

An Act

ENROLLED SENATE
BILL NO. 437

By: Garvin of the Senate

and

Pfeiffer of the House

An Act relating to medical marijuana; amending 63 O.S. 2021, Section 420, as amended by Section 1, Chapter 251, O.S.L. 2022 (63 O.S. Supp. 2022, Section 420), which relates to medical marijuana patient license; prohibiting colocation of recommending physicians for minor patient; requiring certain attestation; clarifying certain requirement; directing promulgation of certain rules; requiring qualifying medical conditions for recommendations; requiring in-person physical examination; providing exception; amending 63 O.S. 2021, Sections 421, 422, and 423, as amended by Sections 1, 2, and 3, Chapter 332, O.S.L. 2022, and 424 (63 O.S. Supp. 2022, Sections 421, 422, and 423), which relate to licensing requirements for medical marijuana dispensaries, commercial growers, processors, and transporters; providing for temporary and annual licenses; updating language; amending 63 O.S. 2021, Section 427.2, as last amended by Section 1, Chapter 317, O.S.L. 2022 (63 O.S. Supp. 2022, Section 427.2), which relates to definitions; modifying definition; amending 63 O.S. 2021, Section 427.8, which relates to municipal and county zoning rights; updating statutory references; amending 63 O.S. 2021, Section 427.10, as amended by Section 12, Chapter 251, O.S.L. 2022 (63 O.S. Supp. 2022, Section 427.10), which relates to physicians who may provide a recommendation; directing creation of certain registry; requiring registration by physicians; requiring compliance with medical education and continuing medical education requirements; directing promulgation of certain rules in consultation with specified boards; amending 63 O.S. 2021, Section

427.14, as last amended by Section 5 of Enrolled House Bill No. 2095 of the 1st Session of the 59th Oklahoma Legislature (63 O.S. Supp. 2022, Section 427.14), which relates to medical marijuana business license; modifying scope of certain definition; creating temporary and annual licensing program for certain medical marijuana businesses; stating conditions for temporary licenses; requiring adherence to certain rules and regulations; clarifying obligations of the Oklahoma Medical Marijuana Authority when issuing temporary licenses; stating length of term of temporary licenses; providing for extensions under certain circumstances; establishing fees for temporary licenses and extensions; requiring submission of certain information to the Authority; prohibiting issuance of license until certain inspections are completed; authorizing rejection of applications; defining term; clarifying circumstances that allow for the issuance of annual medical marijuana business licenses; requiring current licensees to submit certain documentation prior to renewal; establishing timelines and procedures; requiring person issued a temporary and annual license to annually submit certain documentation when seeking renewal of the license; requiring insurance verification for licensees transporting medical marijuana; requiring an applicant to submit verification of ownership or lease of a licensed medical marijuana business premises; prohibiting multiple licenses at same location; providing exception; amending Section 3, Chapter 328, O.S.L. 2022 (63 O.S. Supp. 2022, Section 427.14b), which relates to credentials required for employees to work in licensed medical marijuana business; requiring dispensary employees to comply with education and continuing education requirements; directing promulgation of certain rules; authorizing the Oklahoma Medical Marijuana Authority to require certain application for transfer of license; prohibiting transfer without approval; allowing Authority to revoke license or forbid future licenses; establishing fee for application; providing

for promulgation of rules; prohibiting transfers during certain investigations; allowing for only one transfer per year; amending 63 O.S. 2021, Section 427.16, as last amended by Section 7 of Enrolled House Bill No. 2095 of the 1st Session of the 59th Oklahoma Legislature (63 O.S. Supp. 2022, Section 427.16), which relates to medical marijuana transporter license; creating temporary licensing program for medical marijuana transporters; specifying certain requirements; providing exception under certain circumstances; allowing the Oklahoma Medical Marijuana Authority to revoke exception; directing promulgation of rules to impose limits on tetrahydrocannabinol (THC) potency of medical marijuana and medical marijuana products; setting certain limits on potency; prohibiting licensed medical marijuana dispensary from selling medical marijuana or medical marijuana product that exceeds potency limits; amending 63 O.S. 2021, Section 427.21, as amended by Section 2, Chapter 329, O.S.L. 2022 (63 O.S. Supp. 2022, Section 427.21), which relates to advertising; prohibiting certain types of events to be hosted or advertised; providing for the promulgation of rules for certain events; directing licensed medical marijuana processors and licensed medical marijuana commercial growers to sell certain medical marijuana products in pre-packaged form; providing requirements for packaging; allowing for the display and smelling of marijuana; amending Section 2 of Enrolled Senate Bill No. 913 of the 1st Session of the 59th Oklahoma Legislature, which relates to medical marijuana bond requirement; providing for promulgation of rules; providing for codification; providing effective dates; and declaring an emergency.

SUBJECT: Medical marijuana

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

SECTION 1. AMENDATORY 63 O.S. 2021, Section 420, as amended by Section 1, Chapter 251, O.S.L. 2022 (63 O.S. Supp. 2022, Section 420), is amended to read as follows:

Section 420. A. A person in possession of a state-issued medical marijuana patient license shall be able to:

