

1 ENGROSSED HOUSE AMENDMENT
TO
2 ENGROSSED SENATE BILL NO. 1635 By: Coleman of the Senate
3 and
4 Marti of the House
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7 [medical marijuana - licensure revocation -
8 affidavit - inspection program - rules -
noncompliance -
9 emergency]

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AMENDMENT NO. 1. Strike the title, enacting clause, and entire bill and insert:

"An Act relating to medical marijuana; amending 63 O.S. 2021, Section 422, as last amended by Section 2, Chapter 322, O.S.L. 2023 (63 O.S. Supp. 2023, Section 422), which relates to commercial grower licensing; clarifying product testing requirements; amending 63 O.S. 2021, Section 426.1, as amended by Section 6, Chapter 251, O.S.L. 2022 (63 O.S. Supp. 2023, Section 426.1), which relates to licensure revocation; providing for the submission of certificates of occupancy from political subdivisions or State Fire Marshal; directing the State Fire Marshal to certify compliance; requiring an affidavit for license renewal or for change of premises; permitting municipalities to implement inspection program; providing for the promulgation of rules for submitting affidavits; authorizing the Oklahoma Medical Marijuana Authority to suspend operations for

1 noncompliance; prohibiting state agencies from
2 denying licensure or registration under certain
3 circumstances; amending 63 O.S. 2021, Sections 427.2,
4 427.17, as last amended by Section 1, Chapter 317, O.S.L. 2022 and
5 427.17, as last amended by Section 9, Chapter 322,
6 O.S.L. 2023 (63 O.S. Supp. 2023, Sections 427.2 and
7 427.17), which relate to the Oklahoma Medical
8 Marijuana and Patient Protection Act; adding and
9 modifying certain definitions; clarifying testing
10 laboratory requirements for testing samples from
11 certain batches; directing testing laboratories to
12 test final products; clarifying requirements for
13 separating final harvest batches and edible products;
14 updating certain defined term; deleting certain
15 limitation when transferring medical marijuana that
16 has failed testing; deleting restriction for
17 returning remediated and decontaminated medical
18 marijuana; prohibiting licensed commercial growers
19 and processors from transferring product until
20 certain conditions are met; requiring completion of
21 certain testing prior to transferring final product;
22 and declaring an emergency.

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

24 SECTION 1. AMENDATORY 63 O.S. 2021, Section 422, as last
amended by Section 2, Chapter 322, O.S.L. 2023 (63 O.S. Supp. 2023,
Section 422), is amended to read as follows:

Section 422. A. The Oklahoma Medical Marijuana Authority shall
make available on its website in an easy-to-find location an
application for a medical marijuana commercial grower license. The
application fee shall be paid by the applicant in the amounts
provided for in Section 427.14 of this title. A method of payment
for the application fee shall be provided on the website of the
Authority. The Authority shall have ninety (90) business days to

1 review the application; approve, reject, or deny the application;
2 and send the approval, rejection, or denial letter stating the
3 reasons for the rejection or denial to the applicant in the same
4 method the application was submitted to the Authority.

5 B. The Authority shall approve all applications which meet the
6 following criteria:

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

9 2. The applicant, if applying as an individual, must show
10 residency in this state;

11 3. All applying entities must show that all members, managers,
12 and board members are Oklahoma residents;

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

16 5. All applying individuals or entities must be registered to
17 conduct business in this state; and

18 6. All applicants must disclose all ownership interests in the
19 commercial grower operation.

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

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

1 auditing responsibilities to ensure that all marijuana being grown
2 by licensed medical marijuana commercial growers is accounted for.

3 D. There shall be no limits on how much marijuana a licensed
4 medical marijuana commercial grower can grow.

5 E. Beginning on November 1, 2021, licensed medical marijuana
6 commercial growers shall be authorized to package and sell pre-
7 rolled marijuana to licensed medical marijuana dispensaries. The
8 products described in this subsection shall contain only the ground
9 parts of the marijuana plant and shall not include marijuana
10 concentrates or derivatives. The total net weight of each pre-roll
11 packaged and sold by licensed medical marijuana commercial growers
12 shall not exceed one (1) gram. These final products must be tested,
13 packaged and labeled in accordance with Oklahoma law and rules
14 promulgated by the Authority.

15 SECTION 2. AMENDATORY 63 O.S. 2021, Section 426.1, as
16 amended by Section 6, Chapter 251, O.S.L. 2022 (63 O.S. Supp. 2023,
17 Section 426.1), is amended to read as follows:

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

23 B. The Oklahoma Medical Marijuana Authority shall assist any
24 law enforcement officer in the performance of his or her duties upon

1 such request by the law enforcement officer or the request of other
2 local officials having jurisdiction. Except for license information
3 concerning licensed patients, as defined in Section 427.2 of this
4 title, the Authority shall share information with law enforcement
5 agencies upon request without a subpoena or search warrant.

6 C. The Authority shall make available all information on
7 whether or not a medical marijuana patient or caregiver license is
8 valid to law enforcement electronically through an online
9 verification system.

