

1 ENGROSSED HOUSE AMENDMENT  
TO  
2 ENGROSSED SENATE BILL NO. 1939 By: Paxton of the Senate  
3 and  
4 Echols of the House  
5

6 [ medical marijuana - licenses - fee - penalty -  
7 approval - application - transfer - licensure - rules  
8 - codification - effective date ]  
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13 AMENDMENT NO. 1. Strike the stricken title, enacting clause, and  
entire bill and insert:

14 "An Act relating to medical marijuana; amending 63  
15 O.S. 2021, Section 427.14, as last amended by Section  
16 7, Chapter 322, O.S.L. 2023 (63 O.S. Supp. 2023,  
17 Section 427.14), which relates to the Oklahoma  
18 Medical Marijuana and Patient Protection Act;  
19 prohibiting individuals from having multiple  
20 licenses; providing exceptions; requiring medical  
21 marijuana business license applicants to file a bond;  
22 setting fee for expired medical marijuana business  
23 licenses; prohibiting renewal under certain  
24 circumstances; specifying time frame for renewal of  
medical marijuana business licenses; authorizing the  
submission of renewal applications prior to  
expiration date; prohibiting possession, sale, or  
transfer of medical marijuana following expiration of  
license; prescribing penalty for violation; directing  
employees of medical marijuana business licensees to  
obtain credentials; requiring written approval for  
the transfer of a medical marijuana business;  
establishing procedures for transferring a medical

1 marijuana business; authorizing the denial of  
2 applications; directing existing licensees and  
3 registrants to timely submit renewal applications  
4 during pendency of transfer; prohibiting new owners  
5 from taking possession until the application to  
6 transfer has been approved; authorizing prospective  
7 owners to be employed during the transfer;  
8 prescribing fee; allowing for the submission of new  
9 applications under certain circumstances; providing  
10 for the refund of application fees; providing for the  
11 promulgation of rules; providing for codification;  
12 and providing an effective date.

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

SECTION 1. AMENDATORY 63 O.S. 2021, Section 427.14, as  
last amended by Section 7, Chapter 322, O.S.L. 2023 (63 O.S. Supp.  
2023, Section 427.14), is amended to read as follows:

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

1. Medical marijuana commercial grower;
2. Medical marijuana processor;
3. Medical marijuana dispensary;
4. Medical marijuana transporter; and
5. Medical marijuana testing laboratory.

B. The Oklahoma Medical Marijuana Authority, with the aid of  
the Office of Management and Enterprise Services, shall develop a  
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. 1. The annual, nonrefundable fee for a medical marijuana  
5 transporter license shall be Two Thousand Five Hundred Dollars  
6 (\$2,500.00).

7 2. The initial, nonrefundable fee for a medical marijuana  
8 commercial grower license shall be calculated based upon the total  
9 amount of square feet of canopy or acres the grower estimates will  
10 be harvested, transferred, or sold for the year. The annual,  
11 nonrefundable license fee shall be based upon the total amount of  
12 square feet of canopy or acres harvested, transferred, or sold by  
13 the grower during the previous twelve (12) months. The amount of  
14 the fees shall be determined as follows:

15 a. For an indoor, greenhouse, or light deprivation  
16 medical marijuana grow facility:

17 (1) Tier 1: Up to ten thousand (10,000) square feet  
18 of canopy, the fee shall be Two Thousand Five  
19 Hundred Dollars (\$2,500.00),

20 (2) Tier 2: Ten thousand one (10,001) square feet of  
21 canopy to twenty thousand (20,000) square feet of  
22 canopy, the fee shall be Five Thousand Dollars  
23 (\$5,000.00),

24

- 1 (3) Tier 3: Twenty thousand one (20,001) square feet  
2 of canopy to forty thousand (40,000) square feet  
3 of canopy, the fee shall be Ten Thousand Dollars  
4 (\$10,000.00),
- 5 (4) Tier 4: Forty thousand one (40,001) square feet  
6 of canopy to sixty thousand (60,000) square feet  
7 of canopy, the fee shall be Twenty Thousand  
8 Dollars (\$20,000.00),
- 9 (5) Tier 5: Sixty thousand one (60,001) square feet  
10 of canopy to eighty thousand (80,000) square feet  
11 of canopy, the fee shall be Thirty Thousand  
12 Dollars (\$30,000.00),
- 13 (6) Tier 6: Eighty thousand one (80,001) square feet  
14 of canopy to ninety-nine thousand nine hundred  
15 ninety-nine (99,999) square feet of canopy, the  
16 fee shall be Forty Thousand Dollars (\$40,000.00),  
17 and
- 18 (7) Tier 7: One hundred thousand (100,000) square  
19 feet of canopy and beyond, the fee shall be Fifty  
20 Thousand Dollars (\$50,000.00), plus an additional  
21 twenty-five cents (\$0.25) per square foot of  
22 canopy over one hundred thousand (100,000) square  
23 feet.

24 b. For an outdoor medical marijuana grow facility:

- 1 (1) Tier 1: Less than two and one-half (2 1/2)  
2 acres, the fee shall be Two Thousand Five Hundred  
3 Dollars (\$2,500.00),
- 4 (2) Tier 2: More than two and one-half (2 1/2) acres  
5 up to five (5) acres, the fee shall be Five  
6 Thousand Dollars (\$5,000.00),
- 7 (3) Tier 3: More than five (5) acres up to ten (10)  
8 acres, the fee shall be Ten Thousand Dollars  
9 (\$10,000.00),
- 10 (4) Tier 4: More than ten (10) acres up to twenty  
11 (20) acres, the fee shall be Twenty Thousand  
12 Dollars (\$20,000.00),
- 13 (5) Tier 5: More than twenty (20) acres up to thirty  
14 (30) acres, the fee shall be Thirty Thousand  
15 Dollars (\$30,000.00),
- 16 (6) Tier 6: More than thirty (30) acres up to forty  
17 (40) acres, the fee shall be Forty Thousand  
18 Dollars (\$40,000.00),
- 19 (7) Tier 7: More than forty (40) acres up to fifty  
20 (50) acres, the fee shall be Fifty Thousand  
21 Dollars (\$50,000.00), and
- 22 (8) Tier 8: If the amount of acreage exceeds fifty  
23 (50) acres, the fee shall be Fifty Thousand  
24

1                   Dollars (\$50,000.00) plus an additional Two  
2                   Hundred Fifty Dollars (\$250.00) per acre.

