

1 ENGROSSED HOUSE  
2 BILL NO. 2095

By: Echols and McDugle of the  
House

3 and

4 Paxton of the Senate  
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8 An Act relating to medical marijuana; amending 63  
9 O.S. 2021, Section 426, as amended by Section 27,  
10 Chapter 228, O.S.L. 2022 (63 O.S. Supp. 2022, Section  
11 426), which relates to taxes on retail sales of  
12 medical marijuana; updating statutory citation;  
13 providing for the permanent revocation of medical  
14 marijuana business license for nonpayment of taxes;  
15 amending 63 O.S. 2021, Sections 427.3, as amended by  
16 Section 1, Chapter 342, O.S.L. 2022, 427.4, as  
17 amended by Section 9, Chapter 251, O.S.L. 2022,  
18 427.6, as last amended by Section 1, Chapter 328,  
19 O.S.L. 2022, 427.14, as amended by Section 4, Chapter  
20 332, O.S.L. 2022, Section 2, Chapter 342, O.S.L.  
21 2022, 427.16, as amended by Section 16, Chapter 251,  
22 O.S.L. 2022, 427.17, as last amended by Section 1,  
23 Chapter 353, O.S.L. 2022, 427.19, as amended by  
24 Section 19, Chapter 251, O.S.L. 2022, and 427.20, as  
amended by Section 20, Chapter 251, O.S.L. 2022 (63  
O.S. Supp. 2022, Sections 427.3, 427.4, 427.6,  
427.14, 427.14a, 427.16, 427.17, 427.19 and 427.20),  
which relate to the Oklahoma Medical Marijuana and  
Patient Protection Act; allowing the Authority to  
enter into memorandums of understanding with state  
agencies; providing certain state agencies  
investigative and enforcement authority relating to  
medical marijuana business licenses; granting certain  
state agencies peace officer powers; providing for  
the execution of warrants; expanding scope of powers  
regarding illegal marijuana and marijuana products;  
authorizing certain state agencies to perform on-site  
assessments and record reviews; directing the  
Oklahoma Medical Marijuana Authority to refer  
complaints to certain state agencies; making certain

1 acts unlawful; providing penalties; authorizing the  
2 subpoena of documents under certain circumstances;  
3 changing background check requirement; providing  
4 certain restriction on issuing medical marijuana  
5 commercial grower license; extending moratorium date;  
6 allowing certain state agencies enforcement powers  
7 relating to the transportation of medical marijuana;  
8 enabling certain state agencies monitoring,  
9 inspection and auditing powers of medical marijuana  
10 testing laboratories; providing for the permission of  
11 certain state agencies to enter and inspect medical  
12 marijuana research and education facilities;  
13 providing licensing penalties for refusing to permit  
14 entry for inspections; authorizing unannounced, on-  
15 site inspections; directing the Authority to refer  
16 complaints of criminal activity to state or local law  
17 enforcement authorities; amending 63 O.S. 2021,  
18 Section 430, as amended by Section 3, Chapter 317,  
19 O.S.L. 2022 (63 O.S. Supp. 2022, Section 430), which  
20 relates to the Oklahoma Medical Marijuana Waste  
21 Management Act; authorizing unannounced on-site  
22 inspections by certain state agencies; and providing  
23 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 426, as amended by Section 27, Chapter 228, O.S.L. 2022 (63 O.S. Supp. 2022, 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 will be applied primarily to finance the regulatory office.

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

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

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

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

18 a. fifty-nine and twenty-three hundredths percent  
19 (59.23%) to the State Public Common School Building  
20 Equalization Fund,

21 b. thirty-four and sixty-two hundredths percent (34.62%)  
22 to the Oklahoma Medical Marijuana Authority, a  
23 division within the Oklahoma State Department of  
24 Health, and

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

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

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

16 SECTION 2. AMENDATORY 63 O.S. 2021, Section 427.3, as  
17 amended by Section 1, Chapter 342, O.S.L. 2022 (63 O.S. Supp. 2022,  
18 Section 427.3), is amended to read as follows:

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

1 research, and the use of and sale of medical marijuana pursuant to  
2 the Oklahoma Medical Marijuana and Patient Protection Act.

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

6 C. The Authority shall implement the provisions of the Oklahoma  
7 Medical Marijuana and Patient Protection Act consistently with the  
8 voter-approved State Question No. 788, Initiative Petition No. 412,  
9 subject to the provisions of the Oklahoma Medical Marijuana and  
10 Patient Protection Act.

11 D. The Authority shall exercise its respective powers and  
12 perform its respective duties and functions as specified in the  
13 Oklahoma Medical Marijuana and Patient Protection Act and this title  
14 including, but not limited to, the following:

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

- 19 a. public health policy and public safety policy,
- 20 b. agronomic and horticultural best practices, and
- 21 c. medical and pharmacopoeia best practices;

22 2. Contract with third-party vendors and other governmental  
23 entities in order to carry out the respective duties and functions  
24

1 as specified in the Oklahoma Medical Marijuana and Patient  
2 Protection Act;

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

7 4. Issue subpoenas for the appearance or production of persons,  
8 records, and things in connection with disciplinary or contested  
9 cases considered by the Authority;

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

12 6. Inspect and examine all licensed premises of medical  
13 marijuana businesses, research facilities, education facilities, and  
14 waste disposal facilities in which medical marijuana is cultivated,  
15 manufactured, sold, stored, transported, tested, distributed, or  
16 disposed of;

17 7. Upon action by the federal government by which the  
18 production, sale, and use of marijuana in Oklahoma does not violate  
19 federal law, work with the Oklahoma State Banking Department and the  
20 State Treasurer to develop good practices and standards for banking  
21 and finance for medical marijuana businesses;

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

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1           9. Establish a fee schedule and collect fees for performing  
2 background checks as the Authority deems appropriate. The fees  
3 charged pursuant to this paragraph shall not exceed the actual cost  
4 incurred for each background check;

5           10. Establish a fee schedule and collect fees for material  
6 changes requested by the licensee;

7           11. Establish regulations, which require a medical marijuana  
8 business to submit information to the Authority, deemed reasonably  
9 necessary to assist the Authority in the prevention of diversion of  
10 medical marijuana by a licensed medical marijuana business. Such  
11 information required by the Authority may include, but shall not be  
12 limited to:

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

1 12. Declare and establish a moratorium on processing and  
2 issuing new medical marijuana business licenses pursuant to Section  
3 427.14 of this title for an amount of time the Authority deems  
4 necessary; and

5 13. Enter into and negotiate the terms of Memorandums of  
6 Understanding between the Authority and other state agencies  
7 concerning the enforcement of laws regulating medical marijuana in  
8 this state. The Oklahoma State Bureau of Narcotics and Dangerous  
9 Drugs Control, the Oklahoma State Bureau of Investigation, and the  
10 Oklahoma Attorney General shall have full authority to investigate  
11 and enforce any violations of the laws regarding medical marijuana  
12 including medical marijuana business licenses held by commercial  
13 growers, processors, transporters, researchers, education  
14 facilities, and waste disposal facilities.

15 SECTION 3. AMENDATORY 63 O.S. 2021, Section 427.4, as  
16 amended by Section 9, Chapter 251, O.S.L. 2022 (63 O.S. Supp. 2022,  
17 Section 427.4), is amended to read as follows:

18 Section 427.4 A. The Oklahoma Medical Marijuana Authority  
19 shall employ an Executive Director and other personnel as necessary  
20 to assist the Authority in carrying out its duties. The Executive  
21 Director shall be appointed by the Governor, with the advice and  
22 consent of the Senate. The Executive Director shall serve at the  
23 pleasure of the Governor and may be removed or replaced without  
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1 cause. Compensation for the Executive Director shall be determined  
2 pursuant to Section 3601.2 of Title 74 of the Oklahoma Statutes.

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

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

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

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

16 D. The Executive Director may delegate to any officer or  
17 employee of the Authority any of the powers of the Executive  
18 Director and may designate any officer or employee of the Authority  
19 to perform any of the duties of the Executive Director.

20 E. The Executive Director may promulgate rules governing the  
21 oversight and implementation of the Oklahoma Medical Marijuana and  
22 Patient Protection Act.