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

18 E. Any marijuana-licensed premises, medical marijuana business
19 or any other premises where marijuana or its by-products are
20 licensed to be cultivated, grown, processed, stored or manufactured
21 shall submit with its application or request to change location,
22 after notifying the political subdivision of its intent, a
23 certificate of ~~compliance~~ occupancy from the political subdivision
24 or State Fire Marshal where the facility of the applicant or

1 licensee is to be located certifying compliance with zoning
2 classifications, applicable municipal ordinances and all applicable
3 safety, electrical, fire, plumbing, waste, construction and building
4 specification codes. If the political subdivision does not have an
5 authority having a jurisdiction agreement on file with the Office of
6 the State Fire Marshal, the State Fire Marshal shall certify
7 compliance with all applicable safety, electrical, fire, plumbing,
8 waste, construction, and building specification codes.

9 Once a certificate of ~~compliance~~ occupancy has been submitted to
10 the Oklahoma Medical Marijuana Authority showing full compliance as
11 outlined in this subsection, ~~no additional certificate of compliance~~
12 ~~shall be required~~ the licensee shall only need to submit an
13 affidavit for license renewal unless stating the premises continues
14 to comply with zoning classifications, applicable municipal
15 ordinances, and all applicable safety, electrical, fire, plumbing,
16 waste, construction, and building specification codes. An
17 additional certificate of occupancy along with an affidavit shall be
18 submitted if a change of use or occupancy occurs, or there is any
19 change concerning the facility or location that would, by law,
20 require additional inspection, licensure or permitting by the state
21 or municipality. Municipalities or the State Fire Marshal may
22 implement an inspection program to verify compliance with this
23 subsection. The Authority shall promulgate the rules necessary for
24 the affidavit provided in this subsection. If an application for

1 renewal is submitted in violation of the provisions of this
2 subsection or information provided on the affidavit is inaccurate or
3 untrue, the Authority shall suspend operations of the licensee's
4 premises until compliance is reestablished. All existing medical
5 marijuana business licensees that do not possess a valid certificate
6 of occupancy, where required, shall be subject to revocation until
7 such time as a valid certificate of occupancy is obtained for all
8 applicable structures. This provision shall not apply to medical
9 marijuana business licensees who submitted a full and complete
10 application for a valid certificate of occupancy to the State Fire
11 Marshal or political subdivision with an authority having a
12 jurisdiction agreement on file with the State Fire Marshal before
13 November 1, 2024, and while the same application remains under
14 review by the State Fire Marshal or political subdivision. Medical
15 marijuana business licensees are responsible for compliance with
16 applicable state fire, building, and electrical codes and may be
17 liable for all damage that results from noncompliance with state
18 fire, building, and electrical codes to the extent authorized by
19 law.

20 SECTION 3. AMENDATORY 63 O.S. 2021, Section 427.2, as
21 amended by Section 1, Chapter 317, O.S.L. 2022 (63 O.S. Supp. 2023,
22 Section 427.2), is amended to read as follows:

23 Section 427.2. As used in the Oklahoma Medical Marijuana and
24 Patient Protection Act:

1 1. "Advertising" means the act of providing consideration for
2 the publication, dissemination, solicitation or circulation, of
3 visual, oral or written communication to induce directly or
4 indirectly any person to patronize a particular medical marijuana
5 business, or to purchase particular medical marijuana or a medical
6 marijuana product. Advertising includes marketing, but does not
7 include packaging and labeling;

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

9 3. "Batch number" means a unique numeric or alphanumeric
10 identifier assigned prior to testing to allow for inventory tracking
11 and traceability;

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

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

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

18 a. designed or constructed to be significantly difficult
19 for children under five (5) years of age to open and
20 not difficult for normal adults to use properly as
21 defined by 16 C.F.R. 1700.15 (1995) and 16 C.F.R.
22 1700.20 (1995),

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1 b. opaque so that the outermost packaging does not allow
2 the product to be seen without opening the packaging
3 material, and

4 c. resealable to maintain its child-resistant
5 effectiveness for multiple openings for any product
6 intended for more than a single use or containing
7 multiple servings;

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

11 8. "Commissioner" means the State Commissioner of Health;

12 9. "Complete application" means a document prepared in
13 accordance with the provisions set forth in the Oklahoma Medical
14 Marijuana and Patient Protection Act, rules promulgated pursuant
15 thereto, and the forms and instructions provided by the Department
16 including any supporting documentation required and the applicable
17 license application fee;

18 10. "Department" means the State Department of Health;

19 11. "Director" means the Executive Director of the Oklahoma
20 Medical Marijuana Authority;

21 12. "Dispense" means the selling of medical marijuana or a
22 medical marijuana product to a qualified patient or the designated
23 caregiver of the patient that is packaged in a suitable container
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1 appropriately labeled for subsequent administration to or use by a
2 qualifying patient;

3 13. "Dispensary" means a medical marijuana dispensary, an
4 entity that has been licensed by the Department pursuant to the
5 Oklahoma Medical Marijuana and Patient Protection Act to purchase
6 medical marijuana or medical marijuana products from a licensed
7 medical marijuana commercial grower or medical marijuana processor,
8 sell medical marijuana or medical marijuana products to patients and
9 caregivers as defined under the Oklahoma Medical Marijuana and
10 Patient Protection Act, or sell or transfer products to another
11 dispensary;