1. Consume marijuana legally;
 2. Legally possess up to three (3) ounces or eighty-four and nine-tenths (84.9) grams of marijuana on their person;
 3. Legally possess six mature marijuana plants and the harvested marijuana therefrom;
 4. Legally possess six seedling plants;
 5. Legally possess one (1) ounce or twenty-eight and three-tenths (28.3) grams of concentrated marijuana;
 6. Legally possess seventy-two (72) ounces or two thousand thirty-seven and six-tenths (2,037.6) grams of edible marijuana;
 7. Legally possess up to eight (8) ounces or two hundred twenty-six and four-tenths (226.4) grams of marijuana in their residence; and
 8. Legally possess seventy-two (72) ounces of topical marijuana.
- B. Possession of up to one and one-half (1.5) ounces or forty-two and forty-five one-hundredths (42.45) grams of marijuana by persons who can state a medical condition, but are not in possession of a state-issued medical marijuana patient license, shall constitute a misdemeanor offense not subject to imprisonment but punishable by a fine not to exceed Four Hundred Dollars (\$400.00). Any law enforcement officer who comes in contact with a person in violation of this subsection and who is satisfied as to the identity of the person, as well as any other pertinent information the law enforcement officer deems necessary, shall issue to the person a written citation containing a notice to answer the charge against the person in the appropriate court. Upon receiving the written

promise of the alleged violator to answer as specified in the citation, the law enforcement officer shall release the person upon personal recognizance unless there has been a violation of another provision of law.

C. The Oklahoma Medical Marijuana Authority shall be established which shall receive applications for medical marijuana patient and caregiver license recipients, dispensaries, growers and processors within sixty (60) days of the passage of this initiative.

D. The Authority shall, within thirty (30) days of passage of this initiative, make available on its website, in an easy-to-find location, an application for a medical marijuana patient license. The license shall be valid for two (2) years. The biannual application fee shall be One Hundred Dollars (\$100.00), or Twenty Dollars (\$20.00) for individuals on Medicaid, Medicare or SoonerCare or one hundred percent (100%) disabled veterans. The methods of payment shall be provided on the website of the Authority. Reprints of the medical marijuana patient license shall be Twenty Dollars (\$20.00).

E. A short-term medical marijuana patient license application shall also be made available on the website of the Authority. A short-term medical marijuana patient license shall be granted to any applicant who can meet the requirements for a two-year medical marijuana patient license, but whose physician recommendation for medical marijuana is only valid for sixty (60) days. Short-term medical marijuana patient licenses shall be issued for sixty (60) days. The fee for a short-term medical marijuana patient license, reprints of the short-term medical marijuana patient license and the procedure for extending or renewing the license shall be determined by the Executive Director of the Authority.

F. A temporary medical marijuana patient license application shall also be available on the website of the Authority for residents of other states. Temporary medical marijuana patient licenses shall be granted to medical marijuana license holders from other states, provided that such states have state-regulated medical marijuana programs and applicants can prove they are members of such programs. Temporary medical marijuana patient licenses shall be issued for thirty (30) days. The cost for a temporary medical marijuana patient license shall be One Hundred Dollars (\$100.00).

Renewal shall be granted with resubmission of a new application. No additional criteria shall be required. Reprints of the temporary medical marijuana patient license shall be Twenty Dollars (\$20.00).

G. Medical marijuana patient license applicants shall submit their applications to the Authority for approval. The applicant shall be a resident of this state and shall prove residency by a valid driver license, utility bills, or other accepted methods.

H. The Authority shall review the medical marijuana patient license application; approve, reject or deny the application; and mail the approval, rejection or denial letter stating any reasons for the rejection or denial to the applicant within fourteen (14) business days of receipt of the application. Approved applicants shall be issued a medical marijuana patient license which shall act as proof of his or her approved status. Applications may only be rejected or denied based on the applicant not meeting stated criteria or improper completion of the application.

I. The Authority shall make available, both on its website and through a telephone verification system, an easy method to validate the authenticity of the medical marijuana patient license by the unique 24-character identification number.

J. The Authority shall ensure that all medical marijuana patient and caregiver records and information are sealed to protect the privacy of medical marijuana patient license applicants.

K. A caregiver license shall be made available for qualified caregivers of a medical marijuana patient license holder who is homebound. As provided in Section 427.11 of this title, the caregiver license shall provide the caregiver the same rights as the medical marijuana patient licensee including the ability to possess marijuana, marijuana products and mature and immature plants pursuant to the Oklahoma Medical Marijuana and Patient Protection Act, but excluding the ability to use marijuana or marijuana products unless the caregiver has a medical marijuana patient license. Applicants for a caregiver license shall submit proof of the license status and homebound status of the medical marijuana patient and proof that the applicant is the designee of the medical marijuana patient. The applicant shall also submit proof that he or

she is eighteen (18) years of age or older and proof of his or her state residency.

L. All applicants for a medical marijuana patient license shall be eighteen (18) years of age or older. A special exception shall be granted to an applicant under the age of eighteen (18); however, these applications shall be signed by two physicians and the parent or legal guardian of the applicant. The two physicians shall not be located at the same physical address. At least one of the physicians shall attest that the minor applicant has been under the routine care of the physician for not less than one (1) year, or not less than five (5) years if the minor patient has only been seen by the physician through telemedicine, or that the minor applicant was referred to the physician by a physician whose care the minor applicant has been under for not less than one (1) year or not less than five (5) years if the minor patient has only been seen by the physician through telemedicine.

M. All applications for a medical marijuana patient license shall be signed by ~~an Oklahoma~~ a physician located in this state and licensed by and in good standing with the State Board of Medical Licensure and Supervision, the State Board of Osteopathic Examiners, or the Board of Podiatric Medical Examiners. There are no qualifying conditions for patients eighteen (18) years of age or older, unless the patient is currently enrolled in a public school in this state. The Executive Director shall consult with appropriate medical licensure boards or organizations representing healthcare providers that oversee the care of pediatric patients in this state to promulgate rules to specify qualifying medical conditions for a medical marijuana patient under eighteen (18) years of age, or for patients eighteen (18) years of age or older who are currently enrolled in a public school in this state, for licensure. A medical marijuana patient license shall be recommended according to the accepted standards a reasonable and prudent physician would follow when recommending or approving any medication, and may only be recommended for qualifying medical conditions approved by the Executive Director for patients under eighteen (18) years of age, or who are currently enrolled in a public school in this state. Before issuing a medical marijuana recommendation to a minor patient, a physician shall first conduct an in-person examination of the patient. Unless the physician certifies that the patient is homebound and in need of a caregiver under subsection K of this

section. No physician may be unduly stigmatized or harassed for signing a medical marijuana patient license application.