23 F. The Authority is hereby authorized to create employment  
24 positions necessary for the implementation of its obligations

1 pursuant to the Oklahoma Medical Marijuana and Patient Protection  
2 Act including, but not limited to, investigators of the Authority  
3 and a director of enforcement. The Authority, the director of  
4 enforcement, the Executive Director, ~~and~~ investigators of the  
5 Authority, the Oklahoma State Bureau of Narcotics and Dangerous  
6 Drugs Control, the Oklahoma State Bureau of Investigation, and the  
7 Attorney General shall have all the powers and authority of a peace  
8 officer of this state for the purpose of enforcing the provisions of  
9 the Oklahoma Medical Marijuana and Patient Protection Act and other  
10 laws pertaining to medical marijuana, rules promulgated by the  
11 Executive Director, or criminal laws of this state. These powers  
12 shall include but not be limited to:

13 1. Investigating violations or suspected violations of the  
14 Oklahoma Medical Marijuana and Patient Protection Act or other laws  
15 pertaining to medical marijuana, any rules promulgated pursuant  
16 thereto, and any violations of criminal laws of this state  
17 discovered through the course of such investigations;

18 2. Serving and executing all warrants, summonses, subpoenas,  
19 administrative citations, notices or other processes relating to the  
20 enforcement of laws regulating marijuana, concentrate, and marijuana  
21 product;

22 3. Seizing, destroying, confiscating, embargoing, or placing an  
23 administrative hold on any marijuana or marijuana product not  
24 properly logged in inventory records or untraceable product not

1 required to be in the system, altered or improperly packaged, or  
2 illegally held in violation of the Oklahoma Medical Marijuana and  
3 Patient Protection Act, any other laws of this state, or any rules  
4 promulgated by the Executive Director;

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

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

13 6. Aiding the enforcement authorities of this state or any  
14 county or municipality of the state, or the federal government, in  
15 prosecutions of violations of the Oklahoma Medical Marijuana and  
16 Patient Protection Act or any other laws of this state that carry  
17 criminal penalty involving crimes discovered during the  
18 investigation of violations or suspected violations of the Oklahoma  
19 Medical Marijuana and Patient Protection Act or other laws  
20 pertaining to medical marijuana or any rules promulgated pursuant  
21 thereto;

22 7. Requiring any business applicant or licensee to permit an  
23 inspection of licensed premises during business hours or at any time  
24 of apparent operation, marijuana equipment, and marijuana

1 accessories, or books and records; and to permit the testing of or  
2 examination of medical marijuana, concentrate, or product;

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

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

20 10. Requiring medical marijuana business licensees to  
21 periodically submit samples or units of medical marijuana or medical  
22 marijuana products to the quality assurance laboratory for quality  
23 assurance purposes. Licensed growers, processors, dispensaries and  
24 transporters shall not be required to submit samples or units of

1 medical marijuana or medical marijuana products more than twice a  
2 year. The licensee shall provide the samples or units of medical  
3 marijuana or medical marijuana products at its own expense but shall  
4 not be responsible for the costs of testing.

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

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

20 I. The Executive Director may employ or contract with  
21 attorneys, as needed, to advise the ~~Executive Director and the~~  
22 Authority on all legal matters and to appear for and represent the  
23 Executive Director and the Authority in all administrative hearings  
24 and all litigation or other proceedings which may arise in the

1 discharge of their duties. At the request of the Executive  
2 Director, such attorneys shall assist district attorneys in  
3 prosecuting charges of violators of the Oklahoma Medical Marijuana  
4 and Patient Protection Act or any other laws of this state that  
5 carry criminal penalty involving crimes discovered during the  
6 investigation of violations or suspected violations of the Oklahoma  
7 Medical Marijuana and Patient Protection Act or other laws  
8 pertaining to medical marijuana or any rules promulgated pursuant  
9 thereto.

10 SECTION 4. AMENDATORY 63 O.S. 2021, Section 427.6, as  
11 last amended by Section 1, Chapter 328, O.S.L. 2022 (63 O.S. Supp.  
12 2022, Section 427.6), is amended to read as follows:

13 Section 427.6 A. The Oklahoma Medical Marijuana Authority  
14 shall address issues related to the medical marijuana program in  
15 this state including, but not limited to, monitoring and  
16 disciplinary actions as they relate to the medical marijuana  
17 program.

18 B. 1. The Authority ~~or~~, its designee, or the Oklahoma State  
19 Bureau of Narcotics and Dangerous Drugs Control, the Oklahoma State  
20 Bureau of Investigation, and the Attorney General may perform on-  
21 site inspections or investigations of a licensee or applicant for  
22 any medical marijuana business license, research facility, education  
23 facility or waste disposal facility to determine compliance with  
24 applicable laws, rules and regulations or submissions made pursuant

1 to this section. The Authority, its designee, or the Oklahoma State  
2 Bureau of Narcotics and Dangerous Drugs Control, the Oklahoma State  
3 Bureau of Investigation, and the Attorney General may enter the  
4 licensed premises of a medical marijuana business, research  
5 facility, education facility or waste disposal facility licensee or  
6 applicant to assess or monitor compliance or ensure qualifications  
7 for licensure.

8 2. Post-licensure inspections shall be limited to twice per  
9 calendar year. However, investigations and additional inspections  
10 may occur when the Authority believes an investigation or additional  
11 inspection is necessary due to a possible violation of applicable  
12 laws, rules or regulations. ~~The State Commissioner of Health~~  
13 Authority may adopt rules imposing penalties including, but not  
14 limited to, monetary fines and suspension or revocation of licensure  
15 for failure to allow the Authority reasonable access to the licensed  
16 premises for purposes of conducting an inspection.

17 3. The Authority, its designee, or the Oklahoma State Bureau of  
18 Narcotics and Dangerous Drugs Control, the Oklahoma State Bureau of  
19 Investigation, and the Attorney General may review relevant records  
20 of a licensed medical marijuana business, licensed medical marijuana  
21 research facility, licensed medical marijuana education facility or  
22 licensed medical marijuana waste disposal facility, and may require  
23 and conduct interviews with such persons or entities and persons  
24 affiliated with such entities, for the purpose of determining

1 compliance with Authority requirements and applicable laws, rules  
2 and regulations.

3 4. The Authority may refer complaints alleging criminal  
4 activity that are made against a licensee to appropriate state or  
5 local law enforcement authorities including, but not limited to, the  
6 Oklahoma State Bureau of Narcotics and Dangerous Drugs Control, the  
7 Oklahoma State Bureau of Investigation, and the Attorney General.

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

12 D. Disciplinary actions may include revocation, suspension or  
13 denial of an application, license or final authorization and other  
14 action deemed appropriate by the Authority.

15 E. Disciplinary actions may be imposed upon a medical marijuana  
16 business licensee for:

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

19 2. Falsification or misrepresentation of any material or  
20 information submitted to the Authority or other licensees;

21 3. Failing to allow or impeding entry by authorized  
22 representatives of the Authority;

23 4. Failure to adhere to any acknowledgement, verification or  
24 other representation made to the Authority;



1 5. Failure to submit or disclose information required by  
2 applicable laws, rules or regulations or otherwise requested by the  
3 Authority;

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

6 7. Failure to comply with requested access by the Authority to  
7 the licensed premises or materials;

8 8. Failure to pay a required monetary penalty;

9 9. Diversion of medical marijuana or any medical marijuana  
10 product, as determined by the Authority;

11 10. Threatening or harming a medical marijuana patient  
12 licensee, caregiver licensee, a medical practitioner or an employee  
13 of the Authority; and

14 11. Any other basis indicating a violation of the applicable  
15 laws and regulations as identified by the Authority.

16 F. Disciplinary actions against a licensee may include the  
17 imposition of monetary penalties, which may be assessed by the  
18 Authority. The Authority may suspend or revoke a license for  
19 failure to pay any monetary penalty lawfully assessed by the  
20 Authority against a licensee.

21 G. 1. In addition to any other penalties prescribed by law,  
22 penalties for sales, purchases or transfers for value of medical  
23 marijuana by a medical marijuana business or employees or agents of  
24 the medical marijuana business to persons other than those allowed

1 by law occurring within any one-year time period may include an  
2 initial fine of Five Thousand Dollars (\$5,000.00) for a first  
3 violation and a fine of Fifteen Thousand Dollars (\$15,000.00) for  
4 any subsequent violation.

5 2. Penalties for grossly inaccurate or fraudulent reporting  
6 occurring within any two-year time period may include an initial  
7 administrative fine of Five Thousand Dollars (\$5,000.00) for a first  
8 violation and an administrative fine of Ten Thousand Dollars  
9 (\$10,000.00) for any subsequent violation. The medical marijuana  
10 business shall be subject to a revocation of any license granted  
11 pursuant to the Oklahoma Medical Marijuana and Patient Protection  
12 Act upon a second incident of grossly inaccurate or fraudulent  
13 reporting in a ten-year period by the medical marijuana business or  
14 any employee or agent thereof.

15 3. After investigation by the Authority, the Authority may  
16 revoke the license of any person directly involved with the  
17 diversion of marijuana.

18 4. If the Authority, after investigation, is able to establish,  
19 by a preponderance of evidence, a pattern of diversion or negligence  
20 leading to diversion, the Authority may revoke any business licenses  
21 associated with the diversion and any entity with common ownership.

