

1 STATE OF OKLAHOMA

2 2nd Session of the 59th Legislature (2024)

3 COMMITTEE SUBSTITUTE  
4 FOR ENGROSSED

5 SENATE BILL NO. 1635

By: Coleman of the Senate

and

Marti of the House

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8  
9 COMMITTEE SUBSTITUTE

10 An Act relating to medical marijuana; amending 63  
11 O.S. 2021, Section 422, as last amended by Section 2,  
12 Chapter 322, O.S.L. 2023 (63 O.S. Supp. 2023, Section  
13 422), which relates to commercial grower licensing;  
14 clarifying product testing requirements; amending 63  
15 O.S. 2021, Section 426.1, as amended by Section 6,  
16 Chapter 251, O.S.L. 2022 (63 O.S. Supp. 2023, Section  
17 426.1), which relates to licensure revocation;  
18 providing for the submission of certificates of  
19 occupancy from political subdivisions or State Fire  
20 Marshal; directing the State Fire Marshal to certify  
21 compliance; requiring an affidavit for license  
22 renewal or for change of premises; permitting  
23 municipalities to implement inspection program;  
24 providing for the promulgation of rules for  
submitting affidavits; authorizing the Oklahoma  
Medical Marijuana Authority to suspend operations for  
noncompliance; prohibiting state agencies from  
denying licensure or registration under certain  
circumstances; amending 63 O.S. 2021, Sections 427.2,  
as amended by Section 1, Chapter 317, O.S.L. 2022 and  
427.17, as last amended by Section 9, Chapter 322,  
O.S.L. 2023 (63 O.S. Supp. 2023, Sections 427.2 and  
427.17), which relate to the Oklahoma Medical  
Marijuana and Patient Protection Act; adding and  
modifying certain definitions; clarifying testing  
laboratory requirements for testing samples from  
certain batches; directing testing laboratories to  
test final products; clarifying requirements for

1 separating final harvest batches and edible products;  
2 updating certain defined term; deleting certain  
3 limitation when transferring medical marijuana that  
4 has failed testing; deleting restriction for  
5 returning remediated and decontaminated medical  
6 marijuana; prohibiting licensed commercial growers  
7 and processors from transferring product until  
8 certain conditions met; requiring completion of  
9 certain testing prior to transferring final product;  
10 and declaring an emergency.

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

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

15 Section 422. A. The Oklahoma Medical Marijuana Authority shall  
16 make available on its website in an easy-to-find location an  
17 application for a medical marijuana commercial grower license. The  
18 application fee shall be paid by the applicant in the amounts  
19 provided for in Section 427.14 of this title. A method of payment  
20 for the application fee shall be provided on the website of the  
21 Authority. The Authority shall have ninety (90) business days to  
22 review the application; approve, reject, or deny the application;  
23 and send the approval, rejection, or denial letter stating the  
24 reasons for the rejection or denial to the applicant in the same  
method the application was submitted to the Authority.

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

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

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

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

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

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

12 6. All applicants must disclose all ownership interests in the  
13 commercial grower operation.

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

19 C. A licensed medical marijuana commercial grower may sell  
20 marijuana to a licensed medical marijuana dispensary or a licensed  
21 medical marijuana processor. Further, sales by a licensed medical  
22 marijuana commercial grower shall be considered wholesale sales and  
23 shall not be subject to taxation. Under no circumstances may a  
24 licensed medical marijuana commercial grower sell marijuana directly

1 to a licensed medical marijuana patient or licensed medical  
2 marijuana caregiver. A licensed medical marijuana commercial grower  
3 may only sell at the wholesale level to a licensed medical marijuana  
4 dispensary, a licensed medical marijuana commercial grower or a  
5 licensed medical marijuana processor. If the federal government  
6 lifts restrictions on buying and selling marijuana between states,  
7 then a licensed medical marijuana commercial grower would be allowed  
8 to sell and buy marijuana wholesale from, or to, an out-of-state  
9 wholesale provider. A licensed medical marijuana commercial grower  
10 shall be required to complete a monthly yield and sales report to  
11 the Authority. This report shall be due on the fifteenth of each  
12 month and provide reporting on the previous month. This report  
13 shall detail the amount of marijuana harvested in pounds, the amount  
14 of drying or dried marijuana on hand, the amount of marijuana sold  
15 to licensed processors in pounds, the amount of waste in pounds, and  
16 the amount of marijuana sold to licensed medical marijuana  
17 dispensaries in pounds. Additionally, this report shall show total  
18 wholesale sales in dollars. The Authority shall have oversight and  
19 auditing responsibilities to ensure that all marijuana being grown  
20 by licensed medical marijuana commercial growers is accounted for.