N. Counties and cities may enact medical marijuana guidelines allowing medical marijuana patient license holders or caregiver license holders to exceed the state limits set forth in subsection A of this section.

SECTION 2. AMENDATORY 63 O.S. 2021, Section 421, as amended by Section 1, Chapter 332, O.S.L. 2022 (63 O.S. Supp. 2022, Section 421), is amended to read as follows:

Section 421. A. The Oklahoma Medical Marijuana Authority shall make available on its website in an easy-to-find location ~~an application~~ applications for a temporary medical marijuana dispensary license and annual medical marijuana dispensary license. The application fee to fees for the temporary or annual license shall be paid by the applicant shall be in the amounts provided for in Section 427.14 of this title. A method of payment for the application ~~fee~~ fees shall be provided on the website of the Authority. ~~Dispensary~~ Medical marijuana dispensary applicants must all be residents of Oklahoma. Any entity applying for a temporary or annual medical marijuana dispensary license must be owned by an Oklahoma resident and must be registered to do business in Oklahoma. The Authority shall have ninety (90) business days to review the application for a temporary medical marijuana dispensary license; approve, reject or deny the application; and mail the approval, rejection or denial letter stating reasons for the rejection or denial to the applicant.

B. ~~The~~ In addition to the requirements provided for in the Oklahoma Medical Marijuana and Patient Protection Act, the Authority shall approve all applications which meet the following criteria:

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

2. The applicant, if applying as an individual, must show residency in the State of Oklahoma;

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

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

5. All applying individuals or entities must be registered to conduct business in the State of Oklahoma; and

6. All applicants must disclose all ownership interests in the dispensary.

Applicants with a nonviolent felony conviction in the last two (2) years, any other felony conviction in the last five (5) years, inmates in the custody of the Department of Corrections or any person currently incarcerated shall not qualify for a temporary or annual medical marijuana dispensary license.

C. Licensed medical marijuana dispensaries shall be required to complete a monthly sales report to the Authority. This report shall be due on the fifteenth of each month and provide reporting on the previous month. This report shall detail the weight of marijuana purchased at wholesale and the weight of marijuana sold to licensed medical marijuana patients and licensed caregivers and account for any waste. The report shall show total sales in dollars, tax collected in dollars, and tax due in dollars. The Authority shall have oversight and auditing responsibilities to ensure that all marijuana being grown is accounted for.

D. Only a licensed medical marijuana dispensary may conduct retail sales of marijuana or marijuana derivatives. Beginning on the effective date of this act, licensed medical marijuana dispensaries shall be authorized to package and sell pre-rolled marijuana to licensed medical marijuana patients and licensed caregivers. The products described in this subsection shall contain only the ground parts of the marijuana plant and shall not include marijuana concentrates or derivatives. The total net weight of each pre-roll packaged and sold by a medical marijuana dispensary shall not exceed one (1) gram. These products shall be tested, packaged and labeled in accordance with Oklahoma law and rules promulgated by the Authority.

E. No medical marijuana dispensary shall offer or allow a medical marijuana patient licensee, caregiver licensee or other member of the public to handle or otherwise have physical contact with any medical marijuana not contained in a sealed or separate package. Provided, such prohibition shall not preclude an employee of the medical marijuana dispensary from handling loose or nonpackaged medical marijuana to be placed in packaging consistent with the Oklahoma Medical Marijuana and Patient Protection Act and the rules promulgated by the Authority for the packaging of medical marijuana for retail sale. Provided, further, such prohibition shall not prevent a medical marijuana dispensary from displaying samples of its medical marijuana in separate display cases, jars or other containers and allowing medical marijuana patient licensees and caregiver licensees the ability to handle or smell the various samples as long as the sample medical marijuana is used for display purposes only and is not offered for retail sale.

SECTION 3. AMENDATORY 63 O.S. 2021, Section 422, as amended by Section 2, Chapter 332, O.S.L. 2022 (63 O.S. Supp. 2022, Section 422), is amended to read as follows:

Section 422. A. The Oklahoma Medical Marijuana Authority shall make available on its website in an easy-to-find location ~~an application~~ applications for a temporary medical marijuana commercial grower license and annual medical marijuana commercial grower license. The application ~~fee~~ fees for the temporary or annual license shall be paid by the applicant in the amounts provided for in Section 427.14 of this title. A method of payment for the application ~~fee~~ fees shall be provided on the website of the Authority. The Authority shall have ninety (90) days to review the application for a temporary medical marijuana commercial grower license; approve, reject or deny the application; and mail the approval, rejection or denial letter stating the reasons for the rejection or denial to the applicant.