22 H. 1. In addition to any other penalties prescribed by law, a  
23 first offense for intentional and impermissible diversion of medical  
24 marijuana, medical marijuana concentrate, or medical marijuana

1 products for value by a patient or caregiver to an unauthorized  
2 person shall be subject to an administrative fine of Four Hundred  
3 Dollars (\$400.00). The Authority shall have the authority to  
4 enforce the provisions of this subsection.

5 2. In addition to any other penalties prescribed by law, an  
6 additional incident resulting in a second offense for impermissible  
7 diversion of medical marijuana, medical marijuana concentrate, or  
8 medical marijuana products by a patient or caregiver to an  
9 unauthorized person for value shall be subject to an administrative  
10 fine of One Thousand Dollars (\$1,000.00), and shall result in  
11 revocation of the license or licenses of the person.

12 3. Any person who shares less than three (3) grams of medical  
13 marijuana with an unauthorized person, without the transfer being  
14 for value or other consideration, shall not be subject to criminal  
15 prosecution but shall be subject to an administrative fine of Four  
16 Hundred Dollars (\$400.00).

17 I. The intentional diversion of medical marijuana, medical  
18 marijuana concentrate or medical marijuana products by a licensed  
19 medical marijuana patient or caregiver, medical marijuana business  
20 or employee of a medical marijuana business to an unauthorized minor  
21 person who the licensed medical marijuana patient or caregiver,  
22 medical marijuana business or employee of a medical marijuana  
23 business knew or reasonably should have known to be a minor person  
24 shall be subject to an administrative fine of Two Thousand Five

1 Hundred Dollars (\$2,500.00). For an additional incident resulting  
2 in a second or subsequent offense, the licensed medical marijuana  
3 patient or caregiver, medical marijuana business or employee of a  
4 medical marijuana business shall be subject to a cite and release  
5 citation and, upon a finding of guilt or a plea of no contest, a  
6 fine of Five Thousand Dollars (\$5,000.00) and automatic revocation  
7 of the medical marijuana license.

8 J. In addition to any other penalties prescribed by law, it  
9 shall be unlawful for a licensed medical marijuana commercial grower  
10 to knowingly hire or employ undocumented immigrants to perform work  
11 inside a medical marijuana commercial grow facility or anywhere on  
12 the property of the medical marijuana commercial grow operation. A  
13 licensed medical marijuana commercial grower that violates the  
14 provisions of this subsection shall, upon conviction, be guilty of a  
15 misdemeanor punishable by imprisonment in the county jail for a term  
16 not exceeding one (1) year, or by a fine not exceeding Five Hundred  
17 Dollars (\$500.00), or by both such fine and imprisonment. In  
18 addition, the license of the medical marijuana commercial grower  
19 shall be subject to revocation and the Authority may deny future  
20 license applications.

21 K. In addition to any other remedies provided for by law, the  
22 Authority, pursuant to its rules and regulations, may issue a  
23 written order to any licensee the Authority has reason to believe  
24 has violated Sections 420 through 426.1 of this title, the Oklahoma

1 Medical Marijuana and Patient Protection Act, the Oklahoma Medical  
2 Marijuana Waste Management Act, or any rules promulgated by the  
3 State Commissioner of Health and to whom the Authority has served,  
4 not less than thirty (30) days previously, a written notice of  
5 violation of such statutes or rules.

6 1. The written order shall state with specificity the nature of  
7 the violation. The Authority may impose any disciplinary action  
8 authorized under the provisions of this section including, but not  
9 limited to, the assessment of monetary penalties.

10 2. Any order issued pursuant to the provisions of this section  
11 shall become a final order unless, not more than thirty (30) days  
12 after the order is served to the licensee, the licensee requests an  
13 administrative hearing in accordance with the rules and regulations  
14 of the Authority. Upon such request, the Authority shall promptly  
15 initiate administrative proceedings.

16 ~~K.~~ L. Whenever the Authority finds that an emergency exists  
17 requiring immediate action in order to protect the health or welfare  
18 of the public, the Authority may issue an order, without providing  
19 notice or hearing, stating the existence of said emergency and  
20 requiring that action be taken as the Authority deems necessary to  
21 meet the emergency. Such action may include, but is not limited to,  
22 ordering the licensee to immediately cease and desist operations by  
23 the licensee. The order shall be effective immediately upon  
24 issuance. Any person to whom the order is directed shall comply

1 immediately with the provisions of the order. The Authority may  
2 assess a penalty not to exceed Ten Thousand Dollars (\$10,000.00) per  
3 day of noncompliance with the order. In assessing such a penalty,  
4 the Authority shall consider the seriousness of the violation and  
5 any efforts to comply with applicable requirements. Upon  
6 application to the Authority, the licensee shall be offered a  
7 hearing within ten (10) days of the issuance of the order.

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

10 SECTION 5. AMENDATORY 63 O.S. 2021, Section 427.14, as  
11 amended by Section 4, Chapter 332, O.S.L. 2022 (63 O.S. Supp. 2022,  
12 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 fee for a medical marijuana commercial grower  
8 license shall be calculated based upon the total amount of square  
9 feet of canopy or acres the grower estimates will be harvested for  
10 the year. The annual, nonrefundable license fee shall be based upon  
11 the total amount of square feet of canopy harvested by the grower  
12 during the previous twelve (12) months. The amount of the fees  
13 shall be determined as follows:

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

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

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

23 (3) Tier 3: Twenty thousand one (20,001) square feet  
24 of canopy to forty thousand (40,000) square feet

1 of canopy, the fee shall be Ten Thousand Dollars  
2 (\$10,000.00),

3 (4) Tier 4: Forty thousand one (40,001) square feet  
4 of canopy to sixty thousand (60,000) square feet  
5 of canopy, the fee shall be Twenty Thousand  
6 Dollars (\$20,000.00),

7 (5) Tier 5: Sixty thousand one (60,001) square feet  
8 of canopy to eighty thousand (80,000) square feet  
9 of canopy, the fee shall be Thirty Thousand  
10 Dollars (\$30,000.00),

11 (6) Tier 6: Eighty thousand one (80,001) square feet  
12 of canopy to ninety-nine thousand nine hundred  
13 ninety-nine (99,999) square feet of canopy, the  
14 fee shall be Forty Thousand Dollars (\$40,000.00),  
15 and

16 (7) Tier 7: One hundred thousand (100,000) square  
17 feet of canopy and beyond, the fee shall be Fifty  
18 Thousand Dollars (\$50,000.00), plus an additional  
19 twenty-five cents (\$0.25) per square foot of  
20 canopy over one hundred thousand (100,000) square  
21 feet.

22 b. For an outdoor medical marijuana grow facility:  
23  
24



- 1 (1) Tier 1: Up to two and one-half (2 1/2) acres,  
2 the fee shall be Two Thousand Five Hundred  
3 Dollars (\$2,500.00),
- 4 (2) Tier 2: Two and one-half (2 1/2) acres up to  
5 five (5) acres, the fee shall be Five Thousand  
6 Dollars (\$5,000.00),
- 7 (3) Tier 3: Five (5) acres up to ten (10) acres, the  
8 fee shall be Ten Thousand Dollars (\$10,000.00),
- 9 (4) Tier 4: Ten (10) acres up to twenty (20) acres,  
10 the fee shall be Twenty Thousand Dollars  
11 (\$20,000.00),
- 12 (5) Tier 5: Twenty (20) acres up to thirty (30)  
13 acres, the fee shall be Thirty Thousand Dollars  
14 (\$30,000.00),
- 15 (6) Tier 6: Thirty (30) acres up to forty (40)  
16 acres, the fee shall be Forty Thousand Dollars  
17 (\$40,000.00),
- 18 (7) Tier 7: Forty (40) acres up to fifty (50) acres,  
19 the fee shall be Fifty Thousand Dollars  
20 (\$50,000.00), and
- 21 (8) Tier 8: If the amount of acreage exceeds fifty  
22 (50) acres, the fee shall be Fifty Thousand  
23 Dollars (\$50,000.00) plus an additional Two  
24 Hundred Fifty Dollars (\$250.00) per acre.