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

23 E. Beginning on November 1, 2021, licensed medical marijuana  
24 commercial growers shall be authorized to package and sell pre-

1 rolled marijuana to licensed medical marijuana dispensaries. The  
2 products described in this subsection shall contain only the ground  
3 parts of the marijuana plant and shall not include marijuana  
4 concentrates or derivatives. The total net weight of each pre-roll  
5 packaged and sold by licensed medical marijuana commercial growers  
6 shall not exceed one (1) gram. These final products must be tested,  
7 packaged and labeled in accordance with Oklahoma law and rules  
8 promulgated by the Authority.

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

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

17 B. The Oklahoma Medical Marijuana Authority shall assist any  
18 law enforcement officer in the performance of his or her duties upon  
19 such request by the law enforcement officer or the request of other  
20 local officials having jurisdiction. Except for license information  
21 concerning licensed patients, as defined in Section 427.2 of this  
22 title, the Authority shall share information with law enforcement  
23 agencies upon request without a subpoena or search warrant.

24

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

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

13 E. Any marijuana-licensed premises, medical marijuana business  
14 or any other premises where marijuana or its by-products are  
15 licensed to be cultivated, grown, processed, stored or manufactured  
16 shall submit with its application or request to change location,  
17 after notifying the political subdivision of its intent, a  
18 certificate of ~~compliance~~ occupancy from the political subdivision  
19 or State Fire Marshal where the facility of the applicant or  
20 licensee is to be located certifying compliance with zoning  
21 classifications, applicable municipal ordinances and all applicable  
22 safety, electrical, fire, plumbing, waste, construction and building  
23 specification codes. If the political subdivision does not have an  
24 authority having a jurisdiction agreement on file with the State

1 Fire Marshal's office, the State Fire Marshal shall certify  
2 compliance with all applicable safety, electrical, fire, plumbing,  
3 waste, construction, and building specification codes.

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

1 medical marijuana or its byproducts are licensed to be cultivated,  
2 grown, processed, stored, or manufactured that have been issued a  
3 certificate of occupancy by any political subdivision prior to the  
4 effective date of this act shall not be denied licensure or  
5 registration by a state agency for failing to provide a certificate  
6 of occupancy issued by either the State Fire Marshal or a political  
7 subdivision who has an authority having jurisdiction on file with  
8 the State Fire Marshal until after July 1, 2025.

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

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

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

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

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



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

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

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

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

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

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

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

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

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

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

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

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

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

13 13. "Dispensary" means a medical marijuana dispensary, an  
14 entity that has been licensed by the Department pursuant to the  
15 Oklahoma Medical Marijuana and Patient Protection Act to purchase  
16 medical marijuana or medical marijuana products from a licensed  
17 medical marijuana commercial grower or medical marijuana processor,  
18 sell medical marijuana or medical marijuana products to patients and  
19 caregivers as defined under the Oklahoma Medical Marijuana and  
20 Patient Protection Act, or sell or transfer products to another  
21 dispensary;

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

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

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

6 16. "Final harvest batch" means a specifically identified  
7 quantity of medical marijuana that is uniform in strain, cultivated  
8 utilizing the same cultivation practices, harvested at the same time  
9 from the same location, and cured under uniform conditions completed  
10 and ready for consumption prior to transfer to a licensed medical  
11 marijuana dispensary;

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

15 18. "Final production batch" means:

16 a. any amount of medical marijuana finished product of  
17 the same category and produced using the same  
18 extraction methods, standard operating procedures,  
19 meeting all applicable law, rules, and regulations  
20 required by the Oklahoma Medical Marijuana and Patient  
21 Protection Act prior to transfer to a licensed medical  
22 marijuana dispensary, licensed medical marijuana  
23 patient, or licensed medical marijuana caregiver, or  
24