B. ~~The~~ In addition to the requirements provided for in the Oklahoma Medical Marijuana and Patient Protection Act, the Authority shall approve all applications which meet the following criteria:

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

2. The applicant, if applying as an individual, must show residency in the State of Oklahoma;

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

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

5. All applying individuals or entities must be registered to conduct business in the State of Oklahoma; and

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

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

C. A licensed medical marijuana commercial grower may sell marijuana to a licensed medical marijuana dispensary or a licensed medical marijuana processor. Further, sales by a licensed medical marijuana commercial grower shall be considered wholesale sales and shall not be subject to taxation. Under no circumstances may a licensed medical marijuana commercial grower sell marijuana directly to a licensed medical marijuana patient or licensed medical marijuana caregiver. A licensed medical marijuana commercial grower may only sell at the wholesale level to a licensed medical marijuana dispensary, a licensed medical marijuana commercial grower or a licensed medical marijuana processor. If the federal government lifts restrictions on buying and selling marijuana between states, then a licensed medical marijuana commercial grower would be allowed to sell and buy marijuana wholesale from, or to, an out-of-state wholesale provider. A licensed medical marijuana commercial grower shall be required to complete a monthly yield and sales report to the Authority. This report shall be due on the fifteenth of each month and provide reporting on the previous month. This report shall detail the amount of marijuana harvested in pounds, the amount of drying or dried marijuana on hand, the amount of marijuana sold

to licensed processors in pounds, the amount of waste in pounds, and the amount of marijuana sold to licensed medical marijuana dispensaries in pounds. Additionally, this report shall show total wholesale sales in dollars. The Authority shall have oversight and auditing responsibilities to ensure that all marijuana being grown by licensed medical marijuana commercial growers is accounted for.

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

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

SECTION 4. AMENDATORY 63 O.S. 2021, Section 423, as amended by Section 3, Chapter 332, O.S.L. 2022 (63 O.S. Supp. 2022, Section 423), is amended to read as follows:

Section 423. A. The Oklahoma Medical Marijuana Authority shall make available on its website in an easy-to-find location ~~an application~~ applications for a temporary medical marijuana processor license and annual medical marijuana processing processor license. The Authority shall be authorized to issue two types of annual medical marijuana processor licenses based on the level of risk posed by the type of processing conducted:

1. Nonhazardous medical marijuana processor license; and
2. Hazardous medical marijuana processor license.

The application ~~fee fees~~ for a ~~nonhazardous or hazardous medical marijuana processor~~ the temporary or annual license shall be paid by the applicant in the amounts provided for in Section 427.14 of this title. A method of payment shall be provided on the website of the Authority. The Authority shall have ninety (90) days to review the

application for a temporary medical marijuana processor license; approve, reject or deny the application; and mail the approval, rejection or denial letter stating the reasons for the rejection or denial to the applicant.

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

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

2. The applicant, if applying as an individual, must show residency in the State of Oklahoma;

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

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

5. All applying individuals or entities must be registered to conduct business in the State of Oklahoma; and

6. All applicants must disclose all ownership interests in the processing operation.

Applicants with a nonviolent felony conviction in the last two (2) years, any other felony conviction in the last five (5) years, inmates in the custody of the Department of Corrections or any person currently incarcerated shall not qualify for a temporary or annual medical marijuana ~~processing~~ processor license.

C. 1. A licensed medical marijuana processor may take marijuana plants and distill or process these plants into concentrates, edibles, and other forms for consumption.

2. As required by subsection D of this section, the Authority shall make available a set of standards which shall be used by licensed medical marijuana processors in the preparation of edible marijuana products. The standards should be in line with current

food preparation guidelines. No excessive or punitive rules may be established by the Authority.

3. Up to two times a year, the Authority may inspect a processing operation and determine its compliance with the preparation standards. If deficiencies are found, a written report of the deficiency shall be issued to the licensed medical marijuana processor. The licensed medical marijuana processor shall have one (1) month to correct the deficiency or be subject to a fine of Five Hundred Dollars (\$500.00) for each deficiency.

4. A licensed medical marijuana processor may sell marijuana products it creates to a licensed medical marijuana dispensary or any other licensed medical marijuana processor. All sales by a licensed medical marijuana processor shall be considered wholesale sales and shall not be subject to taxation.

5. Under no circumstances may a licensed medical marijuana processor sell marijuana or any marijuana product directly to a licensed medical marijuana patient or licensed medical marijuana caregiver. However, a licensed medical marijuana processor may process cannabis into a concentrated form for a licensed medical marijuana patient for a fee.

6. Licensed medical marijuana processors shall be required to complete a monthly yield and sales report to the Authority. This report shall be due on the fifteenth of each month and shall provide reporting on the previous month. This report shall detail the amount of marijuana and medical marijuana products purchased in pounds, the amount of marijuana cooked or processed in pounds, and the amount of waste in pounds. Additionally, this report shall show total wholesale sales in dollars. The Authority shall have oversight and auditing responsibilities to ensure that all marijuana being processed is accounted for.

D. The Authority shall oversee the inspection and compliance of licensed medical marijuana processors producing products with marijuana as an additive. The Authority shall be compelled to, ~~within thirty (30) days of passage of this initiative,~~ appoint twelve (12) Oklahoma residents to the Medical Marijuana Advisory Council, who are marijuana industry experts, to create a list of food safety standards for processing and handling medical marijuana

in Oklahoma. These standards shall be adopted by the Authority and the Authority may enforce these standards for licensed medical marijuana processors. The Authority shall develop a standards review procedure and these standards can be altered by calling another council of twelve (12) Oklahoma marijuana industry experts. A signed letter of twenty operating, licensed medical marijuana processors shall constitute a need for a new council and standards review.

E. If it becomes permissible under federal law, marijuana may be moved across state lines.

F. Any device used for the processing or consumption of medical marijuana shall be considered legal to be sold, manufactured, distributed and possessed. No merchant, wholesaler, manufacturer or individual may be unduly harassed or prosecuted for selling, manufacturing or possessing marijuana paraphernalia.