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

9 d. As used in this paragraph:

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

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

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

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

17 3. The annual, nonrefundable license fee for a medical  
18 marijuana processor license shall be determined as follows:

19 a. Tier 1: Zero (0) to ten thousand (10,000) pounds of  
20 biomass or production or use of up to one hundred  
21 (100) liters of cannabis concentrate, the annual fee  
22 shall be Two Thousand Five Hundred Dollars  
23 (\$2,500.00),  
24

- 1           b. Tier 2: Ten thousand one (10,001) pounds to fifty  
2           thousand (50,000) pounds of biomass or production or  
3           use from one hundred one (101) to three hundred fifty  
4           (350) liters of cannabis concentrate, the annual fee  
5           shall be Five Thousand Dollars (\$5,000.00),
- 6           c. Tier 3: Fifty thousand one (50,001) pounds to one  
7           hundred fifty thousand (150,000) pounds of biomass or  
8           production or use from three hundred fifty-one (351)  
9           to six hundred fifty (650) liters of cannabis  
10          concentrate, the annual fee shall be Ten Thousand  
11          Dollars (\$10,000.00),
- 12          d. Tier 4: One hundred fifty thousand one (150,001)  
13          pounds to three hundred thousand (300,000) pounds of  
14          biomass or production or use from six hundred fifty-  
15          one (651) to one thousand (1,000) liters of cannabis  
16          concentrate, the annual fee shall be Fifteen Thousand  
17          Dollars (\$15,000.00), and
- 18          e. Tier 5: More than three hundred thousand one  
19          (300,001) pounds of biomass or production or use in  
20          excess of one thousand one (1,001) liters of cannabis  
21          concentrate, the annual fee shall be Twenty Thousand  
22          Dollars (\$20,000.00).

23           For purposes of this paragraph only, if the cannabis concentrate  
24           is in nonliquid form, every one thousand (1,000) grams of

1 concentrated marijuana shall be calculated as one (1) liter of  
2 cannabis concentrate.

3 4. The initial fee for a medical marijuana dispensary license  
4 shall be Two Thousand Five Hundred Dollars (\$2,500.00). The annual,  
5 nonrefundable license fee for a medical marijuana dispensary license  
6 shall be calculated at ten percent (10%) of the sum of twelve (12)  
7 calendar months of the combined annual state sales tax and state  
8 excise tax of the dispensary. The minimum fee shall be not less  
9 than Two Thousand Five Hundred Dollars (\$2,500.00) and the maximum  
10 fee shall not exceed Ten Thousand Dollars (\$10,000.00).

11 5. The annual, nonrefundable license fee for a medical  
12 marijuana testing laboratory shall be Twenty Thousand Dollars  
13 (\$20,000.00).

14 E. All applicants seeking licensure or licensure renewal as a  
15 medical marijuana business shall comply with the following general  
16 requirements:

17 1. All applications for licenses and registrations authorized  
18 pursuant to this section shall be made upon forms prescribed by the  
19 Authority;

20 2. Each application shall identify the city or county in which  
21 the applicant seeks to obtain licensure as a medical marijuana  
22 business;

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

1 4. All applications shall be complete and accurate in every  
2 detail;

3 5. All applications shall include all attachments or  
4 supplemental information required by the forms supplied by the  
5 Authority;

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

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

11 a. twenty-five (25) years of age or older,

12 b. if applying as an individual, proof that the applicant  
13 is an Oklahoma resident pursuant to paragraph 11 of  
14 this subsection,

15 c. if applying as an entity, proof that seventy-five  
16 percent (75%) of all members, managers, executive  
17 officers, partners, board members or any other form of  
18 business ownership are Oklahoma residents pursuant to  
19 paragraph 11 of this subsection,

20 d. if applying as an individual or entity, proof that the  
21 individual or entity is registered to conduct business  
22 in the State of Oklahoma,

23

24

1 e. disclosure of all ownership interests pursuant to the  
2 Oklahoma Medical Marijuana and Patient Protection Act,  
3 and

4 f. proof that the medical marijuana business, medical  
5 marijuana research facility, medical marijuana  
6 education facility and medical marijuana waste  
7 disposal facility applicant or licensee has not been  
8 convicted of a nonviolent felony in the last two (2)  
9 years, or any other felony conviction within the last  
10 five (5) years, is not a current inmate in the custody  
11 of the Department of Corrections, or currently  
12 incarcerated in a jail or corrections facility.

13 Upon reasonable suspicion that a medical marijuana business licensee  
14 is illegally growing, processing, transferring, selling, disposing,  
15 or diverting marijuana, the Authority, the Oklahoma State Bureau of  
16 Narcotics and Dangerous Drugs Control, the Oklahoma State Bureau of  
17 Investigation, or the Attorney General may subpoena documents  
18 necessary to establish the personal identifying information of all  
19 owners and individuals with any ownership interest in the business;

20 8. There shall be no limit to the number of medical marijuana  
21 business licenses or categories that an individual or entity can  
22 apply for or receive, although each application and each category  
23 shall require a separate application and application fee. A  
24 commercial grower, processor and dispensary, or any combination

1 thereof, are authorized to share the same address or physical  
2 location, subject to the restrictions set forth in the Oklahoma  
3 Medical Marijuana and Patient Protection Act;

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

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

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

19 11. In order to be considered an Oklahoma resident for purposes  
20 of a medical marijuana business application, all applicants shall  
21 provide proof of Oklahoma residency for at least two (2) years  
22 immediately preceding the date of application or five (5) years of  
23 continuous Oklahoma residency during the preceding twenty-five (25)  
24 years immediately preceding the date of application. Sufficient



1 documentation of proof of residency shall include a combination of  
2 the following:

- 3 a. an unexpired Oklahoma-issued driver license,
- 4 b. an Oklahoma identification card,
- 5 c. a utility bill preceding the date of application,  
6 excluding cellular telephone and Internet bills,
- 7 d. a residential property deed to property in the State  
8 of Oklahoma, and
- 9 e. a rental agreement preceding the date of application  
10 for residential property located in the State of  
11 Oklahoma.

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

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

19 13. All applicants shall establish their identity through  
20 submission of a color copy or digital image of one of the following  
21 unexpired documents:

- 22 a. front of an Oklahoma driver license,
- 23 b. front of an Oklahoma identification card,

24

- c. a United States passport or other photo identification issued by the United States government, or
- d. a tribal identification card approved for identification purposes by the Oklahoma Department of Public Safety; and

14. All applicants shall submit an applicant photograph.

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

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

2. Approved applicants shall be issued a medical marijuana business license for the specific category applied under, which shall act as proof of their approved status. Rejection and denial letters shall provide a reason for the rejection or denial. Applications may only be rejected or denied based on the applicant not meeting the standards set forth in the provisions of the Oklahoma Medical Marijuana and Patient Protection Act and Sections 420 through 426.1 of this title, improper completion of the application, or for a reason provided for in the Oklahoma Medical Marijuana and Patient Protection Act and Sections 420 through 426.1 of this title. If an application is rejected for failure to provide

1 required information, the applicant shall have thirty (30) days to  
2 submit the required information for reconsideration. No additional  
3 application fee shall be charged for such reconsideration. Unless  
4 the Authority determines otherwise, an application that has been  
5 resubmitted but is still incomplete or contains errors that are not  
6 clerical or typographical in nature shall be denied.

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

11 4. Approval, rejection, denial or status-update letters shall  
12 be sent to the applicant in the same method the application was  
13 submitted to the Authority.

14 H. A license for a medical marijuana business, medical  
15 marijuana research facility, medical marijuana education facility or  
16 medical marijuana waste disposal facility shall not be issued to or  
17 held by:

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

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

22 3. A corporation, if the criminal history of any of its  
23 officers, directors or stockholders indicates that the officer,  
24 director or stockholder has been convicted of a nonviolent felony

1 within two (2) years of the date of application, or within five (5)  
2 years for any other felony;

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

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

7 a. file taxes, interest or penalties due related to a  
8 medical marijuana business, or

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

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

13 7. A person whose authority to be a caregiver, as defined in  
14 Section 427.2 of this title, has been revoked by the Authority; or

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

22 a. unlawful sales or purchases,

23 b. any fraudulent acts, falsification of records or

24 misrepresentation to the Authority, medical marijuana

1 patient licensees, caregiver licensees or medical  
2 marijuana business licensees,

3 c. any grossly inaccurate or fraudulent reporting,

4 d. threatening or harming any medical marijuana patient,  
5 caregiver, medical practitioner or employee of the  
6 Authority,

7 e. knowingly or intentionally refusing to permit the  
8 Authority access to premises or records,

9 f. using a prohibited, hazardous substance for processing  
10 in a residential area,

11 g. criminal acts relating to the operation of a medical  
12 marijuana business, or

13 h. any violations that endanger public health and safety  
14 or product safety.

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

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

22 K. All applicants and licensees shall submit information to the  
23 Authority in a full, faithful, truthful and fair manner. The  
24 Authority may recommend denial of an application where the applicant

1 or licensee made misstatements, omissions, misrepresentations or  
2 untruths in the application or in connection with the background  
3 investigation of the applicant. This type of conduct may be grounds  
4 for administrative action against the applicant or licensee. Typos  
5 and scrivener errors shall not be grounds for denial.