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

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

10           ~~17.~~ 20. "Flowering" means the reproductive state of the  
11 marijuana or cannabis plant in which there are physical signs of  
12 flower or budding out of the nodes of the stem;

13           ~~18.~~ 21. "Food-based medical marijuana concentrate" means a  
14 medical marijuana concentrate that was produced by extracting  
15 cannabinoids from medical marijuana through the use of propylene  
16 glycol, glycerin, butter, olive oil, coconut oil or other typical  
17 food-safe cooking fats;

18           ~~19.~~ 22. "Good cause" for purposes of an initial, renewal or  
19 reinstatement license application, or for purposes of discipline of  
20 a licensee, means:

21           a. the licensee or applicant has violated, does not meet,  
22           or has failed to comply with any of the terms,  
23           conditions or provisions of the act, any rules

1 promulgated pursuant thereto, or any supplemental  
2 relevant state or local law, rule or regulation,

3 b. the licensee or applicant has failed to comply with  
4 any special terms or conditions that were placed upon  
5 the license pursuant to an order of the State  
6 Department of Health, Oklahoma Medical Marijuana  
7 Authority or the municipality, or

8 c. the licensed premises of a medical marijuana business  
9 or applicant have been operated in a manner that  
10 adversely affects the public health or welfare or the  
11 safety of the immediate vicinity in which the  
12 establishment is located;

13 ~~20.~~ 23. "Harvest batch" means a specifically identified  
14 quantity of medical marijuana that is uniform in strain, cultivated  
15 utilizing the same cultivation practices, harvested at the same time  
16 from the same location and cured under uniform conditions;

17 ~~21.~~ 24. "Harvested marijuana" means post-flowering medical  
18 marijuana not including trim, concentrate or waste;

19 ~~22.~~ 25. "Heat- or pressure-based medical marijuana concentrate"  
20 means a medical marijuana concentrate that was produced by  
21 extracting cannabinoids from medical marijuana through the use of  
22 heat or pressure;

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

1       ~~24.~~ 27. "Inventory tracking system" means the required tracking  
2 system that accounts for medical marijuana from either the seed or  
3 immature plant stage until the medical marijuana or medical  
4 marijuana product is sold to a patient at a medical marijuana  
5 dispensary, transferred to a medical marijuana research facility,  
6 destroyed by a medical marijuana business or used in a research  
7 project by a medical marijuana research facility;

8       ~~25.~~ 28. "Licensed patient" or "patient" means a person who has  
9 been issued a medical marijuana patient license by the State  
10 Department of Health or Oklahoma Medical Marijuana Authority;

11       ~~26.~~ 29. "Licensed premises" means the premises specified in an  
12 application for a medical marijuana business license, medical  
13 marijuana research facility license or medical marijuana education  
14 facility license pursuant to the Oklahoma Medical Marijuana and  
15 Patient Protection Act that are owned or in possession of the  
16 licensee and within which the licensee is authorized to cultivate,  
17 manufacture, distribute, sell, store, transport, test or research  
18 medical marijuana or medical marijuana products in accordance with  
19 the provisions of the Oklahoma Medical Marijuana and Patient  
20 Protection Act and rules promulgated pursuant thereto;

21       ~~27.~~ 30. "Manufacture" means the production, propagation,  
22 compounding or processing of a medical marijuana product, excluding  
23 marijuana plants, either directly or indirectly by extraction from  
24 substances of natural or synthetic origin, or independently by means

1 of chemical synthesis, or by a combination of extraction and  
2 chemical synthesis;

3 ~~28.~~ 31. "Marijuana" shall have the same meaning as such term is  
4 defined in Section 2-101 of this title and shall not include any  
5 plant or material containing delta-8 or delta-10  
6 tetrahydrocannabinol which is grown, processed or sold pursuant to  
7 the provisions of the Oklahoma Industrial Hemp Program;

8 ~~29.~~ 32. "Material change" means any change that would require a  
9 substantive revision to the standard operating procedures of a  
10 licensee for the cultivation or production of medical marijuana,  
11 medical marijuana concentrate or medical marijuana products;