SECTION 5. AMENDATORY 63 O.S. 2021, Section 424, is amended to read as follows:

Section 424. A. A temporary medical marijuana transportation transporter license will or an annual medical marijuana transporter license shall be issued to qualifying applicants for a medical marijuana retail dispensary, growing medical marijuana commercial grower, or processing medical marijuana processor license. The transportation temporary or annual medical marijuana transporter license will shall be issued at the time of approval of a retail, growing, or processing the temporary or annual medical marijuana dispensary, medical marijuana commercial grower, or medical marijuana processor license. The fees for the temporary or annual license shall be paid by the applicant in the amounts provided for in Section 427.14 of this title.

B. A transportation medical marijuana transporter license will shall allow the holder to transport medical marijuana from an Oklahoma licensed Oklahoma-licensed medical marijuana retailer dispensary, licensed growing medical marijuana commercial grower facility, or licensed medical marijuana processor facility to an Oklahoma licensed Oklahoma-licensed medical marijuana retailer dispensary, licensed growing medical marijuana commercial grower facility, or licensed medical marijuana processing facility.

C. All medical marijuana or medical marijuana products shall be transported in a locked container and clearly labeled "Medical Marijuana or Derivative".

SECTION 6. AMENDATORY 63 O.S. 2021, Section 427.2, as last amended by Section 1, Chapter 317, O.S.L. 2022 (63 O.S. Supp. 2022, Section 427.2), is amended to read as follows:

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

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

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

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

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

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

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

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

- b. opaque so that the outermost packaging does not allow the product to be seen without opening the packaging material, and
- c. resealable to maintain its child-resistant effectiveness for multiple openings for any product intended for more than a single use or containing multiple servings;

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

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

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

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

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

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

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

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

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

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

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

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

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

- a. the licensee or applicant has violated, does not meet, or has failed to comply with any of the terms, conditions or provisions of the act, any rules promulgated pursuant thereto, or any supplemental relevant state or local law, rule or regulation,
- b. the licensee or applicant has failed to comply with any special terms or conditions that were placed upon the license pursuant to an order of the State Department of Health, Oklahoma Medical Marijuana Authority or the municipality, or

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

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

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

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

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

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

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

26. "Licensed premises" means the premises specified in an application for a medical marijuana business license, medical marijuana research facility license or medical marijuana education facility license pursuant to the Oklahoma Medical Marijuana and Patient Protection Act that are owned or in possession of the licensee and within which the licensee is authorized to cultivate, manufacture, distribute, sell, store, transport, test or research medical marijuana or medical marijuana products in accordance with

the provisions of the Oklahoma Medical Marijuana and Patient Protection Act and rules promulgated pursuant thereto;

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

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

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

30. "Mature plant" means a harvestable female marijuana plant that is flowering;

31. "Medical marijuana business (MMB)" means a licensed medical marijuana dispensary, medical marijuana processor, medical marijuana commercial grower, medical marijuana laboratory, medical marijuana business operator or a medical marijuana transporter;

32. "Medical marijuana concentrate" or "concentrate" means a specific subset of medical marijuana that was produced by extracting cannabinoids from medical marijuana. Categories of medical marijuana concentrate include water-based medical marijuana concentrate, food-based medical marijuana concentrate, solvent-based medical marijuana concentrate, and heat- or pressure-based medical marijuana concentrate;

33. "Medical marijuana commercial grower" or "commercial grower" means an entity licensed to cultivate, prepare and package medical marijuana and transfer or contract for transfer medical

marijuana to a medical marijuana dispensary, medical marijuana processor, any other medical marijuana commercial grower, medical marijuana research facility, medical marijuana education facility and pesticide manufacturers. A commercial grower may sell seeds, flower or clones to commercial growers pursuant to the Oklahoma Medical Marijuana and Patient Protection Act;

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

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

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

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

38. "Medical marijuana research facility" or "research facility" means a person or entity approved pursuant to the Oklahoma Medical Marijuana and Patient Protection Act to conduct medical

marijuana research. A medical marijuana research facility is not a medical marijuana business;

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

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

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

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

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

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

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

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

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

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

48. "Person" means a natural person, partnership, association, business trust, company, corporation, estate, limited liability company, trust or any other legal entity or organization, or a manager, agent, owner, director, servant, officer or employee

thereof, except that person does not include any governmental organization;

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

50. "Production batch" means:

- a. any amount of medical marijuana concentrate of the same category and produced using the same extraction methods, standard operating procedures and an identical group of harvest batch of medical marijuana, or
- b. any amount of medical marijuana product of the same exact type, produced using the same ingredients, standard operating procedures and the same production batch of medical marijuana concentrate;

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

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

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

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

55. "Remediation" means the process by which the medical marijuana flower or trim, which has failed microbial testing, is processed into solvent-based medical marijuana concentrate and retested as required by the Oklahoma Medical Marijuana and Patient Protection Act;

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

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

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

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

60. "Solvent-based medical marijuana concentrate" means a medical marijuana concentrate that was produced by extracting

cannabinoids from medical marijuana through the use of a solvent approved by the Department;

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

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

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

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

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

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

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

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

SECTION 7. AMENDATORY 63 O.S. 2021, Section 427.8, is amended to read as follows:

Section 427.8. A. The rights to possess the marijuana products set forth in Section 420 of ~~Title 63 of the Oklahoma Statutes~~ this title are cumulative and a duly licensed individual may possess at any one time the totality of the items listed therein and not be in violation of this act so long as the individual holds a valid medical marijuana patient license or caregiver license.

B. Municipal and county governing bodies may not enact medical marijuana guidelines which restrict or interfere with the rights of a licensed patient or caregiver to possess, purchase, cultivate or transport medical marijuana within the legal limits set forth in ~~this act the Oklahoma Medical Marijuana and Patient Protection Act or Section Sections 420 et seq. of Title 63 of the Oklahoma Statutes through 426.1 of this title~~ or require patients or caregivers to obtain permits or licenses in addition to the state-required licenses provided herein.