3           c.   For a medical marijuana commercial grower that has a  
4               combination of both indoor and outdoor growing  
5               facilities at one location, the medical marijuana  
6               commercial grower shall be required to obtain a  
7               separate license from the Authority for each type of  
8               grow operation and shall be subject to the licensing  
9               fees provided for in subparagraphs a and b of this  
10              paragraph.

11           d.   As used in this paragraph:

12               (1)   "canopy" means the total surface area within a  
13               cultivation area that is dedicated to the  
14               cultivation of flowering marijuana plants. The  
15               surface area of the plant canopy must be  
16               calculated in square feet and measured and must  
17               include all of the area within the boundaries  
18               where the cultivation of the flowering marijuana  
19               plants occurs. If the surface of the plant  
20               canopy consists of noncontiguous areas, each  
21               component area must be separated by identifiable  
22               boundaries. If a tiered or shelving system is  
23               used in the cultivation area, the surface area of  
24               each tier or shelf must be included in

1 calculating the area of the plant canopy.  
2 Calculation of the area of the plant canopy may  
3 not include the areas within the cultivation area  
4 that are used to cultivate immature marijuana  
5 plants and seedlings, prior to flowering, and  
6 that are not used at any time to cultivate mature  
7 marijuana plants. If the flowering plants are  
8 vertically grown in cylinders, the square footage  
9 of the canopy shall be measured by the  
10 circumference of the cylinder multiplied by the  
11 total length of the cylinder,

12 (2) "greenhouse" means a structure located outdoors  
13 that is completely covered by a material that  
14 allows a controlled level of light transmission,  
15 and

16 (3) "light deprivation" means a structure that has  
17 concrete floors and the ability to manipulate  
18 natural light.

19 3. The initial, nonrefundable fee for a medical marijuana  
20 processor license shall be Two Thousand Five Hundred Dollars  
21 (\$2,500.00). The annual, nonrefundable license fee for a medical  
22 marijuana processor license shall be determined based on the  
23 previous twelve (12) months as follows:  
24

- 1 a. Tier 1: The transfer or sale of zero (0) to ten  
2 thousand (10,000) pounds of biomass or the production,  
3 transfer, or sale of up to one hundred (100) liters of  
4 cannabis concentrate, whichever is greater, the annual  
5 fee shall be Two Thousand Five Hundred Dollars  
6 (\$2,500.00),
- 7 b. Tier 2: The transfer or sale of ten thousand one  
8 (10,001) pounds to fifty thousand (50,000) pounds of  
9 biomass or the production, transfer, or sale of one  
10 hundred one (101) to three hundred fifty (350) liters  
11 of cannabis concentrate, whichever is greater, the  
12 annual fee shall be Five Thousand Dollars (\$5,000.00),
- 13 c. Tier 3: The transfer or sale of fifty thousand one  
14 (50,001) pounds to one hundred fifty thousand  
15 (150,000) pounds of biomass or the production,  
16 transfer, or sale of three hundred fifty-one (351) to  
17 six hundred fifty (650) liters of cannabis  
18 concentrate, whichever is greater, the annual fee  
19 shall be Ten Thousand Dollars (\$10,000.00),
- 20 d. Tier 4: The transfer or sale of one hundred fifty  
21 thousand one (150,001) pounds to three hundred  
22 thousand (300,000) pounds of biomass or the  
23 production, transfer, or sale of six hundred fifty-one  
24 (651) to one thousand (1,000) liters of cannabis

1 concentrate, whichever is greater, the annual fee  
2 shall be Fifteen Thousand Dollars (\$15,000.00), and

3 e. Tier 5: The transfer or sale of more than three  
4 hundred thousand one (300,001) pounds of biomass or  
5 the production, transfer, or sale in excess of one  
6 thousand one (1,001) liters of cannabis concentrate,  
7 the annual fee shall be Twenty Thousand Dollars  
8 (\$20,000.00).

9 For purposes of this paragraph only, if the cannabis concentrate  
10 is in nonliquid form, every one thousand (1,000) grams of  
11 concentrated marijuana shall be calculated as one (1) liter of  
12 cannabis concentrate.

13 4. The initial, nonrefundable fee for a medical marijuana  
14 dispensary license shall be Two Thousand Five Hundred Dollars  
15 (\$2,500.00). The annual, nonrefundable license fee for a medical  
16 marijuana dispensary license shall be calculated at ten percent  
17 (10%) of the sum of twelve (12) calendar months of the combined  
18 annual state sales tax and state excise tax of the dispensary during  
19 the previous twelve (12) months. The minimum fee shall be not less  
20 than Two Thousand Five Hundred Dollars (\$2,500.00) and the maximum  
21 fee shall not exceed Ten Thousand Dollars (\$10,000.00).

22 5. The annual, nonrefundable license fee for a medical  
23 marijuana testing laboratory shall be Twenty Thousand Dollars  
24 (\$20,000.00).