12 ~~30.~~ 33. "Mature plant" means a harvestable female marijuana  
13 plant that is flowering;

14 ~~31.~~ 34. "Medical marijuana business (MMB)" means a licensed  
15 medical marijuana dispensary, medical marijuana processor, medical  
16 marijuana commercial grower, medical marijuana laboratory, medical  
17 marijuana business operator or a medical marijuana transporter;

18 ~~32.~~ 35. "Medical marijuana concentrate" or "concentrate" means  
19 a specific subset of medical marijuana that was produced by  
20 extracting cannabinoids from medical marijuana. Categories of  
21 medical marijuana concentrate include water-based medical marijuana  
22 concentrate, food-based medical marijuana concentrate, solvent-based  
23 medical marijuana concentrate, and heat- or pressure-based medical  
24 marijuana concentrate;

1       ~~33.~~ 36. "Medical marijuana commercial grower" or "commercial  
2 grower" means an entity licensed to cultivate, prepare and package  
3 medical marijuana and transfer or contract for transfer medical  
4 marijuana to a medical marijuana dispensary, medical marijuana  
5 processor, any other medical marijuana commercial grower, medical  
6 marijuana research facility, medical marijuana education facility  
7 and pesticide manufacturers. A commercial grower may sell seeds,  
8 flower or clones to commercial growers pursuant to the Oklahoma  
9 Medical Marijuana and Patient Protection Act;

10       ~~34.~~ 37. "Medical marijuana education facility" or "education  
11 facility" means a person or entity approved pursuant to the Oklahoma  
12 Medical Marijuana and Patient Protection Act to operate a facility  
13 providing training and education to individuals involving the  
14 cultivation, growing, harvesting, curing, preparing, packaging or  
15 testing of medical marijuana, or the production, manufacture,  
16 extraction, processing, packaging or creation of medical-marijuana-  
17 infused products or medical marijuana products as described in the  
18 Oklahoma Medical Marijuana and Patient Protection Act;

19       ~~35.~~ 38. "Medical-marijuana-infused product" means a product  
20 infused with medical marijuana including, but not limited to, edible  
21 products, ointments and tinctures;

22       ~~36.~~ 39. "Medical marijuana product" or "product" means a  
23 product that contains cannabinoids that have been extracted from  
24 plant material or the resin therefrom by physical or chemical means



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

6 ~~37.~~ 40. "Medical marijuana processor" means a person or entity  
7 licensed pursuant to the Oklahoma Medical Marijuana and Patient  
8 Protection Act to operate a business including the production,  
9 manufacture, extraction, processing, packaging or creation of  
10 concentrate, medical-marijuana-infused products or medical marijuana  
11 products as described in the Oklahoma Medical Marijuana and Patient  
12 Protection Act;

13 ~~38.~~ 41. "Medical marijuana research facility" or "research  
14 facility" means a person or entity approved pursuant to the Oklahoma  
15 Medical Marijuana and Patient Protection Act to conduct medical  
16 marijuana research. A medical marijuana research facility is not a  
17 medical marijuana business;

18 ~~39.~~ 42. "Medical marijuana testing laboratory" or "laboratory"  
19 means a public or private laboratory licensed pursuant to the  
20 Oklahoma Medical Marijuana and Patient Protection Act, to conduct  
21 testing and research on medical marijuana and medical marijuana  
22 products;

23 ~~40.~~ 43. "Medical marijuana transporter" or "transporter" means  
24 a person or entity that is licensed pursuant to the Oklahoma Medical

1 Marijuana and Patient Protection Act. A medical marijuana  
2 transporter does not include a medical marijuana business that  
3 transports its own medical marijuana, medical marijuana concentrate  
4 or medical marijuana products to a property or facility adjacent to  
5 or connected to the licensed premises if the property is another  
6 licensed premises of the same medical marijuana business;

7 ~~41.~~ 44. "Medical marijuana waste" or "waste" means unused,  
8 surplus, returned or out-of-date marijuana, plant debris of the  
9 plant of the genus Cannabis including dead plants and all unused  
10 plant parts and roots, except the term shall not include roots,  
11 stems, stalks and fan leaves;