12 14. "Edible medical marijuana product" means any medical-
13 marijuana-infused product for which the intended use is oral
14 consumption including, but not limited to, any type of food, drink
15 or pill;

16 15. "Entity" means an individual, general partnership, limited
17 partnership, limited liability company, trust, estate, association,
18 corporation, cooperative or any other legal or commercial entity;

19 16. "Final 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 completed
23 and ready for consumption prior to transfer to a licensed medical
24 marijuana dispensary;

1 17. "Final product" means the finished product that is
2 available for transport to licensed medical marijuana dispensaries
3 and ready for consumption by licensed medical marijuana patients;

4 18. "Final production batch" means:

5 a. any amount of medical marijuana finished product of
6 the same category and produced using the same
7 extraction methods, standard operating procedures,
8 meeting all applicable law, rules, and regulations
9 required by the Oklahoma Medical Marijuana and Patient
10 Protection Act prior to transfer to a licensed medical
11 marijuana dispensary, licensed medical marijuana
12 patient, or licensed medical marijuana caregiver, or

13 b. any amount of medical marijuana finished product of
14 the same exact type, produced using the same
15 ingredients, standard operating procedures, and the
16 same production batch of medical marijuana
17 concentrate;

18 19. "Flower" means the reproductive organs of the marijuana or
19 cannabis plant referred to as the bud or parts of the plant that are
20 harvested and used to consume in a variety of medical marijuana
21 products;

22 ~~17.~~ 20. "Flowering" means the reproductive state of the
23 marijuana or cannabis plant in which there are physical signs of
24 flower or budding out of the nodes of the stem;

1 ~~18.~~ 21. "Food-based medical marijuana concentrate" means a
2 medical marijuana concentrate that was produced by extracting
3 cannabinoids from medical marijuana through the use of propylene
4 glycol, glycerin, butter, olive oil, coconut oil or other typical
5 food-safe cooking fats;

6 ~~19.~~ 22. "Good cause" for purposes of an initial, renewal or
7 reinstatement license application, or for purposes of discipline of
8 a licensee, means:

- 9 a. the licensee or applicant has violated, does not meet,
10 or has failed to comply with any of the terms,
11 conditions or provisions of the act, any rules
12 promulgated pursuant thereto, or any supplemental
13 relevant state or local law, rule or regulation,
- 14 b. the licensee or applicant has failed to comply with
15 any special terms or conditions that were placed upon
16 the license pursuant to an order of the State
17 Department of Health, Oklahoma Medical Marijuana
18 Authority or the municipality, or
- 19 c. the licensed premises of a medical marijuana business
20 or applicant have been operated in a manner that
21 adversely affects the public health or welfare or the
22 safety of the immediate vicinity in which the
23 establishment is located;

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1 ~~20.~~ 23. "Harvest batch" means a specifically identified
2 quantity of medical marijuana that is uniform in strain, cultivated
3 utilizing the same cultivation practices, harvested at the same time
4 from the same location and cured under uniform conditions;

5 ~~21.~~ 24. "Harvested marijuana" means post-flowering medical
6 marijuana not including trim, concentrate or waste;

7 ~~22.~~ 25. "Heat- or pressure-based medical marijuana concentrate"
8 means a medical marijuana concentrate that was produced by
9 extracting cannabinoids from medical marijuana through the use of
10 heat or pressure;

11 ~~23.~~ 26. "Immature plant" means a nonflowering marijuana plant
12 that has not demonstrated signs of flowering;

13 ~~24.~~ 27. "Inventory tracking system" means the required tracking
14 system that accounts for medical marijuana from either the seed or
15 immature plant stage until the medical marijuana or medical
16 marijuana product is sold to a patient at a medical marijuana
17 dispensary, transferred to a medical marijuana research facility,
18 destroyed by a medical marijuana business or used in a research
19 project by a medical marijuana research facility;

20 ~~25.~~ 28. "Licensed patient" or "patient" means a person who has
21 been issued a medical marijuana patient license by the State
22 Department of Health or Oklahoma Medical Marijuana Authority;

23 ~~26.~~ 29. "Licensed premises" means the premises specified in an
24 application for a medical marijuana business license, medical

1 marijuana research facility license or medical marijuana education
2 facility license pursuant to the Oklahoma Medical Marijuana and
3 Patient Protection Act that are owned or in possession of the
4 licensee and within which the licensee is authorized to cultivate,
5 manufacture, distribute, sell, store, transport, test or research
6 medical marijuana or medical marijuana products in accordance with
7 the provisions of the Oklahoma Medical Marijuana and Patient
8 Protection Act and rules promulgated pursuant thereto;

9 ~~27.~~ 30. "Manufacture" means the production, propagation,
10 compounding or processing of a medical marijuana product, excluding
11 marijuana plants, either directly or indirectly by extraction from
12 substances of natural or synthetic origin, or independently by means
13 of chemical synthesis, or by a combination of extraction and
14 chemical synthesis;

