

1 ENGROSSED SENATE  
2 BILL NO. 18x

By: Thompson (Roger) and Hall  
of the Senate

3 and

4 Wallace and Martinez of the  
5 House

6  
7 An Act relating to medical marijuana; amending 63  
8 O.S. 2021, Sections 426, as last amended by Section 1  
9 of Enrolled House Bill No. 2095 of the 1st Session of  
10 the 59th Oklahoma Legislature (63 O.S. Supp. 2022,  
11 Section 426) and 427.5, which relate to medical  
12 marijuana; deleting certain apportionments; modifying  
13 the Oklahoma Medical Marijuana Authority Revolving  
14 Fund; limiting funding source; requiring legislative  
15 appropriation; creating the Medical Marijuana Tax  
16 Fund; providing for sources of funds; requiring  
17 legislative appropriation; providing for  
18 codification; providing an effective date; and  
19 declaring an emergency.

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

21 SECTION 1. AMENDATORY 63 O.S. 2021, Section 426, as last  
22 amended by Section 1 of Enrolled House Bill No. 2095 of the 1st  
23 Session of the 59th Oklahoma Legislature (63 O.S. Supp. 2022,  
24 Section 426), is amended to read as follows:

Section 426. A. The tax on retail medical marijuana sales  
shall be established at seven percent (7%) of the gross amount  
received by the seller.

B. This tax shall be collected at the point of sale. Except as  
provided for in subsection D, tax proceeds shall be deposited into

1 ~~the Medical Marijuana Tax Fund created in Section 3 of this act will~~  
2 ~~be applied primarily to finance the regulatory office.~~

3 C. ~~Except as provided for in subsection D of this section, if~~  
4 ~~proceeds from the levy authorized by subsection A of this section~~  
5 ~~exceed the budgeted amount for running the regulatory office, any~~  
6 ~~surplus shall be apportioned with seventy five percent (75%) going~~  
7 ~~to the General Revenue Fund and may only be expended for common~~  
8 ~~education including funding redbud school grants pursuant to Section~~  
9 ~~3-104 of Title 70 of the Oklahoma Statutes. Twenty five percent~~  
10 ~~(25%) shall be apportioned to the State Department of Health and~~  
11 ~~earmarked for drug and alcohol rehabilitation and prevention.~~

12 ~~D.~~ Pursuant to Section 255.2 of Title 68 of the Oklahoma  
13 Statutes, the Oklahoma Tax Commission shall have authority to  
14 assess, collect and enforce the tax specified in subsection A of  
15 this section including any interest and penalty thereon.

16 ~~E.~~ D. For fiscal year 2022, proceeds from the levy authorized  
17 by subsection A of this section shall be apportioned as follows:

18 1. The first Sixty-five Million Dollars (\$65,000,000.00) shall  
19 be apportioned as follows:

20 a. fifty-nine and twenty-three hundredths percent  
21 (59.23%) to the State Public Common School Building  
22 Equalization Fund,

23 b. thirty-four and sixty-two hundredths percent (34.62%)  
24 to the Oklahoma Medical Marijuana Authority, a

1 division within the ~~Oklahoma~~ State Department of  
2 Health, and

3 c. six and fifteen hundredths percent (6.15%) to the  
4 ~~Oklahoma~~ State Department of Health and earmarked for  
5 drug and alcohol rehabilitation; and

6 2. Any surplus collections shall be apportioned to the General  
7 Revenue Fund of the State Treasury.

8 ~~F.~~ E. If any medical marijuana business licensee intentionally  
9 does not remit the taxes as required by the provisions of this  
10 section or the provisions of Section 1354 of Title 68 of the  
11 Oklahoma Statutes, the Authority shall permanently revoke the  
12 medical marijuana business license of the business licensee and the  
13 business licensee shall be permanently ineligible to receive any  
14 other type of medical marijuana business license issued by the  
15 Authority, including licenses for a dispensary, commercial grower  
16 operation, processing facility, transporter, research, education  
17 facility, and waste disposal facility.

18 SECTION 2. AMENDATORY 63 O.S. 2021, Section 427.5, is  
19 amended to read as follows:

20 Section 427.5. There is hereby created in the State Treasury a  
21 ~~revolving~~ fund for the ~~State Department of Health~~ Oklahoma Medical  
22 Marijuana Authority to be designated the "Oklahoma Medical Marijuana  
23 Authority ~~Revolving~~ Fund". The fund shall be a continuing fund, not  
24 subject to fiscal year limitations, and shall consist of all monies

1 received by the ~~Department~~ Authority from fees and fines collected  
2 pursuant to ~~this act and all monies received by the Oklahoma Tax~~  
3 ~~Commission from tax proceeds collected pursuant to Section 426 of~~  
4 ~~Title 63 of the Oklahoma Statutes. All monies accruing to the~~  
5 ~~credit of the fund are hereby appropriated and may be budgeted and~~  
6 ~~expended by the Department for the purposes set forth in Section 426~~  
7 ~~of Title 63 of the Oklahoma Statutes. Expenditures from the fund~~  
8 ~~shall be made upon warrants issued by the State Treasurer against~~  
9 ~~claims filed as prescribed by law with the Director of the Office of~~  
10 ~~Management and Enterprise Services for approval and payment~~ the  
11 Oklahoma Medical Marijuana and Patient Protection Act. All monies  
12 accruing to the credit of the fund shall be appropriated at the  
13 discretion of the Legislature for the purpose of funding the  
14 Oklahoma Medical Marijuana Authority.

15 SECTION 3. NEW LAW A new section of law to be codified  
16 in the Oklahoma Statutes as Section 427.5a of Title 63, unless there  
17 is created a duplication in numbering, reads as follows:

18 There is hereby created in the State Treasury a fund for the  
19 Oklahoma Medical Marijuana Authority to be designated the "Medical  
20 Marijuana Tax Fund". The fund shall be a continuing fund, not  
21 subject to fiscal year limitations, and shall consist of all monies  
22 received by the Authority from tax proceeds collected pursuant to  
23 Section 426 of Title 63 of the Oklahoma Statutes. All monies  
24 accruing to the credit of the fund shall be appropriated at the

1 discretion of the Legislature for the purpose of funding substance  
2 abuse programs and common education including but not limited to  
3 funding redbud school grants pursuant to Section 3-104 of Title 70  
4 of the Oklahoma Statutes.

5 SECTION 4. This act shall become effective July 1, 2023.

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

10 Passed the Senate the 24th day of May, 2023.

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Presiding Officer of the Senate

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14 Passed the House of Representatives the \_\_\_\_ day of \_\_\_\_\_,  
15 2023.

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Presiding Officer of the House  
of Representatives

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