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

13 M. All medical marijuana business, medical marijuana research  
14 facility, medical marijuana education facility and medical marijuana  
15 waste disposal facility licensees shall pay the relevant licensure  
16 fees prior to receiving licensure to operate.

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

24

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.

6 P. No more than one medical marijuana commercial grower license  
7 shall be issued for any one property.

8 SECTION 6. AMENDATORY Section 2, Chapter 342, O.S.L.  
9 2022 (63 O.S. Supp. 2022, Section 427.14a), is amended to read as  
10 follows:

11 Section 427.14a A. Beginning August 1, 2022, and ending August  
12 1, ~~2024~~ 2026, the Oklahoma Medical Marijuana Authority shall, based  
13 on the number of current medical marijuana business licenses for  
14 dispensaries, processors, and commercial growers, declare and  
15 establish a moratorium on processing and issuing new medical  
16 marijuana business licenses for dispensaries, processors, and  
17 commercial growers. The Executive Director of the Authority shall  
18 be authorized to terminate the moratorium at any time prior to  
19 August 1, ~~2024~~ 2026, if the Executive Director determines that all  
20 pending licensing reviews, inspections, or investigations have been  
21 completed by the Authority.

22 B. The provisions of this section shall not apply to the  
23 renewal of a medical marijuana business license for a dispensary,  
24 processor, or commercial grower under the provisions of Section

1 427.14 of ~~Title 63 of the Oklahoma Statutes~~ this title or to the  
2 issuance of a medical marijuana business license necessitated by a  
3 change in the ownership or location of a medical marijuana  
4 dispensary, medical marijuana processor, or medical marijuana  
5 commercial grower; provided, however, the Authority shall be  
6 authorized to deny the request for issuance of a medical marijuana  
7 business license due to a change in ownership if the licensee is  
8 subject to any disciplinary action that may necessitate the  
9 revocation, suspension, or nonrenewal of the medical marijuana  
10 business license.

11 C. The Authority shall review and process applications for  
12 medical marijuana business licenses for dispensaries, processors,  
13 and commercial growers if applications were received on or before  
14 August 1, 2022.

15 D. The Authority shall promulgate rules as necessary to  
16 implement the provisions of this section.

17 SECTION 7. AMENDATORY 63 O.S. 2021, Section 427.16, as  
18 amended by Section 16, Chapter 251, O.S.L. 2022 (63 O.S. Supp. 2022,  
19 Section 427.16), is amended to read as follows:

20 Section 427.16 A. There is hereby created a medical marijuana  
21 transporter license as a category of the medical marijuana business  
22 license.

23 B. Pursuant to Section 424 of this title, the Oklahoma Medical  
24 Marijuana Authority shall issue a medical marijuana transporter



1 license to licensed medical marijuana commercial growers, processors  
2 and dispensaries upon issuance of such licenses and upon each  
3 renewal. Medical marijuana transporter licenses shall also be  
4 issued to licensed medical marijuana research facilities, medical  
5 marijuana education facilities and medical marijuana testing  
6 laboratories upon issuance of such licenses and upon each renewal.

7 C. A medical marijuana transporter license may also be issued  
8 to qualifying applicants who are registered with the Secretary of  
9 State and otherwise meet the requirements for a medical marijuana  
10 business license set forth in the Oklahoma Medical Marijuana and  
11 Patient Protection Act and the requirements set forth in this  
12 section to provide logistics, distribution and storage of medical  
13 marijuana, medical marijuana concentrate and medical marijuana  
14 products.

15 D. A medical marijuana transporter license shall be valid for  
16 one (1) year and shall not be transferred with a change of  
17 ownership. A licensed medical marijuana transporter shall be  
18 responsible for all medical marijuana, medical marijuana concentrate  
19 and medical marijuana products once the transporter takes control of  
20 the product.

21 E. A transporter license shall be required for any person or  
22 entity to transport or transfer medical marijuana, medical marijuana  
23 concentrate or medical marijuana products from a licensed medical  
24 marijuana business to another medical marijuana business, or from a

1 medical marijuana business to a medical marijuana research facility  
2 or medical marijuana education facility.

3 F. A medical marijuana transporter licensee may contract with  
4 multiple licensed medical marijuana businesses.

5 G. A medical marijuana transporter may maintain a licensed  
6 premises to temporarily store medical marijuana, medical marijuana  
7 concentrate and medical marijuana products and to use as a  
8 centralized distribution point. A medical marijuana transporter may  
9 store and distribute medical marijuana, medical marijuana  
10 concentrate and medical marijuana products from the licensed  
11 premises. The licensed premises shall meet all security  
12 requirements applicable to a medical marijuana business.

13 H. A medical marijuana transporter licensee shall use the seed-  
14 to-sale tracking system developed pursuant to the Oklahoma Medical  
15 Marijuana and Patient Protection Act to create shipping manifests  
16 documenting the transport of medical marijuana, medical marijuana  
17 concentrate and medical marijuana products throughout the state.

18 I. A licensed medical marijuana transporter may maintain and  
19 operate one or more warehouses in the state to handle medical  
20 marijuana, medical marijuana concentrate and medical marijuana  
21 products. Each location shall be registered and inspected by the  
22 Authority prior to its use.

23 J. With the exception of a lawful transfer between medical  
24 marijuana businesses who are licensed to operate at the same

1 physical address, all medical marijuana, medical marijuana  
2 concentrate and medical marijuana products shall be transported:

3 1. In vehicles equipped with Global Positioning System (GPS)  
4 trackers;

5 2. In a locked container and clearly labeled "Medical Marijuana  
6 or Derivative"; and

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

9 K. A transporter agent may possess marijuana at any location  
10 while the transporter agent is transferring marijuana to or from a  
11 licensed medical marijuana business, licensed medical marijuana  
12 research facility or licensed medical marijuana education facility.  
13 The Authority shall administer the provisions of this section and  
14 the Authority, the Oklahoma State Bureau of Narcotics and Dangerous  
15 Drugs Control, the Oklahoma State Bureau of Investigation, and the  
16 Attorney General shall have the authority to enforce the provisions  
17 of this section concerning transportation.

18 L. The Authority shall issue a transporter agent license to  
19 individual agents, employees, officers or owners of a transporter  
20 license in order for the individual to qualify to transport medical  
21 marijuana, medical marijuana concentrate or medical marijuana  
22 products.

23 M. The annual fee for a transporter agent license shall be  
24 Twenty-five Dollars (\$25.00) and shall be paid by the transporter

1 license holder or the individual applicant. Transporter license  
2 reprints shall be Twenty Dollars (\$20.00).

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

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

14 O. If the transporter agent application is denied, the  
15 Authority shall notify the transporter in writing of the reason for  
16 denying the registry identification card.

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

21 Q. The Authority may revoke the registry identification card of  
22 a transporter agent who knowingly violates any provision of this  
23 section, and the transporter is subject to any other penalties  
24 established by law for the violation.

1 R. The Authority may revoke or suspend the transporter license  
2 of a transporter that the Authority determines knowingly aided or  
3 facilitated a violation of any provision of this section, and the  
4 license holder is subject to any other penalties established in law  
5 for the violation.

6 S. Vehicles used in the transport of medical marijuana or  
7 medical marijuana product shall be:

- 8 1. Insured at or above the legal requirements in this state;
- 9 2. Capable of securing medical marijuana during transport; and
- 10 3. In possession of a shipping container as defined in Section  
11 427.2 of this title capable of securing all transported products.

12 T. Prior to the transport of any medical marijuana, medical  
13 marijuana concentrate or medical marijuana products, an inventory  
14 manifest shall be prepared at the origination point of the medical  
15 marijuana. The inventory manifest shall include the following  
16 information:

- 17 1. For the origination point of the medical marijuana:
  - 18 a. the licensee number for the commercial grower,  
19 processor or dispensary,
  - 20 b. address of origination of transport, and
  - 21 c. name and contact information for the originating  
22 licensee;
- 23 2. For the end recipient license holder of the medical  
24 marijuana:

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

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

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

5. The arrival date and estimated time of arrival;

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

7. Notation of the transporting licensee.

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

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

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

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

4 SECTION 8. AMENDATORY 63 O.S. 2021, Section 427.17, as  
5 last amended by Section 1, Chapter 353, O.S.L. 2022 (63 O.S. Supp.  
6 2022, Section 427.17), is amended to read as follows:

7 Section 427.17 A. There is hereby created a medical marijuana  
8 testing laboratory license as a category of the medical marijuana  
9 business license. The Oklahoma Medical Marijuana Authority ~~is~~, the  
10 Oklahoma State Bureau of Narcotics and Dangerous Drugs Control, the  
11 Oklahoma State Bureau of Investigation, and the Attorney General are  
12 hereby enabled to monitor, inspect and audit a licensed testing  
13 laboratory under the Oklahoma Medical Marijuana and Patient  
14 Protection Act.