15 ~~28.~~ 31. "Marijuana" shall have the same meaning as such term is
16 defined in Section 2-101 of this title and shall not include any
17 plant or material containing delta-8 or delta-10
18 tetrahydrocannabinol which is grown, processed or sold pursuant to
19 the provisions of the Oklahoma Industrial Hemp Program;

20 ~~29.~~ 32. "Material change" means any change that would require a
21 substantive revision to the standard operating procedures of a
22 licensee for the cultivation or production of medical marijuana,
23 medical marijuana concentrate or medical marijuana products;

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1 ~~30.~~ 33. "Mature plant" means a harvestable female marijuana
2 plant that is flowering;

3 ~~31.~~ 34. "Medical marijuana business (MMB)" means a licensed
4 medical marijuana dispensary, medical marijuana processor, medical
5 marijuana commercial grower, medical marijuana laboratory, medical
6 marijuana business operator or a medical marijuana transporter;

7 ~~32.~~ 35. "Medical marijuana concentrate" or "concentrate" means
8 a specific subset of medical marijuana that was produced by
9 extracting cannabinoids from medical marijuana. Categories of
10 medical marijuana concentrate include water-based medical marijuana
11 concentrate, food-based medical marijuana concentrate, solvent-based
12 medical marijuana concentrate, and heat- or pressure-based medical
13 marijuana concentrate;

14 ~~33.~~ 36. "Medical marijuana commercial grower" or "commercial
15 grower" means an entity licensed to cultivate, prepare and package
16 medical marijuana and transfer or contract for transfer medical
17 marijuana to a medical marijuana dispensary, medical marijuana
18 processor, any other medical marijuana commercial grower, medical
19 marijuana research facility, medical marijuana education facility
20 and pesticide manufacturers. A commercial grower may sell seeds,
21 flower or clones to commercial growers pursuant to the Oklahoma
22 Medical Marijuana and Patient Protection Act;

23 ~~34.~~ 37. "Medical marijuana education facility" or "education
24 facility" means a person or entity approved pursuant to the Oklahoma

1 Medical Marijuana and Patient Protection Act to operate a facility
2 providing training and education to individuals involving the
3 cultivation, growing, harvesting, curing, preparing, packaging or
4 testing of medical marijuana, or the production, manufacture,
5 extraction, processing, packaging or creation of medical-marijuana-
6 infused products or medical marijuana products as described in the
7 Oklahoma Medical Marijuana and Patient Protection Act;

8 ~~35.~~ 38. "Medical-marijuana-infused product" means a product
9 infused with medical marijuana including, but not limited to, edible
10 products, ointments and tinctures;

11 ~~36.~~ 39. "Medical marijuana product" or "product" means a
12 product that contains cannabinoids that have been extracted from
13 plant material or the resin therefrom by physical or chemical means
14 and is intended for administration to a qualified patient including,
15 but not limited to, oils, tinctures, edibles, pills, topical forms,
16 gels, creams, vapors, patches, liquids and forms administered by a
17 nebulizer, excluding live plant forms which are considered medical
18 marijuana;

19 ~~37.~~ 40. "Medical marijuana processor" means a person or entity
20 licensed pursuant to the Oklahoma Medical Marijuana and Patient
21 Protection Act to operate a business including the production,
22 manufacture, extraction, processing, packaging or creation of
23 concentrate, medical-marijuana-infused products or medical marijuana
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1 products as described in the Oklahoma Medical Marijuana and Patient
2 Protection Act;

3 ~~38.~~ 41. "Medical marijuana research facility" or "research
4 facility" means a person or entity approved pursuant to the Oklahoma
5 Medical Marijuana and Patient Protection Act to conduct medical
6 marijuana research. A medical marijuana research facility is not a
7 medical marijuana business;

8 ~~39.~~ 42. "Medical marijuana testing laboratory" or "laboratory"
9 means a public or private laboratory licensed pursuant to the
10 Oklahoma Medical Marijuana and Patient Protection Act, to conduct
11 testing and research on medical marijuana and medical marijuana
12 products;

13 ~~40.~~ 43. "Medical marijuana transporter" or "transporter" means
14 a person or entity that is licensed pursuant to the Oklahoma Medical
15 Marijuana and Patient Protection Act. A medical marijuana
16 transporter does not include a medical marijuana business that
17 transports its own medical marijuana, medical marijuana concentrate
18 or medical marijuana products to a property or facility adjacent to
19 or connected to the licensed premises if the property is another
20 licensed premises of the same medical marijuana business;

21 ~~41.~~ 44. "Medical marijuana waste" or "waste" means unused,
22 surplus, returned or out-of-date marijuana, plant debris of the
23 plant of the genus Cannabis including dead plants and all unused
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1 plant parts and roots, except the term shall not include roots,
2 stems, stalks and fan leaves;

3 ~~42.~~ 45. "Medical use" means the acquisition, possession, use,
4 delivery, transfer or transportation of medical marijuana, medical
5 marijuana products, medical marijuana devices or paraphernalia
6 relating to the administration of medical marijuana to treat a
7 licensed patient;