1 E. All applicants seeking licensure or licensure renewal as a  
2 medical marijuana business shall comply with the following general  
3 requirements:

4 1. All applications for licenses and registrations authorized  
5 pursuant to this section shall be made upon forms prescribed by the  
6 Authority;

7 2. Each application shall identify the city or county in which  
8 the applicant seeks to obtain licensure as a medical marijuana  
9 business;

10 3. Applicants shall submit a complete application to the  
11 Authority before the application may be accepted or considered;

12 4. All applications shall be complete and accurate in every  
13 detail;

14 5. All applications shall include all attachments or  
15 supplemental information required by the forms supplied by the  
16 Authority;

17 6. All applications for a transporter license, initial  
18 dispensary license, initial processor license, or laboratory license  
19 shall be accompanied by a full remittance for the whole amount of  
20 the license fee as set forth in subsection D of this section. All  
21 submissions of grower applications, renewal processor applications,  
22 and renewal dispensary applications shall be accompanied by a  
23 remittance of a fee of Two Thousand Five Hundred Dollars  
24 (\$2,500.00). The Authority shall invoice license applicants, if

1 applicable, for any additional licensing fees owed pursuant to  
2 subsection D of this section prior to approval of a license  
3 application. License fees are nonrefundable;

4 7. All applicants shall be approved for licensing review that,  
5 at a minimum, meet 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 pursuant to paragraph 11 of  
9 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 pursuant to  
14 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 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 Upon reasonable suspicion that a medical marijuana business licensee  
7 is illegally growing, processing, transferring, selling, disposing,  
8 or diverting marijuana, the Authority, the Oklahoma State Bureau of  
9 Narcotics and Dangerous Drugs Control, the Oklahoma State Bureau of  
10 Investigation (OSBI), or the Attorney General may subpoena documents  
11 necessary to establish the personal identifying information of all  
12 owners and individuals with any ownership interest in the business;

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

21 9. No medical marijuana business premises is permitted to have  
22 multiple licenses of the same type pursuant to the licensing  
23 requirements of this section, excluding the following:  
24

- a. a commercial grower with a combination of an indoor or outdoor growing facility on one parcel of land,
- b. a licensed medical marijuana processor used by multiple licensees, and
- c. a licensed medical marijuana business that has an approved application by the Authority while the new business seeks registration from the Oklahoma State Bureau of Narcotics and Dangerous Drugs Control pursuant to Section 2 of this act;

10. All applicants for a medical marijuana business license, research facility license or education facility license authorized by the Oklahoma Medical Marijuana and Patient Protection Act, or for a renewal of such license, shall undergo a national fingerprint-based background check conducted by the Oklahoma State Bureau of Investigation ~~(OSBI)~~ within thirty (30) days prior to the application for the license, including:

- a. individual applicants applying on their own behalf,
- b. individuals applying on behalf of an entity,
- c. all principal officers of an entity, and
- d. all owners of an entity as defined by the Oklahoma Medical Marijuana and Patient Protection Act;

~~10.~~ 11. All applicable fees charged by the OSBI are the responsibility of the applicant and shall not be higher than fees charged to any other person or industry for such background checks;

1       ~~11.~~ 12. In order to be considered an Oklahoma resident for  
2 purposes of a medical marijuana business application, all applicants  
3 shall provide proof of Oklahoma residency for at least two (2) years  
4 immediately preceding the date of application or five (5) years of  
5 continuous Oklahoma residency during the preceding twenty-five (25)  
6 years immediately preceding the date of application. Sufficient  
7 documentation of proof of residency shall include a combination of  
8 the following:

- 9           a. an unexpired Oklahoma-issued driver license,
- 10          b. an Oklahoma identification card,
- 11          c. a utility bill preceding the date of application,  
12             excluding cellular telephone and Internet bills,
- 13          d. a residential property deed to property in this state,  
14             and
- 15          e. a rental agreement preceding the date of application  
16             for residential property located in this state.

17       Applicants that were issued a medical marijuana business license  
18 prior to August 30, 2019, are hereby exempt from the two-year or  
19 five-year Oklahoma residence requirement mentioned above;

20       ~~12.~~ 13. All license applicants shall be required to submit a  
21 registration with the Oklahoma State Bureau of Narcotics and  
22 Dangerous Drugs Control as provided in Sections 2-302 through 2-304  
23 of this title;

24

1       ~~13.~~ 14. All applicants shall establish their identity through  
2 submission of a color copy or digital image of one of the following  
3 unexpired documents:

- 4           a. front of an Oklahoma driver license,
- 5           b. front of an Oklahoma identification card,
- 6           c. a United States passport or other photo identification  
7                issued by the United States government, or
- 8           d. a tribal identification card approved for  
9                identification purposes by the Department of Public  
10             Safety; ~~and~~

11       ~~14.~~ 15. All applicants shall submit an applicant photograph;  
12 and

13       16. All applicants for a medical marijuana business license  
14 seeking to operate a commercial growing operation shall file along  
15 with their application a bond as prescribed by Section 427.26 of  
16 this title.

17       F. The Authority shall review the medical marijuana business  
18 application; approve, reject, or deny the application; and send the  
19 approval, rejection, denial, or status-update letter to the  
20 applicant in the same method the application was submitted to the  
21 Authority within ninety (90) business days of receipt of the  
22 application.

23       G. 1. The Authority shall review the medical marijuana  
24 business applications, conduct all investigations, inspections, and

1 interviews, and collect all license and application fees before  
2 approving the application.

3 2. Approved applicants shall be issued a medical marijuana  
4 business license for the specific category applied under, which  
5 shall act as proof of their approved status. Rejection and denial  
6 letters shall provide a reason for the rejection or denial.  
7 Applications may only be rejected or denied based on the applicant  
8 not meeting the standards set forth in the provisions of the  
9 Oklahoma Medical Marijuana and Patient Protection Act and Sections  
10 420 through 426.1 of this title, improper completion of the  
11 application, unpaid license or application fees, or for a reason  
12 provided for in the Oklahoma Medical Marijuana and Patient  
13 Protection Act and Sections 420 through 426.1 of this title. If an  
14 application is rejected for failure to provide required information,  
15 the applicant shall have thirty (30) days to submit the required  
16 information for reconsideration. Unless the Authority determines  
17 otherwise, an application that has been resubmitted but is still  
18 incomplete or contains errors that are not clerical or typographical  
19 in nature shall be denied.