15 B. 1. The Authority is hereby authorized to contract with a  
16 private laboratory for the purpose of conducting compliance testing  
17 of medical marijuana testing laboratories licensed in this state.  
18 Any such laboratory under contract for compliance testing shall be  
19 prohibited from conducting any other commercial medical marijuana  
20 testing in this state. The laboratory the Authority contracts with  
21 for compliance testing shall not employ, or be owned by, the  
22 following:

- 23 a. any individual that has a direct or indirect interest  
24 in a licensed medical marijuana business, or

1           b.    any individual or his or her spouse, parent, child,  
2                spouse of a child, sibling or spouse of a sibling that  
3                has an application for a medical marijuana business  
4                license pending before the Authority or is a member of  
5                the board of directors of a medical marijuana  
6                business, or is an individual financially interested  
7                in any licensee or medical marijuana business located  
8                within this state.

9           2.    The private laboratory under contract with the Authority for  
10           compliance testing and a board or committee comprised of licensed  
11           Oklahoma medical marijuana laboratories currently accredited by the  
12           International Organization for Standardization (ISO) shall provide  
13           to the Authority its recommendations for all equipment and standards  
14           to be utilized by licensed medical marijuana testing laboratories  
15           when testing samples of medical marijuana, medical marijuana  
16           concentrate, and medical marijuana products as well as standard  
17           operating procedures when extracting and testing medical marijuana,  
18           medical marijuana concentrate, and medical marijuana products. The  
19           recommendations shall be submitted to the Authority no later than  
20           June 1, 2023. The Authority shall have ninety (90) days from the  
21           date it receives the recommendations to promulgate new rules or  
22           modify its current rules for laboratory standards and testing.  
23           Beginning June 1, 2024, medical marijuana testing laboratories  
24           renewing their medical marijuana business license shall be subject



1 to and comply with any new or modified rules relating to the testing  
2 of medical marijuana, medical marijuana concentrate, and medical  
3 marijuana products. The refusal or failure of a medical marijuana  
4 testing laboratory licensee to comply with new or modified rules  
5 relating to laboratory standards and testing procedures promulgated  
6 under the provisions of this paragraph shall result in the permanent  
7 revocation of the medical marijuana testing laboratory license.

8 C. The Authority shall develop acceptable testing practices  
9 including, but not limited to, testing, standards, quality control  
10 analysis, equipment certification and calibration, and chemical  
11 identification and substances used.

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

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

18 F. A separate license shall be required for each specific  
19 laboratory.

20 G. A medical marijuana testing laboratory license may be issued  
21 to a person who performs testing on medical marijuana and medical  
22 marijuana products for medical marijuana businesses, medical  
23 marijuana research facilities, medical marijuana education  
24 facilities, and testing on marijuana and marijuana products grown or

1 produced by a patient or caregiver on behalf of a patient, upon  
2 verification of registration. A medical marijuana testing  
3 laboratory may also conduct research related to the development and  
4 improvement of its testing practices and procedures. No state-  
5 approved medical marijuana testing facility shall operate unless a  
6 medical laboratory director is on site during operational hours.

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

12 I. A medical marijuana testing laboratory may accept samples of  
13 medical marijuana, medical marijuana concentrate or medical  
14 marijuana product from a medical marijuana business, medical  
15 marijuana research facility or medical marijuana education facility  
16 for testing purposes only, which purposes may include the provision  
17 of testing services for samples submitted by a medical marijuana  
18 business for product development. The Authority may require a  
19 medical marijuana business to submit a sample of medical marijuana,  
20 medical marijuana concentrate or medical marijuana product to a  
21 medical marijuana testing or quality assurance laboratory upon  
22 demand.

23 J. A medical marijuana testing laboratory may accept samples of  
24 medical marijuana, medical marijuana concentrate or medical

1 marijuana product from an individual person for testing only under  
2 the following conditions:

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

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

10 K. A medical marijuana testing laboratory may transfer samples  
11 to another medical marijuana testing laboratory for testing. All  
12 laboratory reports provided to or by a medical marijuana business or  
13 to a patient or caregiver shall identify the medical marijuana  
14 testing laboratory that actually conducted the test.

15 L. A medical marijuana testing laboratory may utilize a  
16 licensed medical marijuana transporter to transport samples of  
17 medical marijuana, medical marijuana concentrate and medical  
18 marijuana product for testing, in accordance with the Oklahoma  
19 Medical Marijuana and Patient Protection Act and the rules adopted  
20 pursuant thereto, between the originating medical marijuana business  
21 requesting testing services and the destination laboratory  
22 performing testing services.

23 M. The medical marijuana testing laboratory shall establish  
24 policies to prevent the existence of or appearance of undue

1 commercial, financial or other influences that may diminish the  
2 competency, impartiality and integrity of the testing processes or  
3 results of the laboratory, or that may diminish public confidence in  
4 the competency, impartiality and integrity of the testing processes  
5 or results of the laboratory. At a minimum, employees, owners or  
6 agents of a medical marijuana testing laboratory who participate in  
7 any aspect of the analysis and results of a sample are prohibited  
8 from improperly influencing the testing process, improperly  
9 manipulating data or improperly benefiting from any ongoing  
10 financial, employment, personal or business relationship with the  
11 medical marijuana business that provided the sample. A medical  
12 marijuana testing laboratory shall not test samples for any medical  
13 marijuana business in which an owner, employee or agent of the  
14 medical marijuana testing laboratory has any form of ownership or  
15 financial interest in the medical marijuana business.

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

19 1. The cleanliness and orderliness of a laboratory premises and  
20 the location of the laboratory in a secure location, and inspection,  
21 cleaning and maintenance of any equipment or utensils used for the  
22 analysis of test samples;

23  
24

- 1        2. Testing procedures, testing standards for cannabinoid and  
2 terpenoid potency and safe levels of contaminants, and remediation  
3 procedures;
- 4        3. Controlled access areas for storage of medical marijuana and  
5 medical marijuana product test samples, waste and reference  
6 standards;
- 7        4. Records to be retained and computer systems to be utilized  
8 by the laboratory;
- 9        5. The possession, storage and use by the laboratory of  
10 reagents, solutions and reference standards;
- 11       6. A certificate of analysis (COA) for each lot of reference  
12 standard;
- 13       7. The transport and disposal of unused marijuana, marijuana  
14 products and waste;
- 15       8. The mandatory use by a laboratory of an inventory tracking  
16 system to ensure all harvest and production batches or samples  
17 containing medical marijuana, medical marijuana concentrate or  
18 medical marijuana products are identified and tracked from the point  
19 they are transferred from a medical marijuana business, a patient or  
20 a caregiver through the point of transfer, destruction or disposal.  
21 The inventory tracking system reporting shall include the results of  
22 any tests that are conducted on medical marijuana, medical marijuana  
23 concentrate or medical marijuana product;
- 24       9. Standards of performance;

- 1        10. The employment of laboratory personnel;
- 2        11. A written standard operating procedure manual to be  
3 maintained and updated by the laboratory;
- 4        12. The successful participation in a proficiency testing  
5 program approved by the Executive Director for each testing category  
6 listed in this section, in order to obtain and maintain  
7 certification;
- 8        13. The establishment of and adherence to a quality assurance  
9 and quality control program to ensure sufficient monitoring of  
10 laboratory processes and quality of results reported;
- 11       14. The immediate recall of medical marijuana or medical  
12 marijuana products that test above allowable thresholds or are  
13 otherwise determined to be unsafe;
- 14       15. The establishment by the laboratory of a system to document  
15 the complete chain of custody for samples from receipt through  
16 disposal;
- 17       16. The establishment by the laboratory of a system to retain  
18 and maintain all required records, including business records, and  
19 processes to ensure results are reported in a timely and accurate  
20 manner; and
- 21       17. Any other aspect of laboratory testing of medical marijuana  
22 or medical marijuana product deemed necessary by the Executive  
23 Director.

24

1 O. A medical marijuana testing laboratory shall promptly  
2 provide the Authority or designee of the Authority access to a  
3 report of a test and any underlying data that is conducted on a  
4 sample at the request of a medical marijuana business or qualified  
5 patient. A medical marijuana testing laboratory shall also provide  
6 access to the Authority or designee of the Authority to laboratory  
7 premises and to any material or information requested by the  
8 Authority to determine compliance with the requirements of this  
9 section.