8 ~~43.~~ 46. "Mother plant" means a marijuana plant that is grown or
9 maintained for the purpose of generating clones, and that will not
10 be used to produce plant material for sale to a medical marijuana
11 processor or medical marijuana dispensary;

12 ~~44.~~ 47. "Oklahoma physician" or "physician" means a physician
13 licensed by and in good standing with the State Board of Medical
14 Licensure and Supervision, the State Board of Osteopathic Examiners
15 or the Board of Podiatric Medical Examiners;

16 ~~45.~~ 48. "Oklahoma resident" means an individual who can provide
17 proof of residency as required by the Oklahoma Medical Marijuana and
18 Patient Protection Act;

19 ~~46.~~ 49. "Owner" means, except where the context otherwise
20 requires, a direct beneficial owner including, but not limited to,
21 all persons or entities as follows:

- 22 a. all shareholders owning an interest of a corporate
23 entity and all officers of a corporate entity,
24 b. all partners of a general partnership,

- c. all general partners and all limited partners that own an interest in a limited partnership,
- d. all members that own an interest in a limited liability company,
- e. all beneficiaries that hold a beneficial interest in a trust and all trustees of a trust,
- f. all persons or entities that own interest in a joint venture,
- g. all persons or entities that own an interest in an association,
- h. the owners of any other type of legal entity, and
- i. any other person holding an interest or convertible note in any entity which owns, operates or manages a licensed facility;

~~47.~~ 50. "Package" or "packaging" means any container or wrapper that may be used by a medical marijuana business to enclose or contain medical marijuana;

~~48.~~ 51. "Person" means a natural person, partnership, association, business trust, company, corporation, estate, limited liability company, trust or any other legal entity or organization, or a manager, agent, owner, director, servant, officer or employee thereof, except that person does not include any governmental organization;

1 ~~49.~~ 52. "Pesticide" means any substance or mixture of
2 substances intended for preventing, destroying, repelling or
3 mitigating any pest or any substance or mixture of substances
4 intended for use as a plant regulator, defoliant or desiccant,
5 except that the term pesticide shall not include any article that is
6 a "new animal drug" as designated by the United States Food and Drug
7 Administration;

8 ~~50.~~ 53. "Production batch" means:

- 9 a. any amount of medical marijuana concentrate of the
10 same category and produced using the same extraction
11 methods, standard operating procedures and an
12 identical group of harvest batch of medical marijuana,
13 or
14 b. any amount of medical marijuana product of the same
15 exact type, produced using the same ingredients,
16 standard operating procedures and the same production
17 batch of medical marijuana concentrate;

18 ~~51.~~ 54. "Public institution" means any entity established or
19 controlled by the federal government, state government, or a local
20 government or municipality including, but not limited to,
21 institutions of higher education or related research institutions;

22 ~~52.~~ 55. "Public money" means any funds or money obtained by the
23 holder from any governmental entity including, but not limited to,
24 research grants;

1 ~~53.~~ 56. "Recommendation" means a document that is signed or
2 electronically submitted by a physician on behalf of a patient for
3 the use of medical marijuana pursuant to the Oklahoma Medical
4 Marijuana and Patient Protection Act;

5 ~~54.~~ 57. "Registered to conduct business" means a person that
6 has provided proof that the business applicant is in good standing
7 with the Secretary of State and Oklahoma Tax Commission;

8 ~~55.~~ 58. "Remediation" means the process by which the medical
9 marijuana flower or trim, which has failed ~~microbial~~ testing, is
10 processed into solvent-based medical marijuana concentrate and
11 ~~retested~~ the final product is tested as required by the Oklahoma
12 Medical Marijuana and Patient Protection Act;

13 ~~56.~~ 59. "Research project" means a discrete scientific endeavor
14 to answer a research question or a set of research questions related
15 to medical marijuana and is required for a medical marijuana
16 research license. A research project shall include a description of
17 a defined protocol, clearly articulated goals, defined methods and
18 outputs, and a defined start and end date. The description shall
19 demonstrate that the research project will comply with all
20 requirements in the Oklahoma Medical Marijuana and Patient
21 Protection Act and rules promulgated pursuant thereto. All research
22 and development conducted by a medical marijuana research facility
23 shall be conducted in furtherance of an approved research project;

1 ~~57.~~ 60. "Revocation" means the final decision by the Department
2 that any license issued pursuant to the Oklahoma Medical Marijuana
3 and Patient Protection Act is rescinded because the individual or
4 entity does not comply with the applicable requirements set forth in
5 the Oklahoma Medical Marijuana and Patient Protection Act or rules
6 promulgated pursuant thereto;

7 ~~58.~~ 61. "School" means a public or private preschool, a public
8 or private elementary or secondary school, or a technology center
9 school which is primarily used for classroom instruction. A
10 homeschool, daycare or child-care facility shall not be considered a
11 "school" as used in the Oklahoma Medical Marijuana and Patient
12 Protection Act;

13 ~~59.~~ 62. "Shipping container" means a hard-sided container with
14 a lid or other enclosure that can be secured in place. A shipping
15 container is used solely for the transport of medical marijuana,
16 medical marijuana concentrate, or medical marijuana products between
17 medical marijuana businesses, a medical marijuana research facility,
18 or a medical marijuana education facility;