12 ~~42.~~ 45. "Medical use" means the acquisition, possession, use,  
13 delivery, transfer or transportation of medical marijuana, medical  
14 marijuana products, medical marijuana devices or paraphernalia  
15 relating to the administration of medical marijuana to treat a  
16 licensed patient;

17 ~~43.~~ 46. "Mother plant" means a marijuana plant that is grown or  
18 maintained for the purpose of generating clones, and that will not  
19 be used to produce plant material for sale to a medical marijuana  
20 processor or medical marijuana dispensary;

21 ~~44.~~ 47. "Oklahoma physician" or "physician" means a physician  
22 licensed by and in good standing with the State Board of Medical  
23 Licensure and Supervision, the State Board of Osteopathic Examiners  
24 or the Board of Podiatric Medical Examiners;

1       ~~45.~~ 48. "Oklahoma resident" means an individual who can provide  
2 proof of residency as required by the Oklahoma Medical Marijuana and  
3 Patient Protection Act;

4       ~~46.~~ 49. "Owner" means, except where the context otherwise  
5 requires, a direct beneficial owner including, but not limited to,  
6 all persons or entities as follows:

- 7           a. all shareholders owning an interest of a corporate  
8           entity and all officers of a corporate entity,
- 9           b. all partners of a general partnership,
- 10          c. all general partners and all limited partners that own  
11          an interest in a limited partnership,
- 12          d. all members that own an interest in a limited  
13          liability company,
- 14          e. all beneficiaries that hold a beneficial interest in a  
15          trust and all trustees of a trust,
- 16          f. all persons or entities that own interest in a joint  
17          venture,
- 18          g. all persons or entities that own an interest in an  
19          association,
- 20          h. the owners of any other type of legal entity, and
- 21          i. any other person holding an interest or convertible  
22          note in any entity which owns, operates or manages a  
23          licensed facility;

1       ~~47.~~ 50. "Package" or "packaging" means any container or wrapper  
2 that may be used by a medical marijuana business to enclose or  
3 contain medical marijuana;

4       ~~48.~~ 51. "Person" means a natural person, partnership,  
5 association, business trust, company, corporation, estate, limited  
6 liability company, trust or any other legal entity or organization,  
7 or a manager, agent, owner, director, servant, officer or employee  
8 thereof, except that person does not include any governmental  
9 organization;

10       ~~49.~~ 52. "Pesticide" means any substance or mixture of  
11 substances intended for preventing, destroying, repelling or  
12 mitigating any pest or any substance or mixture of substances  
13 intended for use as a plant regulator, defoliant or desiccant,  
14 except that the term pesticide shall not include any article that is  
15 a "new animal drug" as designated by the United States Food and Drug  
16 Administration;

17       ~~50.~~ 53. "Production batch" means:

- 18           a. any amount of medical marijuana concentrate of the  
19 same category and produced using the same extraction  
20 methods, standard operating procedures and an  
21 identical group of harvest batch of medical marijuana,  
22 or  
23           b. any amount of medical marijuana product of the same  
24 exact type, produced using the same ingredients,

1 standard operating procedures and the same production  
2 batch of medical marijuana concentrate;

3 ~~51.~~ 54. "Public institution" means any entity established or  
4 controlled by the federal government, state government, or a local  
5 government or municipality including, but not limited to,  
6 institutions of higher education or related research institutions;

7 ~~52.~~ 55. "Public money" means any funds or money obtained by the  
8 holder from any governmental entity including, but not limited to,  
9 research grants;

10 ~~53.~~ 56. "Recommendation" means a document that is signed or  
11 electronically submitted by a physician on behalf of a patient for  
12 the use of medical marijuana pursuant to the Oklahoma Medical  
13 Marijuana and Patient Protection Act;

14 ~~54.~~ 57. "Registered to conduct business" means a person that  
15 has provided proof that the business applicant is in good standing  
16 with the Secretary of State and Oklahoma Tax Commission;

17 ~~55.~~ 58. "Remediation" means the process by which the medical  
18 marijuana flower or trim, which has failed ~~microbial~~ testing, is  
19 processed into solvent-based medical marijuana concentrate and  
20 ~~retested~~ the final product is tested as required by the Oklahoma  
21 Medical Marijuana and Patient Protection Act;