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

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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 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 Authority; or

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

12           a. unlawful sales or purchases,

13           b. any fraudulent acts, falsification of records or  
14 misrepresentation to the Authority, medical marijuana  
15 patient licensees, caregiver licensees or medical  
16 marijuana business licensees,

17           c. any grossly inaccurate or fraudulent reporting,

18           d. threatening or harming any medical marijuana patient,  
19 caregiver, medical practitioner or employee of the  
20 Authority,

21           e. knowingly or intentionally refusing to permit the  
22 Authority access to premises or records,

23           f. using a prohibited, hazardous substance for processing  
24 in a residential area,

1 g. criminal acts relating to the operation of a medical  
2 marijuana business, or

3 h. any violations that endanger public health and safety  
4 or product safety.

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

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

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

20 L. A licensed medical marijuana business premises shall be  
21 subject to and responsible for compliance with applicable provisions  
22 consistent with the zoning where such business is located as  
23 described in the most recent versions of the Oklahoma Uniform  
24 Building Code, the International Building Code and the International

1 Fire Code, unless granted an exemption by a municipality or  
2 appropriate code enforcement entity.

3 M. All medical marijuana business, medical marijuana research  
4 facility, medical marijuana education facility and medical marijuana  
5 waste disposal facility licensees shall pay the relevant licensure  
6 fees prior to receiving licensure to operate.

7 N. A medical marijuana business, medical marijuana research  
8 facility, medical marijuana education facility or medical marijuana  
9 waste disposal facility that attempts to renew its license after the  
10 expiration date of the license shall pay a late renewal fee ~~in an~~  
11 ~~amount to be determined by the Authority to reinstate the license of~~  
12 Five Hundred Dollars (\$500.00) per week that the license is expired.  
13 Late renewal fees are nonrefundable. A license that has been  
14 expired for more than ~~ninety (90)~~ sixty (60) calendar days shall not  
15 be renewed. Only license renewal applications submitted at least  
16 sixty (60) calendar days prior to the expiration date shall be  
17 considered timely submitted and subject to the provisions of  
18 subsection F of this section. A medical marijuana business license  
19 shall remain unexpired during the pendency of the application for  
20 renewal provided that such application was timely submitted. The  
21 Authority shall allow renewal applications to be submitted at least  
22 one hundred twenty (120) calendar days prior to the expiration date  
23 of a medical marijuana business license.

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1       O. ~~No medical marijuana business, medical marijuana research~~  
2 ~~facility, medical marijuana education facility or medical marijuana~~  
3 ~~waste disposal facility shall possess, sell or transfer medical~~  
4 ~~marijuana or medical marijuana products without a valid, unexpired~~  
5 ~~license issued by the Authority~~ Except as provided by this section,  
6 immediately upon expiration of a license, any medical marijuana  
7 business, medical marijuana research facility, medical marijuana  
8 education facility, or medical marijuana waste disposal facility  
9 shall cease all possession, transfer, or sale of medical marijuana  
10 or medical marijuana products. Any continued possession, sale, or  
11 transfer shall subject the business owners and operators to felony  
12 prosecution pursuant to the Uniform Controlled Dangerous Substances  
13 Act.

14       P. ~~No more than one medical marijuana commercial grower license~~  
15 ~~shall be issued for any one property~~ A medical marijuana business  
16 license holder shall require all individuals employed under his or  
17 her license to be issued a credential pursuant to the provisions of  
18 Section 427.14b of this title prior to employment.

19       Q. The Executive Director of the Authority may promulgate rules  
20 to implement the provisions of this section including, but not  
21 limited to, required application materials to be submitted by the  
22 applicant and utilized by the Authority to determine medical  
23 marijuana business licensing fees pursuant to this section.

24

1 SECTION 2. NEW LAW A new section of law to be codified  
2 in the Oklahoma Statutes as Section 427.14c of Title 63, unless  
3 there is created a duplication in numbering, reads as follows:

4 A. After the effective date of this act, no medical marijuana  
5 business shall be transferred without written approval of an  
6 application by the Oklahoma Medical Marijuana Authority.

7 B. A licensee intending to transfer ownership of a medical  
8 marijuana business shall submit an application to the Authority.  
9 Upon approval by the Authority, the applicant shall submit all  
10 necessary documentation to the Oklahoma State Bureau of Narcotics  
11 and Dangerous Drugs Control (OBND) consistent with an application  
12 for a registration pursuant to the Uniform Controlled Dangerous  
13 Substances Act and rules promulgated by OBND, including the  
14 approved application issued by the Authority. The medical marijuana  
15 business license and the OBND registration of the original owner  
16 shall terminate fifteen (15) business days after issuance of the new  
17 OBND registration. Upon approval of the new registration by OBND,  
18 the prior owner and new owner shall effectuate the transfer of  
19 medical marijuana products utilizing the state authorized seed-to-  
20 sale tracking system within fifteen (15) business days.

21 C. Nothing in this section shall prevent the Authority from  
22 denying an application, or the OBND from denying an application, to  
23 register pursuant to the laws and rules of this state. Application  
24 or registration denial shall not affect the existing licensee and

1 registrant. The existing licensee and registrant shall be required  
2 to submit timely and sufficient renewal applications for the  
3 business to continue to operate during the pendency of any business  
4 transfer.

5 D. Nothing in this section shall authorize any new owner to  
6 take possession of medical marijuana, medical marijuana concentrate,  
7 or medical marijuana product or exercise control over any activities  
8 involving the medical marijuana business unless and until the  
9 application has been approved by the Authority and the new ownership  
10 is registered with OBNDD.

11 E. Nothing in this section shall prohibit the prospective new  
12 owners from being employed by the current owner during the transfer  
13 process so long as the prospective new owner holds all proper  
14 employee credentials in accordance with Section 427.14b of Title 63  
15 of the Oklahoma Statutes.

16 F. The new medical marijuana business owner shall provide the  
17 Authority with a detailed inventory of any and all items enumerated  
18 in the Oklahoma Medical Marijuana and Patient Protection Act  
19 including, but not limited to, all seeds, plant tissue, clones,  
20 plants, usable medical marijuana or trim, leaves, and other plant  
21 matter, batches of extract, medical marijuana, medical marijuana  
22 concentrate, and medical marijuana products upon taking control of  
23 the business.