C. Nothing in ~~this act the Oklahoma Medical Marijuana and Patient Protection Act or Section Sections 420 et seq. of Title 63 of the Oklahoma Statutes through 426.1 of this title~~ shall prohibit a residential or commercial property or business owner from prohibiting the consumption of medical marijuana or medical marijuana product by smoke or vaporization on the premises, within the structures of the premises or within ten (10) feet of the entryway to the premises. However, a medical marijuana patient shall not be denied the right to consume or use other medical marijuana products which are otherwise legal and do not involve the smoking or vaporization of cannabis when lawfully recommended pursuant to Section 420 of ~~Title 63 of the Oklahoma Statutes~~ this title.

D. A medical marijuana patient or caregiver licensee shall not be denied eligibility in public assistance programs including, but not limited to, Medicaid, Supplemental Nutrition Assistance Program (SNAP), Women, Infants, and Children Nutrition Program (WIC),

Temporary Assistance for Needy Families (TANF) or other such public assistance programs based solely on his or her status as a medical marijuana patient or caregiver licensee, unless required by federal law.

E. A medical marijuana patient or caregiver licensee shall not be denied the right to own, purchase or possess a firearm, ammunition, or firearm accessories based solely on his or her status as a medical marijuana patient or caregiver licensee. No state or local agency, municipal or county governing authority shall restrict, revoke, suspend or otherwise infringe upon the right of a person to own, purchase or possess a firearm, ammunition, or firearm accessories or any related firearms license or certification based solely on their status as a medical marijuana patient or caregiver licensee.

F. A medical marijuana patient or caregiver in actual possession of a medical marijuana license shall not be subject to arrest, prosecution or penalty in any manner or denied any right, privilege or public assistance, under state law or municipal or county ordinance or resolution including without limitation a civil penalty or disciplinary action by a business, occupational or professional licensing board or bureau, for the medical use of marijuana in accordance with ~~this act~~ the Oklahoma Medical Marijuana and Patient Protection Act.

G. A government medical assistance program shall not be required to reimburse a person for costs associated with the medical use of marijuana unless federal law requires reimbursement.

H. Unless otherwise required by federal law or required to obtain federal funding:

1. No employer may refuse to hire, discipline, discharge or otherwise penalize an applicant or employee solely on the basis of such applicant's or employee's status as a medical marijuana licensee; and

2. No employer may refuse to hire, discipline, discharge or otherwise penalize an applicant or employee solely on the basis of a positive test for marijuana components or metabolites, unless:

- a. the applicant or employee is not in possession of a valid medical marijuana license,
- b. the licensee possesses, consumes or is under the influence of medical marijuana or medical marijuana product while at the place of employment or during the fulfillment of employment obligations, or
- c. the position is one involving safety-sensitive job duties, as such term is defined in subsection K of this section.

I. Nothing in ~~this act~~ the Oklahoma Medical Marijuana and Patient Protection Act or ~~Section Sections 420 et seq. of Title 63 of the Oklahoma Statutes~~ through 426.1 of this title shall:

1. Require an employer to permit or accommodate the use of medical marijuana on the property or premises of any place of employment or during hours of employment;

2. Require an employer, a government medical assistance program, private health insurer, worker's compensation carrier or self-insured employer providing worker's compensation benefits to reimburse a person for costs associated with the use of medical marijuana; or

3. Prevent an employer from having written policies regarding drug testing and impairment in accordance with the ~~Oklahoma Standards for Workplace Drug and Alcohol Testing Act, Section 551 et seq. of Title 40 of the Oklahoma Statutes.~~

J. Any applicant or employee aggrieved by a willful violation of this section shall have, as his or her exclusive remedy, the same remedies as provided for in the Oklahoma Standards for Workplace Drug and Alcohol Testing Act set forth in Section 563 of Title 40 of the Oklahoma Statutes.

K. As used in this section:

1. "Safety-sensitive" means any job that includes tasks or duties that the employer reasonably believes could affect the safety

and health of the employee performing the task or others including, but not limited to, any of the following:

- a. the handling, packaging, processing, storage, disposal or transport of hazardous materials,
- b. the operation of a motor vehicle, other vehicle, equipment, machinery or power tools,
- c. repairing, maintaining or monitoring the performance or operation of any equipment, machinery or manufacturing process, the malfunction or disruption of which could result in injury or property damage,
- d. performing firefighting duties,
- e. the operation, maintenance or oversight of critical services and infrastructure including, but not limited to, electric, gas, and water utilities, power generation or distribution,
- f. the extraction, compression, processing, manufacturing, handling, packaging, storage, disposal, treatment or transport of potentially volatile, flammable, combustible materials, elements, chemicals or any other highly regulated component,
- g. dispensing pharmaceuticals,
- h. carrying a firearm, or
- i. direct patient care or direct child care; and

2. A "positive test for marijuana components or metabolites" means a result that is at or above the cutoff concentration level established by the United States Department of Transportation or Oklahoma law regarding being under the influence, whichever is lower.

L. All smokable, vaporized, vapable and e-cigarette medical marijuana product inhaled through vaporization or smoked by a medical marijuana licensee are subject to the same restrictions for

tobacco under ~~Section~~ Sections 1-1521 through 1-1527 of ~~Title 63 of the Oklahoma Statutes~~ this title, commonly referred to as the "Smoking in Public Places and Indoor Workplaces Act".