19 ~~60.~~ 63. "Solvent-based medical marijuana concentrate" means a
20 medical marijuana concentrate that was produced by extracting
21 cannabinoids from medical marijuana through the use of a solvent
22 approved by the Department;

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1 ~~61.~~ 64. "State Question" means Oklahoma State Question No. 788,
2 Initiative Petition No. 412, approved by a majority vote of the
3 citizens of Oklahoma on June 26, 2018;

4 ~~62.~~ 65. "Strain" means the classification of marijuana or
5 cannabis plants in either pure sativa, indica, afghanica, ruderalis
6 or hybrid varieties;

7 ~~63.~~ 66. "THC" means tetrahydrocannabinol, which is the primary
8 psychotropic cannabinoid in marijuana formed by decarboxylation of
9 naturally tetrahydrocannabinolic acid, which generally occurs by
10 exposure to heat;

11 ~~64.~~ 67. "Test batch" means with regard to usable marijuana, a
12 homogenous, identified quantity of usable marijuana by strain, no
13 greater than ten (10) pounds, that is harvested during a seven-day
14 period from a specified cultivation area, and with regard to oils,
15 vapors and waxes derived from usable marijuana, means an identified
16 quantity that is uniform, that is intended to meet specifications
17 for identity, strength and composition, and that is manufactured,
18 packaged and labeled during a specified time period according to a
19 single manufacturing, packaging and labeling protocol;

20 ~~65.~~ 68. "Transporter agent" means a person who transports
21 medical marijuana or medical marijuana products for a licensed
22 transporter and holds a transporter agent license pursuant to the
23 Oklahoma Medical Marijuana and Patient Protection Act;

1 ~~66.~~ 69. "Universal symbol" means the image established by the
2 State Department of Health or Oklahoma Medical Marijuana Authority
3 and made available to licensees through its website indicating that
4 the medical marijuana or the medical marijuana product contains THC;

5 ~~67.~~ 70. "Usable marijuana" means the dried leaves, flowers,
6 oils, vapors, waxes and other portions of the marijuana plant and
7 any mixture or preparation thereof, excluding seeds, roots, stems,
8 stalks and fan leaves; and

9 ~~68.~~ 71. "Water-based medical marijuana concentrate" means a
10 concentrate that was produced by extracting cannabinoids from
11 medical marijuana through the use of only water, ice or dry ice.

12 SECTION 4. AMENDATORY 63 O.S. 2021, Section 427.17, as
13 last amended by Section 9, Chapter 322, O.S.L. 2023 (63 O.S. Supp.
14 2023, Section 427.17), is 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, the
18 Oklahoma State Bureau of Narcotics and Dangerous Drugs Control, the
19 Oklahoma State Bureau of Investigation, and the Attorney General are
20 hereby enabled to monitor, inspect and audit a licensed testing
21 laboratory under the Oklahoma Medical Marijuana and Patient
22 Protection Act.

23 B. The Authority is hereby authorized to operate a quality
24 assurance laboratory or to contract with a private laboratory for

1 the purpose of conducting compliance testing of medical marijuana
2 testing laboratories licensed in this state. Any such laboratory
3 under contract for compliance testing shall be prohibited from
4 conducting any other commercial medical marijuana testing in this
5 state. If the Authority contracts with a private laboratory to
6 implement the requirements of this section:

7 1. The laboratory shall not employ, or be owned by, the
8 following:

9 a. any individual that has a direct or indirect interest
10 in a licensed medical marijuana business, or

11 b. any individual or his or her spouse, parent, child,
12 spouse of a child, sibling or spouse of a sibling that
13 has an application for a medical marijuana business
14 license pending before the Authority or is a member of
15 the board of directors of a medical marijuana
16 business, or is an individual financially interested
17 in any licensee or medical marijuana business located
18 within this state; and

19 2. The laboratory and a board or committee comprised of
20 licensed Oklahoma medical marijuana laboratories currently
21 accredited by the International Organization for Standardization
22 (ISO) shall provide to the Authority its recommendations for all
23 equipment and standards to be utilized by licensed medical marijuana
24 testing laboratories when testing samples of medical marijuana,

1 medical marijuana concentrate, and medical marijuana products as
2 well as standard operating procedures when extracting and testing
3 medical marijuana, medical marijuana concentrate, and medical
4 marijuana products. The recommendations shall be submitted to the
5 Authority no later than June 1, 2023. The Authority shall have
6 ninety (90) days from the date it receives the recommendations to
7 promulgate new rules or modify its current rules for laboratory
8 standards and testing. Beginning June 1, 2024, medical marijuana
9 testing laboratories renewing their medical marijuana business
10 license shall be subject to and comply with any new or modified
11 rules relating to the testing of medical marijuana, medical
12 marijuana concentrate, and medical marijuana products. The refusal
13 or failure of a medical marijuana testing laboratory licensee to
14 comply with new or modified rules relating to laboratory standards
15 and testing procedures promulgated under the provisions of this
16 paragraph shall result in the permanent revocation of the medical
17 marijuana testing laboratory license.