24

1 G. Any attempt to transfer a medical marijuana business,  
2 medical marijuana, medical marijuana concentrate, or medical  
3 marijuana products of a medical marijuana business without approval  
4 from the Authority shall be grounds for revocation or nonrenewal of  
5 the license and denial, revocation, or nonrenewal of current or  
6 future licenses or license applications with ownership held by any  
7 such person involved in the unlawful transfer.

8 H. The application fee shall be the annual license or  
9 application fee established under Section 427.14 of Title 63 of the  
10 Oklahoma Statutes for medical marijuana business license types.

11 I. Any medical marijuana business with a pending application to  
12 transfer a business license on the effective date of this act shall  
13 have thirty (30) days from the effective date of this act to submit  
14 a new application pursuant to this section. The Authority shall  
15 refund the application fee to any applicant with a pending  
16 application to transfer upon receipt of the new application.

17 J. The Authority shall promulgate rules necessary for the  
18 approval and denial of transfers of medical marijuana businesses.

19 SECTION 3. This act shall become effective November 1, 2024."  
20  
21  
22  
23  
24



1 ENGROSSED SENATE  
2 BILL NO. 1939

By: Paxton of the Senate

3 and

4 Echols of the House

5  
6 [ medical marijuana - licenses - fee - penalty -  
7 approval - application - transfer - licensure - rules  
8 - codification - effective date ]

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

10 SECTION 4. AMENDATORY 63 O.S. 2021, Section 427.14, as  
11 last amended by Section 7, Chapter 322, O.S.L. 2023 (63 O.S. Supp.  
12 2023, Section 427.14), is amended to read as follows:

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

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

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

24

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

7 2. The initial, nonrefundable fee for a medical marijuana  
8 commercial grower license shall be calculated based upon the total  
9 amount of square feet of canopy or acres the grower estimates will  
10 be harvested, transferred, or sold for the year. The annual,  
11 nonrefundable license fee shall be based upon the total amount of  
12 square feet of canopy or acres harvested, transferred, or sold by  
13 the grower during the previous twelve (12) months. The amount of  
14 the fees shall be determined as follows:

15 a. For an indoor, greenhouse, or light deprivation  
16 medical marijuana grow facility:

17 (1) Tier 1: Up to ten thousand (10,000) square feet  
18 of canopy, the fee shall be Two Thousand Five  
19 Hundred Dollars (\$2,500.00),

20 (2) Tier 2: Ten thousand one (10,001) square feet of  
21 canopy to twenty thousand (20,000) square feet of  
22 canopy, the fee shall be Five Thousand Dollars  
23 (\$5,000.00),

24

- 1 (3) Tier 3: Twenty thousand one (20,001) square feet  
2 of canopy to forty thousand (40,000) square feet  
3 of canopy, the fee shall be Ten Thousand Dollars  
4 (\$10,000.00),
- 5 (4) Tier 4: Forty thousand one (40,001) square feet  
6 of canopy to sixty thousand (60,000) square feet  
7 of canopy, the fee shall be Twenty Thousand  
8 Dollars (\$20,000.00),
- 9 (5) Tier 5: Sixty thousand one (60,001) square feet  
10 of canopy to eighty thousand (80,000) square feet  
11 of canopy, the fee shall be Thirty Thousand  
12 Dollars (\$30,000.00),
- 13 (6) Tier 6: Eighty thousand one (80,001) square feet  
14 of canopy to ninety-nine thousand nine hundred  
15 ninety-nine (99,999) square feet of canopy, the  
16 fee shall be Forty Thousand Dollars (\$40,000.00),  
17 and
- 18 (7) Tier 7: One hundred thousand (100,000) square  
19 feet of canopy and beyond, the fee shall be Fifty  
20 Thousand Dollars (\$50,000.00), plus an additional  
21 twenty-five cents (\$0.25) per square foot of  
22 canopy over one hundred thousand (100,000) square  
23 feet.

24 b. For an outdoor medical marijuana grow facility:

- 1 (1) Tier 1: Less than two and one-half (2 1/2)  
2 acres, the fee shall be Two Thousand Five Hundred  
3 Dollars (\$2,500.00),
- 4 (2) Tier 2: More than two and one-half (2 1/2) acres  
5 up to five (5) acres, the fee shall be Five  
6 Thousand Dollars (\$5,000.00),
- 7 (3) Tier 3: More than five (5) acres up to ten (10)  
8 acres, the fee shall be Ten Thousand Dollars  
9 (\$10,000.00),
- 10 (4) Tier 4: More than ten (10) acres up to twenty  
11 (20) acres, the fee shall be Twenty Thousand  
12 Dollars (\$20,000.00),
- 13 (5) Tier 5: More than twenty (20) acres up to thirty  
14 (30) acres, the fee shall be Thirty Thousand  
15 Dollars (\$30,000.00),
- 16 (6) Tier 6: More than thirty (30) acres up to forty  
17 (40) acres, the fee shall be Forty Thousand  
18 Dollars (\$40,000.00),
- 19 (7) Tier 7: More than forty (40) acres up to fifty  
20 (50) acres, the fee shall be Fifty Thousand  
21 Dollars (\$50,000.00), and
- 22 (8) Tier 8: If the amount of acreage exceeds fifty  
23 (50) acres, the fee shall be Fifty Thousand  
24

1                   Dollars (\$50,000.00) plus an additional Two  
2                   Hundred Fifty Dollars (\$250.00) per acre.

3           c.   For a medical marijuana commercial grower that has a  
4               combination of both indoor and outdoor growing  
5               facilities at one location, the medical marijuana  
6               commercial grower shall be required to obtain a  
7               separate license from the Authority for each type of  
8               grow operation and shall be subject to the licensing  
9               fees provided for in subparagraphs a and b of this  
10              paragraph.