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

14 Q. A medical marijuana testing laboratory shall test samples  
15 from each harvest batch or product batch, as appropriate, of medical  
16 marijuana, medical marijuana concentrate and medical marijuana  
17 product for each of the following categories of testing, consistent  
18 with standards developed by the Executive Director:

- 19 1. Microbials;
- 20 2. Mycotoxins;
- 21 3. Residual solvents;
- 22 4. Pesticides;
- 23 5. Tetrahydrocannabinol (THC) and other cannabinoid potency;
- 24 6. Terpenoid type and concentration; and

1 7. Heavy metals.

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

18 S. Medical marijuana testing laboratory licensure shall be  
19 contingent upon successful on-site inspection, successful  
20 participation in proficiency testing and ongoing compliance with the  
21 applicable requirements in this section.

22 T. A medical marijuana testing laboratory shall be inspected  
23 prior to initial licensure and up to two (2) times per year  
24 thereafter by an inspector approved by the Authority. The Authority



1 may enter the licensed premises of a testing laboratory to conduct  
2 investigations and additional inspections when the Authority  
3 believes an investigation or additional inspection is necessary due  
4 to a possible violation of applicable laws, rules or regulations.

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

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

1 decontamination or remediation and only in accordance with the  
2 provisions of the Oklahoma Medical Marijuana and Patient Protection  
3 Act and the rules and regulations promulgated by the Executive  
4 Director. Remediated and decontaminated medical marijuana may be  
5 returned only to the originating licensed commercial grower.

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

8 SECTION 9. AMENDATORY 63 O.S. 2021, Section 427.19, as  
9 amended by Section 19, Chapter 251, O.S.L. 2022 (63 O.S. Supp. 2022,  
10 Section 427.19), is amended to read as follows:

11 Section 427.19 A. A medical marijuana research license may be  
12 issued to a person to grow, cultivate, possess and transfer, by sale  
13 or donation, marijuana pursuant to the Oklahoma Medical Marijuana  
14 and Patient Protection Act for the limited research purposes  
15 identified in this section.

16 B. The annual fee for a medical marijuana research license  
17 shall be Five Hundred Dollars (\$500.00) and shall be payable by an  
18 applicant for a medical marijuana research license upon submission  
19 of his or her application to the Oklahoma Medical Marijuana  
20 Authority.

21 C. A medical marijuana research license may be issued for the  
22 following research purposes:

- 23 1. To test chemical potency and composition levels;
- 24

1        2. To conduct clinical investigations of marijuana-derived  
2 medicinal products;

3        3. To conduct research on the efficacy and safety of  
4 administering marijuana as part of medical treatment;

5        4. To conduct genomic, horticultural or agricultural research;  
6 and

7        5. To conduct research on marijuana-affiliated products or  
8 systems.

9        D. 1. As part of the application process for a medical  
10 marijuana research license, an applicant shall submit to the  
11 Authority a description of the research that the applicant intends  
12 to conduct and whether the research will be conducted with a public  
13 institution or using public money. If the research will not be  
14 conducted with a public institution or with public money, the  
15 Authority shall grant the application if it determines that the  
16 applicant meets the criteria in this section.

17        2. If the research will be conducted with a public institution  
18 or public money, the Authority shall review the research project of  
19 the applicant to determine if it meets the requirements of this  
20 section and to assess the following:

21            a. the quality, study design, value or impact of the  
22                project,

23            b. whether the applicant has the appropriate personnel,  
24                expertise, facilities, infrastructure, funding and

1 human, animal or other approvals in place to  
2 successfully conduct the project, and

3 c. whether the amount of marijuana to be grown by the  
4 applicant is consistent with the scope and goals of  
5 the project.

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

9 E. A medical marijuana research licensee may only transfer, by  
10 sale or donation, marijuana grown within its operation to other  
11 medical marijuana research licensees. The Authority may revoke a  
12 medical marijuana research license for violations of this section  
13 and any other violation of the Oklahoma Medical Marijuana and  
14 Patient Protection Act.

15 F. A medical marijuana research licensee may contract to  
16 perform research in conjunction with a public higher education  
17 research institution or another medical marijuana research licensee.

18 G. The growing, cultivating, possessing or transferring, by  
19 sale or donation, of marijuana in accordance with this section and  
20 the rules promulgated pursuant thereto, by a medical marijuana  
21 research licensee shall not be a criminal or civil offense under  
22 state law. A medical marijuana research license shall be issued in  
23 the name of the applicant and shall specify the location in this  
24 state at which the medical marijuana research licensee intends to

1 operate. A medical marijuana research licensee shall not allow any  
2 other person to exercise the privilege of the license.

3 H. If the research conducted includes a public institution or  
4 public money, the Authority shall review any reports made by medical  
5 marijuana research licensees under state licensing authority rule  
6 and provide the Authority with its determination on whether the  
7 research project continues to meet research qualifications pursuant  
8 to this section.

9 I. Submission of an application for a medical marijuana  
10 research license shall constitute permission for entry to and  
11 inspection of the facility of the medical marijuana research  
12 licensee during hours of operation and other reasonable times.  
13 Refusal to permit such entry for inspection shall constitute grounds  
14 for the nonrenewal, suspension, or revocation of the medical  
15 marijuana research license. The Authority, the Oklahoma State  
16 Bureau of Narcotics and Dangerous Drugs Control, the Oklahoma State  
17 Bureau of Investigation, and the Attorney General may perform an  
18 unannounced, on-site inspection of the operations and any facility  
19 of the medical marijuana research licensee. If the Authority  
20 receives a complaint concerning noncompliance by a medical marijuana  
21 research licensee, the Authority, the Oklahoma State Bureau of  
22 Narcotics and Dangerous Drugs Control, the Oklahoma State Bureau of  
23 Investigation, and the Attorney General may conduct additional  
24 unannounced, on-site inspections beyond the required biannual

1 inspections provided for in Section 427.6 of this title. The  
2 Authority shall refer all complaints alleging criminal activity that  
3 are made against a licensed medical marijuana research facility to  
4 appropriate state or local law enforcement authorities.

5 SECTION 10. AMENDATORY 63 O.S. 2021, Section 427.20, as  
6 amended by Section 20, Chapter 251, O.S.L. 2022 (63 O.S. Supp. 2022,  
7 Section 427.20), is amended to read as follows:

8 Section 427.20 A. There is hereby created a medical marijuana  
9 education facility license.

10 B. A medical marijuana education facility license may be issued  
11 to a person to possess or cultivate marijuana for the limited  
12 education and research purposes identified in this section.

13 C. A medical marijuana education facility license may only be  
14 granted to a not-for-profit organization structured under Section  
15 501(c) (3) of the Internal Revenue Code, operating as a not-for-  
16 profit organization in this state registered with the Office of the  
17 Secretary of State.

18 D. A medical marijuana education facility license may only be  
19 granted upon the submission of an annual fee of Five Hundred Dollars  
20 (\$500.00) to the Oklahoma Medical Marijuana Authority.

21 E. A medical marijuana education facility license may be issued  
22 for the following education and research purposes:

23 1. To test cultivation techniques, strategies, infrastructure,  
24 mediums, lighting and other related technology;

1           2. To demonstrate cultivation techniques, strategies,  
2 infrastructure, mediums, lighting and other related technology;

3           3. To demonstrate the application and use of product  
4 manufacturing technologies;

5           4. To conduct genomic, horticultural or agricultural research;  
6 and

7           5. To conduct research on marijuana-affiliated products or  
8 systems.

9           F. As part of the application process for a medical marijuana  
10 education facility license, an applicant shall submit to the  
11 Authority a description of the project and curriculum that the  
12 applicant intends to conduct and whether the project and curriculum  
13 will be conducted with a public institution or using public money.  
14 If the project and curriculum will not be conducted with a public  
15 institution or with public money, the Authority shall grant the  
16 application. If the research will be conducted with a public  
17 institution or public money, the Authority shall review the research  
18 project of the applicant to determine if it meets the requirements  
19 of this section and to assess the following:

20           1. The quality, study design, value or impact of the project;

21           2. Whether the applicant has the appropriate personnel,  
22 expertise, facilities, infrastructure, funding and human, animal or  
23 other approvals in place to successfully conduct the project; and  
24

1           3. Whether the amount of marijuana to be grown by the applicant  
2 is consistent with the scope and goals of the project.

3 If the Authority determines that the education project does not meet  
4 the requirements of this section or assesses the criteria to be  
5 inadequate, the application shall be denied.

6           G. A medical marijuana education facility licensee may only  
7 transfer, by sale or donation, marijuana grown within its operation  
8 to medical marijuana research licensees. The Authority may revoke a  
9 medical marijuana education facility license for violations of this  
10 section and any other violation of applicable laws, rules and  
11 regulations.

12           H. A medical marijuana education facility licensee may contract  
13 to perform research in conjunction with a public higher education  
14 research institution or another research licensee.

