance by a licensee with the provisions of the Oklahoma
21 Medical Marijuana Waste Management Act, the Authority may conduct
22 additional unannounced, on-site inspections beyond an annual
23 inspection. The Authority may refer all complaints alleging
24

1 criminal activity that are made against a licensed facility to
2 appropriate state or local law enforcement authorities.

3 E. The Authority shall issue an annual permit for each medical
4 marijuana waste disposal facility operated by a licensee. A permit
5 shall be issued only upon proper application by a licensee and
6 determination by the Authority that the proposed site and facility
7 are physically and technically suitable. Upon a finding that a
8 proposed medical marijuana waste disposal facility is not physically
9 or technically suitable, the Authority shall deny the permit. The
10 Authority shall have the authority to revoke a permit upon a finding
11 that the site and facility are not physically and technically
12 suitable for processing. The Authority may, upon determining that
13 public health or safety requires emergency action, issue a temporary
14 permit for treatment or storage of medical marijuana waste for a
15 period not to exceed ninety (90) days.

16 F. The cost of a medical marijuana waste disposal license shall
17 be Five Thousand Dollars (\$5,000.00) for the initial license. The
18 cost of a medical marijuana waste disposal facility permit shall be
19 Five Hundred Dollars (\$500.00). A medical marijuana waste disposal
20 facility permit that has been revoked shall be reinstated upon
21 remittance of a reinstatement fee of Five Hundred Dollars (\$500.00)
22 to restore the facility permit. All license and permit fees shall
23 be deposited into the Oklahoma Medical Marijuana Authority Revolving
24 Fund as provided in Section 427.5 of this title.

1 G. The holder of a medical marijuana waste disposal license
2 shall not be required to obtain a medical marijuana transporter
3 license provided for in the Oklahoma Medical Marijuana and Patient
4 Protection Act for purposes of transporting medical marijuana waste.

5 H. All commercial licensees, as defined in Section 428.1 of
6 this title, shall utilize a licensed medical marijuana waste
7 disposal service to process all medical marijuana waste generated by
8 the licensee.

9 I. ~~The State Commissioner of Health~~ Executive Director of the
10 Authority shall promulgate rules for the implementation of the
11 Oklahoma Medical Marijuana Waste Management Act. Promulgated rules
12 shall address disposal process standards, site security and any
13 other subject matter deemed necessary by the ~~Authority~~ Executive
14 Director.

15 SECTION 25. AMENDATORY 74 O.S. 2021, Section 85.3A, as
16 last amended by Section 13, Chapter 101, O.S.L. 2021, is amended to
17 read as follows:

18 Section 85.3A. A. Compliance with the provisions of the
19 Oklahoma Central Purchasing Act shall not be required of:

- 20 1. County government;
- 21 2. The Oklahoma State Regents for Higher Education, the
22 institutions, centers, or other constituent agencies of The Oklahoma
23 State System of Higher Education;
- 24 3. The telecommunications network known as OneNet;

1 4. The Department of Public Safety gun range;

2 5. The State Treasurer for the following purchases:

3 a. services, including, but not limited to, legal
4 services to assist in the administration of the
5 Uniform Unclaimed Property Act, as provided in Section
6 668 of Title 60 of the Oklahoma Statutes, and

7 b. software, hardware and associated services to assist
8 in the administration of funds and securities held by
9 the state, as provided in Section 71.2 of Title 62 of
10 the Oklahoma Statutes;

11 6. Statutorily allowed interagency agreements between state
12 agencies;

13 7. The Oklahoma Department of Veterans Affairs, in accordance
14 with Section 63.22 of Title 72 of the Oklahoma Statutes;

15 8. A transaction, wholly funded by monies other than state-
16 derived funds, in which a state agency functions only as a pass-
17 through conduit to fund an acquisition that is required by the
18 funding source for the benefit of another entity or individuals and
19 the state agency does not retain ownership of any part of the
20 acquisition as a result of the transaction; ~~or~~

21 9. The Secretary of State when selecting a vendor for
22 publication of the Oklahoma Statutes in accordance with Section 13
23 of Title 75 of the Oklahoma Statutes; or

24 10. The Oklahoma Medical Marijuana Authority.

1 B. The State Purchasing Director may form an advisory committee
2 consisting of representatives from entities exempted from the
3 provisions of the Oklahoma Central Purchasing Act. The purpose of
4 the committee shall be to allow committee members to provide input
5 into the development of shared state purchasing contracts,
6 collaboratively participate in the integration of their purchasing
7 platforms or electronic purchasing catalogs, analyze solutions that
8 may be used by state government to meet the purchasing needs of the
9 entities, explore joint purchases of general use items that result
10 in mutual procurement of quality goods and services at the lowest
11 reasonable cost and explore flexibility, administrative relief, and
12 transformation changes through utilization of procurement
13 technology.

14 C. At the invitation of the State Purchasing Director entities
15 exempted from the provisions of the Oklahoma Central Purchasing Act
16 shall participate in the advisory committee referenced in subsection
17 B of this section.

18 D. The State Purchasing Director may invite representatives of
19 political subdivisions, and local common education entities to
20 participate as members of the advisory committee.

21 SECTION 26. This act shall become effective November 1, 2022.

22
23 58-2-2711 DC 1/20/2022 10:09:56 AM
24
25