11           d.   As used in this paragraph:

12               (1)   "canopy" means the total surface area within a  
13                   cultivation area that is dedicated to the  
14                   cultivation of flowering marijuana plants. The  
15                   surface area of the plant canopy must be  
16                   calculated in square feet and measured and must  
17                   include all of the area within the boundaries  
18                   where the cultivation of the flowering marijuana  
19                   plants occurs. If the surface of the plant  
20                   canopy consists of noncontiguous areas, each  
21                   component area must be separated by identifiable  
22                   boundaries. If a tiered or shelving system is  
23                   used in the cultivation area, the surface area of  
24                   each tier or shelf must be included in

1 calculating the area of the plant canopy.  
2 Calculation of the area of the plant canopy may  
3 not include the areas within the cultivation area  
4 that are used to cultivate immature marijuana  
5 plants and seedlings, prior to flowering, and  
6 that are not used at any time to cultivate mature  
7 marijuana plants. If the flowering plants are  
8 vertically grown in cylinders, the square footage  
9 of the canopy shall be measured by the  
10 circumference of the cylinder multiplied by the  
11 total length of the cylinder,

12 (2) "greenhouse" means a structure located outdoors  
13 that is completely covered by a material that  
14 allows a controlled level of light transmission,  
15 and

16 (3) "light deprivation" means a structure that has  
17 concrete floors and the ability to manipulate  
18 natural light.

19 3. The initial, nonrefundable fee for a medical marijuana  
20 processor license shall be Two Thousand Five Hundred Dollars  
21 (\$2,500.00). The annual, nonrefundable license fee for a medical  
22 marijuana processor license shall be determined based on the  
23 previous twelve (12) months as follows:  
24

- 1 a. Tier 1: The transfer or sale of zero (0) to ten  
2 thousand (10,000) pounds of biomass or the production,  
3 transfer, or sale of up to one hundred (100) liters of  
4 cannabis concentrate, whichever is greater, the annual  
5 fee shall be Two Thousand Five Hundred Dollars  
6 (\$2,500.00),
- 7 b. Tier 2: The transfer or sale of ten thousand one  
8 (10,001) pounds to fifty thousand (50,000) pounds of  
9 biomass or the production, transfer, or sale of one  
10 hundred one (101) to three hundred fifty (350) liters  
11 of cannabis concentrate, whichever is greater, the  
12 annual fee shall be Five Thousand Dollars (\$5,000.00),
- 13 c. Tier 3: The transfer or sale of fifty thousand one  
14 (50,001) pounds to one hundred fifty thousand  
15 (150,000) pounds of biomass or the production,  
16 transfer, or sale of three hundred fifty-one (351) to  
17 six hundred fifty (650) liters of cannabis  
18 concentrate, whichever is greater, the annual fee  
19 shall be Ten Thousand Dollars (\$10,000.00),
- 20 d. Tier 4: The transfer or sale of one hundred fifty  
21 thousand one (150,001) pounds to three hundred  
22 thousand (300,000) pounds of biomass or the  
23 production, transfer, or sale of six hundred fifty-one  
24 (651) to one thousand (1,000) liters of cannabis

1 concentrate, whichever is greater, the annual fee  
2 shall be Fifteen Thousand Dollars (\$15,000.00), and

3 e. Tier 5: The transfer or sale of more than three  
4 hundred thousand one (300,001) pounds of biomass or  
5 the production, transfer, or sale in excess of one  
6 thousand one (1,001) liters of cannabis concentrate,  
7 the annual fee shall be Twenty Thousand Dollars  
8 (\$20,000.00).

9 For purposes of this paragraph only, if the cannabis concentrate  
10 is in nonliquid form, every one thousand (1,000) grams of  
11 concentrated marijuana shall be calculated as one (1) liter of  
12 cannabis concentrate.

13 4. The initial, nonrefundable fee for a medical marijuana  
14 dispensary license shall be Two Thousand Five Hundred Dollars  
15 (\$2,500.00). The annual, nonrefundable license fee for a medical  
16 marijuana dispensary license shall be calculated at ten percent  
17 (10%) of the sum of twelve (12) calendar months of the combined  
18 annual state sales tax and state excise tax of the dispensary during  
19 the previous twelve (12) months. The minimum fee shall be not less  
20 than Two Thousand Five Hundred Dollars (\$2,500.00) and the maximum  
21 fee shall not exceed Ten Thousand Dollars (\$10,000.00).

22 5. The annual, nonrefundable license fee for a medical  
23 marijuana testing laboratory shall be Twenty Thousand Dollars  
24 (\$20,000.00).

1 E. All applicants seeking licensure or licensure renewal as a  
2 medical marijuana business shall comply with the following general  
3 requirements:

4 1. All applications for licenses and registrations authorized  
5 pursuant to this section shall be made upon forms prescribed by the  
6 Authority;

7 2. Each application shall identify the city or county in which  
8 the applicant seeks to obtain licensure as a medical marijuana  
9 business;

10 3. Applicants shall submit a complete application to the  
11 Authority before the application may be accepted or considered;

12 4. All applications shall be complete and accurate in every  
13 detail;

14 5. All applications shall include all attachments or  
15 supplemental information required by the forms supplied by the  
16 Authority;

17 6. All applications for a transporter license, initial  
18 dispensary license, initial processor license, or laboratory license  
19 shall be accompanied by a full remittance for the whole amount of  
20 the license fee as set forth in subsection D of this section. All  
21 submissions of grower applications, renewal processor applications,  
22 and renewal dispensary applications shall be accompanied by a  
23 remittance of a fee of Two Thousand Five Hundred Dollars  
24 (\$2,500.00). The Authority shall invoice license applicants, if

1 applicable, for any additional licensing fees owed pursuant to  
2 subsection D of this section prior to approval of a license  
3 application. License fees are nonrefundable;

4 7. All applicants shall be approved for licensing review that,  
5 at a minimum, meet 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 pursuant to paragraph 11 of  
9 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 pursuant to  
14 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 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 Upon reasonable suspicion that a medical marijuana business licensee  
7 is illegally growing, processing, transferring, selling, disposing,  
8 or diverting marijuana, the Authority, the Oklahoma State Bureau of  
9 Narcotics and Dangerous Drugs Control, the Oklahoma State Bureau of  
10 Investigation (OSBI), or the Attorney General may subpoena documents  
11 necessary to establish the personal identifying information of all  
12 owners and individuals with any ownership interest in the business;