22 ~~56.~~ 59. "Research project" means a discrete scientific endeavor  
23 to answer a research question or a set of research questions related  
24 to medical marijuana and is required for a medical marijuana

1 research license. A research project shall include a description of  
2 a defined protocol, clearly articulated goals, defined methods and  
3 outputs, and a defined start and end date. The description shall  
4 demonstrate that the research project will comply with all  
5 requirements in the Oklahoma Medical Marijuana and Patient  
6 Protection Act and rules promulgated pursuant thereto. All research  
7 and development conducted by a medical marijuana research facility  
8 shall be conducted in furtherance of an approved research project;

9 ~~57.~~ 60. "Revocation" means the final decision by the Department  
10 that any license issued pursuant to the Oklahoma Medical Marijuana  
11 and Patient Protection Act is rescinded because the individual or  
12 entity does not comply with the applicable requirements set forth in  
13 the Oklahoma Medical Marijuana and Patient Protection Act or rules  
14 promulgated pursuant thereto;

15 ~~58.~~ 61. "School" means a public or private preschool, a public  
16 or private elementary or secondary school, or a technology center  
17 school which is primarily used for classroom instruction. A  
18 homeschool, daycare or child-care facility shall not be considered a  
19 "school" as used in the Oklahoma Medical Marijuana and Patient  
20 Protection Act;

21 ~~59.~~ 62. "Shipping container" means a hard-sided container with  
22 a lid or other enclosure that can be secured in place. A shipping  
23 container is used solely for the transport of medical marijuana,  
24 medical marijuana concentrate, or medical marijuana products between

1 medical marijuana businesses, a medical marijuana research facility,  
2 or a medical marijuana education facility;

3 ~~60.~~ 63. "Solvent-based medical marijuana concentrate" means a  
4 medical marijuana concentrate that was produced by extracting  
5 cannabinoids from medical marijuana through the use of a solvent  
6 approved by the Department;

7 ~~61.~~ 64. "State Question" means Oklahoma State Question No. 788,  
8 Initiative Petition No. 412, approved by a majority vote of the  
9 citizens of Oklahoma on June 26, 2018;

10 ~~62.~~ 65. "Strain" means the classification of marijuana or  
11 cannabis plants in either pure sativa, indica, afghanica, ruderalis  
12 or hybrid varieties;

13 ~~63.~~ 66. "THC" means tetrahydrocannabinol, which is the primary  
14 psychotropic cannabinoid in marijuana formed by decarboxylation of  
15 naturally tetrahydrocannabinolic acid, which generally occurs by  
16 exposure to heat;

17 ~~64.~~ 67. "Test batch" means with regard to usable marijuana, a  
18 homogenous, identified quantity of usable marijuana by strain, no  
19 greater than ten (10) pounds, that is harvested during a seven-day  
20 period from a specified cultivation area, and with regard to oils,  
21 vapors and waxes derived from usable marijuana, means an identified  
22 quantity that is uniform, that is intended to meet specifications  
23 for identity, strength and composition, and that is manufactured,  
24

1 packaged and labeled during a specified time period according to a  
2 single manufacturing, packaging and labeling protocol;

3 ~~65.~~ 68. "Transporter agent" means a person who transports  
4 medical marijuana or medical marijuana products for a licensed  
5 transporter and holds a transporter agent license pursuant to the  
6 Oklahoma Medical Marijuana and Patient Protection Act;

7 ~~66.~~ 69. "Universal symbol" means the image established by the  
8 State Department of Health or Oklahoma Medical Marijuana Authority  
9 and made available to licensees through its website indicating that  
10 the medical marijuana or the medical marijuana product contains THC;

11 ~~67.~~ 70. "Usable marijuana" means the dried leaves, flowers,  
12 oils, vapors, waxes and other portions of the marijuana plant and  
13 any mixture or preparation thereof, excluding seeds, roots, stems,  
14 stalks and fan leaves; and

15 ~~68.~~ 71. "Water-based medical marijuana concentrate" means a  
16 concentrate that was produced by extracting cannabinoids from  
17 medical marijuana through the use of only water, ice or dry ice.