18 C. The Authority shall develop acceptable testing practices
19 including, but not limited to, testing, standards, quality control
20 analysis, equipment certification and calibration, and chemical
21 identification and substances used.

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

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

4 F. A separate license shall be required for each specific
5 laboratory.

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

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

22 I. A medical marijuana testing laboratory may accept samples of
23 medical marijuana, medical marijuana concentrate or medical
24 marijuana product from a medical marijuana business, medical

1 marijuana research facility or medical marijuana education facility
2 for testing purposes only, which purposes may include the provision
3 of testing services for samples submitted by a medical marijuana
4 business for product development. The Authority may require a
5 medical marijuana business to submit a sample of medical marijuana,
6 medical marijuana concentrate or medical marijuana product to a
7 medical marijuana testing or quality assurance laboratory upon
8 demand.

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

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

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

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

1 L. A medical marijuana testing laboratory may utilize a
2 licensed medical marijuana transporter to transport samples of
3 medical marijuana, medical marijuana concentrate and medical
4 marijuana product for testing, in accordance with the Oklahoma
5 Medical Marijuana and Patient Protection Act and the rules adopted
6 pursuant thereto, between the originating medical marijuana business
7 requesting testing services and the destination laboratory
8 performing testing services.

9 M. The medical marijuana testing laboratory shall establish
10 policies to prevent the existence of or appearance of undue
11 commercial, financial or other influences that may diminish the
12 competency, impartiality and integrity of the testing processes or
13 results of the laboratory, or that may diminish public confidence in
14 the competency, impartiality and integrity of the testing processes
15 or results of the laboratory. At a minimum, employees, owners or
16 agents of a medical marijuana testing laboratory who participate in
17 any aspect of the analysis and results of a sample are prohibited
18 from improperly influencing the testing process, improperly
19 manipulating data or improperly benefiting from any ongoing
20 financial, employment, personal or business relationship with the
21 medical marijuana business that provided the sample. A medical
22 marijuana testing laboratory shall not test samples for any medical
23 marijuana business in which an owner, employee or agent of the
24

1 medical marijuana testing laboratory has any form of ownership or
2 financial interest in the medical marijuana business.

3 N. The Authority, pursuant to rules promulgated by the
4 Executive Director of the Authority, shall develop standards,
5 policies and procedures as necessary for:

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

10 2. Testing procedures, testing standards for cannabinoid and
11 terpenoid potency and safe levels of contaminants, and remediation
12 procedures;

13 3. Controlled access areas for storage of medical marijuana and
14 medical marijuana product test samples, waste and reference
15 standards;

16 4. Records to be retained and computer systems to be utilized
17 by the laboratory;

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

20 6. A certificate of analysis (COA) for each lot of reference
21 standard;

22 7. The transport and disposal of unused marijuana, marijuana
23 products and waste;

24

1 8. The mandatory use by a laboratory of an inventory tracking
2 system to ensure all harvest and production batches or samples
3 containing medical marijuana, medical marijuana concentrate or
4 medical marijuana products are identified and tracked from the point
5 they are transferred from a medical marijuana business, a patient or
6 a caregiver through the point of transfer, destruction or disposal.
7 The inventory tracking system reporting shall include the results of
8 any tests that are conducted on medical marijuana, medical marijuana
9 concentrate or medical marijuana product;

10 9. Standards of performance;

11 10. The employment of laboratory personnel;

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

14 12. The successful participation in a proficiency testing
15 program approved by the Executive Director for each testing category
16 listed in this section, in order to obtain and maintain
17 certification;

18 13. The establishment of and adherence to a quality assurance
19 and quality control program to ensure sufficient monitoring of
20 laboratory processes and quality of results reported;

21 14. The immediate recall of medical marijuana or medical
22 marijuana products that test above allowable thresholds or are
23 otherwise determined to be unsafe;

24

1 15. The establishment by the laboratory of a system to document
2 the complete chain of custody for samples from receipt through
3 disposal;

4 16. The establishment by the laboratory of a system to retain
5 and maintain all required records, including business records, and
6 processes to ensure results are reported in a timely and accurate
7 manner; and

8 17. Any other aspect of laboratory testing of medical marijuana
9 or medical marijuana product deemed necessary by the Executive
10 Director.

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

20 P. A medical marijuana testing laboratory shall retain all
21 results of laboratory tests conducted on marijuana or products for a
22 period of at least seven (7) years and shall make them available to
23 the Authority upon request.

24

1 Q. A medical marijuana testing laboratory shall test samples
2 from each final product harvest batch or final product batch, as
3 appropriate, of medical marijuana, medical marijuana concentrate and
4 medical marijuana product for each of the following categories of
5 testing, consistent with standards developed by the Executive
6 Director:

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

14 R. A licensed medical marijuana testing laboratory shall test
15 each ~~individual harvest batch~~ final product batch. A grower shall
16 separate each harvest of usable marijuana into final harvest batches
17 containing no more than fifteen (15) pounds, with the exception of
18 any plant material to be sold to a licensed processor for the
19 purposes of turning the plant material into concentrate which may be
20 separated into final harvest batches of no more than fifty (50)
21 pounds. A processor shall separate each medical marijuana
22 production lot into final production batches containing no more than
23 four (4) liters of concentrate or nine (9) pounds for nonliquid
24 products, and for final edible products, the Oklahoma Medical

1 Marijuana Authority shall be authorized to promulgate rules on final
2 products as necessary. Provided, however, the Authority shall not
3 require testing of final products less often than every one thousand
4 (1,000) grams of THC. As used in this subsection, "final edible
5 products" shall include, but not be limited to, cookies, brownies,
6 candies, gummies, beverages and chocolates.