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

21 9. No medical marijuana business premises is permitted to have  
22 multiple licenses of the same type pursuant to the licensing  
23 requirements of this section, excluding the following:  
24

- a. a commercial grower with a combination of an indoor or outdoor growing facility on one parcel of land,
- b. a licensed medical marijuana processor used by multiple licensees, and
- c. a licensed medical marijuana business that has an approved application by the Authority while the new business seeks registration from the Oklahoma State Bureau of Narcotics and Dangerous Drugs Control pursuant to Section 2 of this act;

10. All applicants for a medical marijuana business license, research facility license or education facility license authorized by the Oklahoma Medical Marijuana and Patient Protection Act, or for a renewal of such license, shall undergo a national fingerprint-based background check conducted by the Oklahoma State Bureau of Investigation ~~(OSBI)~~ within thirty (30) days prior to the application for the license, including:

- a. individual applicants applying on their own behalf,
- b. individuals applying on behalf of an entity,
- c. all principal officers of an entity, and
- d. all owners of an entity as defined by the Oklahoma Medical Marijuana and Patient Protection Act;

~~10.~~ 11. All applicable fees charged by the OSBI are the responsibility of the applicant and shall not be higher than fees charged to any other person or industry for such background checks;

1       ~~11.~~ 12. In order to be considered an Oklahoma resident for  
2 purposes of a medical marijuana business application, all applicants  
3 shall provide proof of Oklahoma residency for at least two (2) years  
4 immediately preceding the date of application or five (5) years of  
5 continuous Oklahoma residency during the preceding twenty-five (25)  
6 years immediately preceding the date of application. Sufficient  
7 documentation of proof of residency shall include a combination of  
8 the following:

- 9           a. an unexpired Oklahoma-issued driver license,
- 10          b. an Oklahoma identification card,
- 11          c. a utility bill preceding the date of application,  
12             excluding cellular telephone and Internet bills,
- 13          d. a residential property deed to property in this state,  
14             and
- 15          e. a rental agreement preceding the date of application  
16             for residential property located in this state.

17       Applicants that were issued a medical marijuana business license  
18 prior to August 30, 2019, are hereby exempt from the two-year or  
19 five-year Oklahoma residence requirement mentioned above;

20       ~~12.~~ 13. All license applicants shall be required to submit a  
21 registration with the Oklahoma State Bureau of Narcotics and  
22 Dangerous Drugs Control as provided in Sections 2-302 through 2-304  
23 of this title;

24

1       ~~13.~~ 14. All applicants shall establish their identity through  
2 submission of a color copy or digital image of one of the following  
3 unexpired documents:

- 4           a. front of an Oklahoma driver license,
- 5           b. front of an Oklahoma identification card,
- 6           c. a United States passport or other photo identification  
7                issued by the United States government, or
- 8           d. a tribal identification card approved for  
9                identification purposes by the Department of Public  
10             Safety; ~~and~~

11       ~~14.~~ 15. All applicants shall submit an applicant photograph;  
12 and

13       16. All applicants for a medical marijuana business license  
14 seeking to operate a commercial growing operation shall file along  
15 with their application a bond as prescribed by Section 427.26 of  
16 this title.

17       F. The Authority shall review the medical marijuana business  
18 application; approve, reject, or deny the application; and send the  
19 approval, rejection, denial, or status-update letter to the  
20 applicant in the same method the application was submitted to the  
21 Authority within ninety (90) business days of receipt of the  
22 application.

23       G. 1. The Authority shall review the medical marijuana  
24 business applications, conduct all investigations, inspections, and

1 interviews, and collect all license and application fees before  
2 approving the application.

3       2. Approved applicants shall be issued a medical marijuana  
4 business license for the specific category applied under, which  
5 shall act as proof of their approved status. Rejection and denial  
6 letters shall provide a reason for the rejection or denial.  
7 Applications may only be rejected or denied based on the applicant  
8 not meeting the standards set forth in the provisions of the  
9 Oklahoma Medical Marijuana and Patient Protection Act and Sections  
10 420 through 426.1 of this title, improper completion of the  
11 application, unpaid license or application fees, or for a reason  
12 provided for in the Oklahoma Medical Marijuana and Patient  
13 Protection Act and Sections 420 through 426.1 of this title. If an  
14 application is rejected for failure to provide required information,  
15 the applicant shall have thirty (30) days to submit the required  
16 information for reconsideration. Unless the Authority determines  
17 otherwise, an application that has been resubmitted but is still  
18 incomplete or contains errors that are not clerical or typographical  
19 in nature shall be denied.

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

24

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 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 Authority; or

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

12           a. unlawful sales or purchases,

13           b. any fraudulent acts, falsification of records or  
14 misrepresentation to the Authority, medical marijuana  
15 patient licensees, caregiver licensees or medical  
16 marijuana business licensees,

17           c. any grossly inaccurate or fraudulent reporting,

18           d. threatening or harming any medical marijuana patient,  
19 caregiver, medical practitioner or employee of the  
20 Authority,

21           e. knowingly or intentionally refusing to permit the  
22 Authority access to premises or records,

23           f. using a prohibited, hazardous substance for processing  
24 in a residential area,

1 g. criminal acts relating to the operation of a medical  
2 marijuana business, or

3 h. any violations that endanger public health and safety  
4 or product safety.

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

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

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

20 L. A licensed medical marijuana business premises shall be  
21 subject to and responsible for compliance with applicable provisions  
22 consistent with the zoning where such business is located as  
23 described in the most recent versions of the Oklahoma Uniform  
24 Building Code, the International Building Code and the International

1 Fire Code, unless granted an exemption by a municipality or  
2 appropriate code enforcement entity.

3 M. All medical marijuana business, medical marijuana research  
4 facility, medical marijuana education facility and medical marijuana  
5 waste disposal facility licensees shall pay the relevant licensure  
6 fees prior to receiving licensure to operate.