18 SECTION 4. AMENDATORY 63 O.S. 2021, Section 427.17, as  
19 last amended by Section 9, Chapter 322, O.S.L. 2023 (63 O.S. Supp.  
20 2023, Section 427.17), is amended to read as follows:

21 Section 427.17. A. There is hereby created a medical marijuana  
22 testing laboratory license as a category of the medical marijuana  
23 business license. The Oklahoma Medical Marijuana Authority, the  
24 Oklahoma State Bureau of Narcotics and Dangerous Drugs Control, the



1 Oklahoma State Bureau of Investigation, and the Attorney General are  
2 hereby enabled to monitor, inspect and audit a licensed testing  
3 laboratory under the Oklahoma Medical Marijuana and Patient  
4 Protection Act.

5 B. The Authority is hereby authorized to operate a quality  
6 assurance laboratory or to contract with a private laboratory for  
7 the purpose of conducting compliance testing of medical marijuana  
8 testing laboratories licensed in this state. Any such laboratory  
9 under contract for compliance testing shall be prohibited from  
10 conducting any other commercial medical marijuana testing in this  
11 state. If the Authority contracts with a private laboratory to  
12 implement the requirements of this section:

13 1. The laboratory shall not employ, or be owned by, the  
14 following:

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

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

24

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

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

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

11 F. A separate license shall be required for each specific  
12 laboratory.

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

24

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

24

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

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

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

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

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

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



1 Authority to determine compliance with the requirements of this  
2 section.

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

7 Q. A medical marijuana testing laboratory shall test samples  
8 from each final product harvest batch or final product batch, as  
9 appropriate, of medical marijuana, medical marijuana concentrate and  
10 medical marijuana product for each of the following categories of  
11 testing, consistent with standards developed by the Executive  
12 Director:

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

20 R. A licensed medical marijuana testing laboratory shall test  
21 each ~~individual harvest batch~~ final product batch. A grower shall  
22 separate each harvest of usable marijuana into final harvest batches  
23 containing no more than fifteen (15) pounds, with the exception of  
24 any plant material to be sold to a licensed processor for the

1 purposes of turning the plant material into concentrate which may be  
2 separated into final harvest batches of no more than fifty (50)  
3 pounds. A processor shall separate each medical marijuana  
4 production lot into final production batches containing no more than  
5 four (4) liters of concentrate or nine (9) pounds for nonliquid  
6 products, and for final edible products, the Oklahoma Medical  
7 Marijuana Authority shall be authorized to promulgate rules on final  
8 products as necessary. Provided, however, the Authority shall not  
9 require testing of final products less often than every one thousand  
10 (1,000) grams of THC. As used in this subsection, "final edible  
11 products" shall include, but not be limited to, cookies, brownies,  
12 candies, gummies, beverages and chocolates.

13 S. Medical marijuana testing laboratory licensure shall be  
14 contingent upon successful on-site inspection, successful  
15 participation in proficiency testing and ongoing compliance with the  
16 applicable requirements in this section.

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

24

1 U. Medical marijuana testing laboratories shall obtain  
2 accreditation by an accrediting body approved by the Executive  
3 Director or the Authority's quality assurance laboratory within one  
4 (1) year of the date the initial license is issued. Renewal of any  
5 medical marijuana testing laboratory license shall be contingent  
6 upon accreditation in accordance with this subsection. All medical  
7 marijuana testing laboratories shall obtain accreditation prior to  
8 applying for and receiving a medical marijuana testing laboratory  
9 license.

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

1 the Executive Director. ~~Remediated and decontaminated medical~~  
2 ~~marijuana may be returned only to the originating licensed~~  
3 ~~commercial grower.~~

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

6 X. A licensed commercial grower or licensed processor shall not  
7 transfer any product to a licensed medical marijuana dispensary  
8 until the product has undergone final product testing. Laboratory  
9 testing that meets all contaminant tests and applicable laws, rules,  
10 and regulations required by the Oklahoma Medical Marijuana and  
11 Patient Protection Act shall only be required when the final product  
12 is completed and prior to transfer to a licensed medical marijuana  
13 dispensary, licensed medical marijuana patient, or licensed medical  
14 marijuana caregiver.

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

19  
20 59-2-10945 JL 04/10/24  
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