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

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

18 U. Medical marijuana testing laboratories shall obtain
19 accreditation by an accrediting body approved by the Executive
20 Director or the Authority's quality assurance laboratory within one
21 (1) year of the date the initial license is issued. Renewal of any
22 medical marijuana testing laboratory license shall be contingent
23 upon accreditation in accordance with this subsection. All medical
24 marijuana testing laboratories shall obtain accreditation prior to

1 applying for and receiving a medical marijuana testing laboratory
2 license.

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

21 W. Kief shall not be transferred or sold except as authorized
22 in the rules and regulations promulgated by the Executive Director.

23 X. A licensed commercial grower or licensed processor shall not
24 transfer any product to a licensed medical marijuana dispensary

1 until the product has undergone final product testing. Laboratory
2 testing that meets all contaminant tests and applicable laws, rules,
3 and regulations required by the Oklahoma Medical Marijuana and
4 Patient Protection Act shall only be required when the final product
5 is completed and prior to transfer to a licensed medical marijuana
6 dispensary, licensed medical marijuana patient, or licensed medical
7 marijuana caregiver.

8 SECTION 5. It being immediately necessary for the preservation
9 of the public peace, health or safety, an emergency is hereby
10 declared to exist, by reason whereof this act shall take effect and
11 be in full force from and after its passage and approval."

12 Passed the House of Representatives the 25th day of April, 2024.

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Presiding Officer of the House of
Representatives

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17 Passed the Senate the ____ day of _____, 2024.

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Presiding Officer of the Senate

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1 ENGROSSED SENATE
2 BILL NO. 1635

By: Coleman of the Senate

3 and

4 Marti of the House

5
6 [medical marijuana - licensure revocation -
7 affidavit - inspection program - rules -
8 noncompliance -
9 emergency]

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

11 SECTION 6. AMENDATORY 63 O.S. 2021, Section 426.1, as
12 amended by Section 6, Chapter 251, O.S.L. 2022 (63 O.S. Supp. 2023,
13 Section 426.1), is amended to read as follows:

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

19 B. The Oklahoma Medical Marijuana Authority shall assist any
20 law enforcement officer in the performance of his or her duties upon
21 such request by the law enforcement officer or the request of other
22 local officials having jurisdiction. Except for license information
23 concerning licensed patients, as defined in Section 427.2 of this
24

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

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

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

1 political subdivision does not have an authority having a
2 jurisdiction agreement on file with the State Fire Marshal's office,
3 the State Fire Marshal shall certify compliance with all applicable
4 safety, electrical, fire, plumbing, waste, construction, and
5 building specification codes.

6 Once a certificate of compliance has been submitted to the
7 Oklahoma Medical Marijuana Authority showing full compliance as
8 outlined in this subsection, ~~no additional certificate of compliance~~
9 ~~shall be required~~ the licensee shall only need to submit an
10 affidavit for license renewal unless stating the premises continues
11 to comply with zoning classifications, applicable municipal
12 ordinances, and all applicable safety, electrical, fire, plumbing,
13 waste, construction, and building specification codes. An
14 additional certificate of compliance along with an affidavit shall
15 be submitted if a change of use or occupancy occurs, or there is any
16 change concerning the facility or location that would, by law,
17 require additional inspection, licensure or permitting by the state
18 or municipality. Municipalities or the State Fire Marshal may
19 implement an inspection program to verify compliance with this
20 subsection. The Authority shall promulgate the rules necessary for
21 the affidavit provided in this subsection. If an application for
22 renewal is submitted in violation of the provisions of this
23 subsection or information provided on the affidavit is inaccurate or
24 untrue, the Authority shall suspend operations of the licensee's

1 premises until compliance is reestablished. Any marijuana licensed
2 premises, medical marijuana business, or any other premises where
3 medical marijuana or its byproducts are licensed to be cultivated,
4 grown, processed, stored, or manufactured that have been issued a
5 certificate of compliance by any political subdivision prior to the
6 effective date of this act shall not be denied licensure or
7 registration by a state agency for failing to provide a certificate
8 of occupancy issued by either the State Fire Marshal or a political
9 subdivision who has an authority having jurisdiction on file with
10 the State Fire Marshal until after July 1, 2026.

11 SECTION 7. It being immediately necessary for the preservation
12 of the public peace, health or safety, an emergency is hereby
13 declared to exist, by reason whereof this act shall take effect and
14 be in full force from and after its passage and approval.

15 Passed the Senate the 14th day of March, 2024.

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Presiding Officer of the Senate

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19 Passed the House of Representatives the ____ day of _____,
20 2024.

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Presiding Officer of the House
of Representatives

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