SECTION 8. AMENDATORY 63 O.S. 2021, Section 427.10, as amended by Section 12, Chapter 251, O.S.L. 2022 (63 O.S. Supp. 2022, Section 427.10), is amended to read as follows:

Section 427.10. A. Only licensed Oklahoma allopathic, osteopathic and podiatric physicians may provide a medical marijuana recommendation for a medical marijuana patient license under the Oklahoma Medical Marijuana and Patient Protection Act.

B. A physician who has not completed his or her first residency shall not meet the definition of "physician" under this section and any recommendation for a medical marijuana patient license shall not be processed by the Oklahoma Medical Marijuana Authority.

C. No physician shall be subject to arrest, prosecution or penalty in any manner or denied any right or privilege under state, municipal or county statute, ordinance or resolution, including without limitation a civil penalty or disciplinary action by the State Board of Medical Licensure and Supervision, the State Board of Osteopathic Examiners, the Board of Podiatric Medical Examiners or by any other business, occupation or professional licensing board or bureau, solely for providing a medical marijuana recommendation for a patient or for monitoring, treating or prescribing scheduled medication to patients who are medical marijuana licensees. The provisions of this subsection shall not prevent the relevant professional licensing boards from sanctioning a physician for failing to properly evaluate the medical condition of a patient or for otherwise violating the applicable physician-patient standard of care.

D. A physician who recommends use of medical marijuana shall not be located at the same physical address as a licensed medical marijuana dispensary.

E. If the physician determines the continued use of medical marijuana by the patient no longer meets the requirements set forth in the Oklahoma Medical Marijuana and Patient Protection Act, the physician shall notify the Oklahoma Medical Marijuana Authority and

the license shall be immediately voided without right to an individual proceeding.

F. The Authority shall create and maintain a registry of recommending physicians. Beginning January 1, 2025, to be eligible to provide a medical marijuana recommendation to a licensed patient, a physician shall be registered with the Authority.

G. To be registered with the Authority, a physician shall comply with the medical education and continuing medical education requirements described in subsection I of this section and shall meet all other requirements established by law or rule for recommending physicians. A minimum of two (2) hours of continuing physician education related to medical marijuana shall be completed by January 1, 2025, or within one (1) year of being listed on the registry.

H. The Executive Director of the Authority shall promulgate rules to establish medical education and continuing medical education requirements for recommending physicians. The State Board of Medical Licensure and Supervision, the State Board of Osteopathic Examiners, and the Board of Podiatric Medical Examiners shall provide the Executive Director with a list of approved courses for initial training and certification for recommending physicians. The Executive Director or licensure boards may consult with associations representing licensees of such boards to approve education courses. There shall be no less than one (1) hour of continuing education each year for physicians making recommendations to patients under eighteen (18) years of age or patients eighteen (18) years of age or older who are enrolled in a public school in this state.

SECTION 9. AMENDATORY 63 O.S. 2021, Section 427.14, as last amended by Section 5 of Enrolled House Bill No. 2095 of the 1st Session of the 59th Oklahoma Legislature (63 O.S. Supp. 2022, Section 427.14), is amended to read as follows:

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

1. Medical marijuana commercial grower;

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

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

C. The Authority shall make available on its website in an easy-to-find location, applications for a temporary medical marijuana business license and annual medical marijuana business license.

D. Beginning November 1, 2023, the Authority shall require all persons or entities seeking licensure as a medical marijuana commercial grower, medical marijuana processor, medical marijuana dispensary, or medical marijuana transporter to first apply for a temporary medical marijuana business license.

1. A temporary medical marijuana business license is a conditional license and does not authorize the licensee to conduct any sales of medical marijuana or marijuana products, the growing or processing of marijuana, or the transportation of any medical marijuana or marijuana products by the licensee. A temporary medical marijuana business licensee shall follow all applicable rules and regulations promulgated by the Authority.

2. A temporary medical marijuana business license does not obligate the Authority to issue an annual medical marijuana business license nor does the temporary medical marijuana business license create a vested right in the holder to either an extension of the temporary medical marijuana business license or to the granting of a subsequent annual medical marijuana business license.

3. A temporary medical marijuana business license issued under the provisions of this subsection shall be valid for one hundred eighty (180) days from its effective date.

4. A temporary medical marijuana business license may be extended by the Authority for additional ninety-day periods not to exceed eighteen (18) months if:

- a. an application for an annual license has been submitted to the Authority prior to the initial expiration date of the temporary medical marijuana business license, and
- b. the Authority determines that the application and required documentation submitted by the applicant for an annual medical marijuana business license is deficient in some manner.

5. A nonrefundable application fee for a temporary medical marijuana business license shall be assessed in the amount of One Thousand Dollars (\$1,000.00). A nonrefundable fee of One Thousand Dollars (\$1,000.00) shall be assessed for every ninety-day extension requested by the holder of a temporary medical marijuana business license and subsequently granted by the Authority.