15           I. The growing, cultivating, possessing or transferring, by  
16 sale or donation, of marijuana in accordance with this section and  
17 the rules promulgated pursuant thereto, by a medical marijuana  
18 education facility licensee shall not be a criminal or civil offense  
19 under state law. A medical marijuana education facility license  
20 shall be issued in the name of the applicant and shall specify the  
21 location in this state at which the medical marijuana education  
22 facility licensee intends to operate. A medical marijuana education  
23 facility licensee shall not allow any other person to exercise the  
24 privilege of the license.



1        J. Submission of an application for a medical marijuana  
2 education facility license shall constitute permission for entry to  
3 and inspection of the facility of the medical marijuana education  
4 facility licensee during hours of operation and other reasonable  
5 times. Refusal to permit such entry for inspection shall constitute  
6 grounds for the nonrenewal, suspension, or revocation of the medical  
7 marijuana education facility license. The Authority, the Oklahoma  
8 State Bureau of Narcotics and Dangerous Drugs Control, the Oklahoma  
9 State Bureau of Investigation, and the Attorney General may perform  
10 an unannounced, on-site inspection of the operations and any  
11 facility of the medical marijuana education facility licensee. If  
12 the Authority receives a complaint concerning noncompliance by a  
13 medical marijuana education facility licensee, the Authority, the  
14 Oklahoma State Bureau of Narcotics and Dangerous Drugs Control, the  
15 Oklahoma State Bureau of Investigation, and the Attorney General may  
16 conduct additional unannounced, on-site inspections beyond the  
17 inspections provided for in Section 427.6 of this title. The  
18 Authority shall refer all complaints alleging criminal activity that  
19 are made against a licensed medical marijuana education facility to  
20 appropriate state or local law enforcement authorities.

21        SECTION 11.        AMENDATORY        63 O.S. 2021, Section 430, as  
22 amended by Section 3, Chapter 317, O.S.L. 2022 (63 O.S. Supp. 2022,  
23 Section 430), is amended to read as follows:

24

1 Section 430. A. There is hereby created and authorized a  
2 medical marijuana waste disposal license. A person or entity in  
3 possession of a medical marijuana waste disposal license shall be  
4 entitled to possess, transport and dispose of medical marijuana  
5 waste. No person or entity shall dispose of medical marijuana waste  
6 without a valid medical marijuana waste disposal license. The  
7 Oklahoma Medical Marijuana Authority shall issue licenses upon  
8 proper application by a licensee and determination by the Authority  
9 that the proposed site and facility are physically and technically  
10 suitable. Upon a finding that a proposed medical marijuana waste  
11 disposal facility is not physically or technically suitable, the  
12 Authority shall deny the license. The Authority may, upon  
13 determining that public health or safety requires emergency action,  
14 issue a temporary license for treatment or storage of medical  
15 marijuana waste for a period not to exceed ninety (90) days. The  
16 Authority shall not, for the first year of the licensure program,  
17 issue more than ten medical marijuana waste disposal licenses. Upon  
18 the conclusion of the first year, the Authority shall assess the  
19 need for additional medical marijuana waste disposal licenses and  
20 shall, if demonstrated, increase the number of licenses as deemed  
21 necessary by the Authority.

22 B. Entities applying for a medical marijuana waste disposal  
23 license shall undergo the following screening process:  
24

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

- 3           a. an attestation that the applicant is authorized to
- 4           make application on behalf of the entity,
- 5           b. full name of the organization,
- 6           c. trade name, if applicable,
- 7           d. type of business organization,
- 8           e. complete mailing address,
- 9           f. an attestation that the commercial entity will not be
- 10           located on tribal land,
- 11           g. telephone number and email address of the entity, and
- 12           h. name, residential address and date of birth of each
- 13           owner and each member, manager and board member, if
- 14           applicable;

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

- 19           a. the first, middle and last name of the applicant and
- 20           suffix, if applicable,
- 21           b. the residence address and mailing address of the
- 22           applicant,
- 23           c. the date of birth of the applicant,
- 24

- d. the preferred telephone number and email address of the applicant,
- e. an attestation that the information provided by the applicant is true and correct, and
- f. a statement signed by the applicant pledging not to divert marijuana to any individual or entity that is not lawfully entitled to possess marijuana; and

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

- a. a list of all persons or entities that have an ownership interest in the entity,
- b. a certificate of good standing from the Secretary of State, if applicable,
- c. an Affidavit of Lawful Presence for each owner,
- d. proof that the proposed location of the disposal facility is at least one thousand (1,000) feet from a school. The distance indicated in this subparagraph shall be measured from the nearest property line of such school to the nearest perimeter wall of the premises of such disposal facility. If any school is established within one thousand (1,000) feet of any disposal facility after such disposal facility has been licensed, the provisions of this subparagraph shall not be a deterrent to the renewal of such

1 license or warrant revocation of the license. For the  
2 purposes of this section, "school" shall mean the same  
3 as provided in Section 427.2 of this title, and

4 e. documents establishing the applicant, the members,  
5 managers and board members, if applicable, and  
6 seventy-five percent (75%) of the ownership interests  
7 are Oklahoma residents as established in Section 420  
8 et seq. of this title, as it relates to proof of  
9 residency.

10 C. No license shall be issued except upon proof of sufficient  
11 liability insurance and financial responsibility. Liability  
12 insurance shall be provided by the applicant and shall apply to  
13 sudden and nonsudden bodily injury or property damage on, below or  
14 above the surface, as required by the rules of the Authority. Such  
15 insurance shall be maintained for the period of operation of the  
16 facility and shall provide coverage for damages resulting from  
17 operation of the facility during operation and after closing.

18 D. Submission of an application for a medical marijuana waste  
19 disposal license shall constitute permission for entry to and  
20 inspection of the facility of the licensee during hours of operation  
21 and other reasonable times. Refusal to permit such entry of  
22 inspection shall constitute grounds for the nonrenewal, suspension  
23 or revocation of a license. The Authority, the Oklahoma State  
24 Bureau of Narcotics and Dangerous Drugs Control, the Oklahoma State

1 Bureau of Investigation, and the Attorney General may perform an  
2 annual unannounced, on-site inspection of the operations and any  
3 facility of the licensee. If the Authority receives a complaint  
4 concerning noncompliance by a licensee with the provisions of the  
5 Oklahoma Medical Marijuana Waste Management Act, the Authority, the  
6 Oklahoma State Bureau of Narcotics and Dangerous Drugs Control, the  
7 Oklahoma State Bureau of Investigation, and the Attorney General may  
8 conduct additional unannounced, on-site inspections beyond ~~an annual~~  
9 ~~inspection~~ the inspections provided for in Section 427.6 of this  
10 title. The Authority may refer all complaints alleging criminal  
11 activity that are made against a licensed facility to appropriate  
12 state or local law enforcement authorities.

13 E. The Authority shall issue an annual permit for each medical  
14 marijuana waste disposal facility operated by a licensee. A permit  
15 shall be issued only upon proper application by a licensee and  
16 determination by the Authority that the proposed site and facility  
17 are physically and technically suitable. Upon a finding that a  
18 proposed medical marijuana waste disposal facility is not physically  
19 or technically suitable, the Authority shall deny the permit. The  
20 Authority shall have the authority to revoke a permit upon a finding  
21 that the site and facility are not physically and technically  
22 suitable for processing. The Authority may, upon determining that  
23 public health or safety requires emergency action, issue a temporary  
24

1 permit for treatment or storage of medical marijuana waste for a  
2 period not to exceed ninety (90) days.

3 F. The cost of a medical marijuana waste disposal license shall  
4 be Five Thousand Dollars (\$5,000.00) for the initial license. The  
5 cost of a medical marijuana waste disposal facility permit shall be  
6 Five Hundred Dollars (\$500.00). A medical marijuana waste disposal  
7 facility permit that has been revoked shall be reinstated upon  
8 remittance of a reinstatement fee of Five Hundred Dollars (\$500.00)  
9 to restore the facility permit. All license and permit fees shall  
10 be deposited into the Oklahoma Medical Marijuana Authority Revolving  
11 Fund as provided in Section 427.5 of this title.

12 G. The holder of a medical marijuana waste disposal license  
13 shall not be required to obtain a medical marijuana transporter  
14 license provided for in the Oklahoma Medical Marijuana and Patient  
15 Protection Act for purposes of transporting medical marijuana waste.

16 H. All commercial licensees, as defined in Section 428.1 of  
17 this title, shall utilize a licensed medical marijuana waste  
18 disposal service to process all medical marijuana waste generated by  
19 the licensee.

20 I. The State Commissioner of Health shall promulgate rules for  
21 the implementation of the Oklahoma Medical Marijuana Waste  
22 Management Act. Promulgated rules shall address disposal process  
23 standards, site security and any other subject matter deemed  
24 necessary by the Authority.