7 N. A medical marijuana business, medical marijuana research  
8 facility, medical marijuana education facility or medical marijuana  
9 waste disposal facility that attempts to renew its license after the  
10 expiration date of the license shall pay a late renewal fee ~~in an~~  
11 ~~amount to be determined by the Authority to reinstate the license of~~  
12 Five Hundred Dollars (\$500.00) per day that the license is expired.

13 Late renewal fees are nonrefundable. A license that has been  
14 expired for more than ~~ninety (90)~~ thirty (30) days shall not be  
15 renewed. Only license renewal applications submitted at least  
16 ninety (90) calendar days prior to the expiration date shall be  
17 considered timely submitted and subject to the provisions of  
18 subsection F of this section. A medical marijuana business license  
19 shall remain unexpired during the pendency of the application for  
20 renewal provided that such application was timely submitted.

21 O. ~~No medical marijuana business, medical marijuana research~~  
22 ~~facility, medical marijuana education facility or medical marijuana~~  
23 ~~waste disposal facility shall possess, sell or transfer medical~~  
24 ~~marijuana or medical marijuana products without a valid, unexpired~~

1 ~~license issued by the Authority~~ Immediately upon expiration of a  
2 license, any medical marijuana business, medical marijuana research  
3 facility, medical marijuana education facility, or medical marijuana  
4 waste disposal facility shall cease all possession, transfer, or  
5 sale of medical marijuana or medical marijuana products. Any  
6 continued possession, sale, or transfer shall subject the business  
7 owners and operators to felony prosecution pursuant to the Uniform  
8 Controlled Dangerous Substances Act.

9 P. ~~No more than one medical marijuana commercial grower license~~  
10 ~~shall be issued for any one property~~ A medical marijuana business  
11 license holder shall require all individuals employed under his or  
12 her license to be issued a credential pursuant to the provisions of  
13 Section 427.14b of this title prior to employment.

14 Q. The Executive Director of the Authority may promulgate rules  
15 to implement the provisions of this section including, but not  
16 limited to, required application materials to be submitted by the  
17 applicant and utilized by the Authority to determine medical  
18 marijuana business licensing fees pursuant to this section.

19 SECTION 5. NEW LAW A new section of law to be codified  
20 in the Oklahoma Statutes as Section 427.14c of Title 63, unless  
21 there is created a duplication in numbering, reads as follows:

22 A. After the effective date of this act, no medical marijuana  
23 business shall be transferred without written approval of an  
24 application by the Oklahoma Medical Marijuana Authority.

1 B. A licensee intending to transfer ownership of a medical  
2 marijuana business shall submit an application to the Authority.  
3 Upon approval by the Authority, the applicant shall submit all  
4 necessary documentation to the Oklahoma State Bureau of Narcotics  
5 and Dangerous Drugs Control (OBND) consistent with an application  
6 for a registration pursuant to the Uniform Controlled Dangerous  
7 Substances Act and rules promulgated by OBND, including the  
8 approved application issued by the Authority. The medical marijuana  
9 business license and the OBND registration of the original owner  
10 shall terminate fifteen (15) business days after issuance of the new  
11 OBND registration. Upon approval of the new registration by OBND,  
12 the prior owner and new owner shall effectuate the transfer of  
13 medical marijuana products utilizing the state authorized seed-to-  
14 sale tracking system within fifteen (15) business days.

15 C. Nothing in this section shall prevent the Authority from  
16 denying an application, or the OBND from denying an application to  
17 register pursuant to the laws and rules of this state. Application  
18 or registration denial shall not affect the existing licensee and  
19 registrant. The existing licensee and registrant shall be required  
20 to submit timely and sufficient renewal applications for the  
21 business to continue to operate during the pendency of any business  
22 transfer.

23 D. Nothing in this section shall authorize any new owner to  
24 take possession of medical marijuana, medical marijuana concentrate,

1 or medical marijuana product or exercise control over any activities  
2 involving the medical marijuana business unless and until the  
3 application has been approved by the Authority and the new ownership  
4 is registered with OBNDD.

5 E. Nothing in this section shall prohibit the prospective new  
6 owners from being employed by the current owner during the transfer  
7 process so long as the prospective new owner holds all proper  
8 employee credentials in accordance with Section 427.14b of Title 63  
9 of the Oklahoma Statutes.

10 F. The new medical marijuana business owner shall provide the  
11 Authority with a detailed inventory of any and all items enumerated  
12 in the Oklahoma Medical Marijuana and Patient Protection Act  
13 including, but not limited to, all seeds, plant tissue, clones,  
14 plants, usable medical marijuana or trim, leaves, and other plant  
15 matter, batches of extract, medical marijuana, medical marijuana  
16 concentrate, and medical marijuana products upon taking control of  
17 the business.

18 G. Any attempt to transfer a medical marijuana business,  
19 medical marijuana, medical marijuana concentrate, or medical  
20 marijuana products of a medical marijuana business without approval  
21 from the Authority shall be grounds for revocation or nonrenewal of  
22 the license and denial, revocation, or nonrenewal of current or  
23 future licenses or license applications with ownership held by any  
24 such person involved in the unlawful transfer.

1 H. The application fee shall be the annual license or  
2 application fee established under Section 427.14 of Title 63 of the  
3 Oklahoma Statutes for medical marijuana business license types.

4 I. Any medical marijuana business with a pending application to  
5 transfer a business license on the effective date of this act shall  
6 have thirty (30) days from the effective date of this act to submit  
7 a new application pursuant to this section. The Authority shall  
8 refund the application fee to any applicant with a pending  
9 application to transfer upon receipt of the new application.

10 J. The Authority shall promulgate rules necessary for the  
11 approval and denial of transfers of medical marijuana businesses.

12 SECTION 6. This act shall become effective November 1, 2024.

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

14  
15 \_\_\_\_\_  
16 Presiding Officer of the Senate

17 Passed the House of Representatives the \_\_\_\_ day of \_\_\_\_\_,  
18 2024.

19  
20 \_\_\_\_\_  
21 Presiding Officer of the House  
22 of Representatives  
23  
24