6. In addition to the general requirements provided for in subsection F of this section, persons or entities applying for a temporary medical marijuana business license or applying to renew a medical marijuana business license shall submit the following to the Authority:

- a. business-formation documents, which may include, but are not limited to, articles of incorporation, operating agreements, partnership agreements, and fictitious business name statements. The applicant shall also provide all documents filed with the Secretary of State,
- b. financial information pertaining to the operations of the medical marijuana business, which shall include the following:
 - (1) a list of funds belonging to the applicant held in savings, checking, or other accounts maintained by a financial institution. The applicant shall provide for each account the name

of the financial institution, address of the financial institution, account type, account number, and amount of money in the account,

(2) a list of loans made to the applicant. For each loan, the applicant shall provide the amount of the loan, date of the loan, term of the loan, security provided for the loan, and the name, address, and phone number of the lender,

(3) a list of investments made into the medical marijuana business. For each investment, the applicant shall provide the amount of the investment, date of the investment, term of the investment, and the name, address, and phone number of the investor, and

(4) a list of all monetary gifts, equipment, and property of any kind given to the applicant for the purpose of or in exchange for applying for or operating a medical marijuana business. For each gift, the applicant shall provide the value or a description of the gift and the name, address, and phone number of the provider of the gift,

c. a complete list of every individual who has a financial interest in the medical marijuana business who is not an owner of the medical marijuana business,

d. whether the applicant has an ownership or a financial interest in any other medical marijuana business licensed under the provisions of the Oklahoma Medical Marijuana and Patient Protection Act,

e. a complete and detailed diagram of the proposed premises. If changes to the proposed premises occur during the application period, a revised set of plans shall be submitted to the Authority for final inspection. The diagram shall be to scale and shall show the following:

- (1) boundaries of the property and the proposed premises to be licensed, showing all boundaries, dimensions, entrances and exits, interior partitions, walls, rooms, windows, doorways, and common or shared entryways, and shall include a brief statement or description of the principal activity to be conducted therein,
 - (2) the location of medical marijuana business activities that will take place in each area of the premises, and limited-access areas,
 - (3) where all cameras are located and a number assigned to each camera for identification purposes, and
 - (4) if the proposed premises consists of only a portion of the property, labels indicating which part of the property is the proposed premises and what the remaining property is used for,
- f. if the applicant is not the landowner of the real property upon which the premises is located, the applicant shall provide to the Authority a document from the landowner or the agent of the landowner that states that the applicant has the right to occupy the property and acknowledging the applicant may use the property for the medical marijuana business activity for which the applicant is applying for licensure. An applicant shall also provide a copy of the rental agreement, as applicable,
- g. if the applicant is the landowner of the real property upon which the premises is located, the applicant shall provide to the Authority a copy of the title or deed to the property,
- h. if the applicant is applying for a medical marijuana commercial grower license, the applicant shall also submit the following:

- (1) for indoor and mixed light cultivation, identification of all power sources for cultivation activities including, but not limited to, illumination, heating, cooling, and ventilation,
 - (2) if the applicant is proposing to use a diversion from a waterbody, groundwater well, or rain catchment system as a water source for cultivation, include the following locations on the property diagram with locations also provided as coordinates in either latitude and longitude or the Oklahoma Coordinate System:
 - (a) sources of water used, including the location of waterbody diversion, pump location, and distribution system, and
 - (b) location, type, and capacity of each storage unit to be used for cultivation, and
 - (3) a proposed cultivation plan, which shall include identification of all water sources used for cultivation activities, and
- i. evidence of insurance including, but not limited to:
- (1) general liability insurance,
 - (2) workers' compensation insurance or a copy of an Affidavit of Exempt Status filed with the Oklahoma Workers' Compensation Commission if compensation coverage is not required pursuant to the Administrative Workers' Compensation Act, and
 - (3) product liability insurance.

7. The Authority may request additional information from the applicant.

8. The Authority may reject an application for an annual medical marijuana business license if the requirements for a

temporary medical marijuana business license or any provision of the Oklahoma Medical Marijuana and Patient Protection Act are not satisfied.

9. For purposes of this subsection, "financial interest" concerning a medical marijuana business shall include any contractual agreements for profit sharing, subcontracting, or similar financial arrangements; provided, such disclosures alone shall not automatically indicate ownership of the license or require disclosure as an owner of the license.

E. 1. The Minus the fee of One Thousand Dollars (\$1,000.00) for a temporary medical marijuana transporter license, the annual, nonrefundable fee for a medical marijuana transporter license shall be Two Thousand Five Hundred Dollars (\$2,500.00).

2. The Minus the fee of One Thousand Dollars (\$1,000.00) for a temporary medical marijuana business license, the initial fee for a medical marijuana commercial grower license shall be calculated based upon the total amount of square feet of canopy or acres the grower estimates will be harvested for the year. The annual, nonrefundable license fee shall be based upon the total amount of square feet of canopy harvested by the grower during the previous twelve (12) months. The amount of the fees shall be determined as follows after November 1, 2025:

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

- (1) Tier 1: Up to ten thousand (10,000) square feet of canopy, the fee shall be Two Thousand Five Hundred Dollars (\$2,500.00),
- (2) Tier 2: Ten thousand one (10,001) square feet of canopy to twenty thousand (20,000) square feet of canopy, the fee shall be Five Thousand Dollars (\$5,000.00),
- (3) Tier 3: Twenty thousand one (20,001) square feet of canopy to forty thousand (40,000) square feet of canopy, the fee shall be Ten Thousand Dollars (\$10,000.00),

- (4) Tier 4: Forty thousand one (40,001) square feet of canopy to sixty thousand (60,000) square feet of canopy, the fee shall be Twenty Thousand Dollars (\$20,000.00),
- (5) Tier 5: Sixty thousand one (60,001) square feet of canopy to eighty thousand (80,000) square feet of canopy, the fee shall be Thirty Thousand Dollars (\$30,000.00),
- (6) Tier 6: Eighty thousand one (80,001) square feet of canopy to ninety-nine thousand nine hundred ninety-nine (99,999) square feet of canopy, the fee shall be Forty Thousand Dollars (\$40,000.00), and
- (7) Tier 7: One hundred thousand (100,000) square feet of canopy and beyond, the fee shall be Fifty Thousand Dollars (\$50,000.00), plus an additional twenty-five cents (\$0.25) per square foot of canopy over one hundred thousand (100,000) square feet.

b. For an outdoor medical marijuana grow facility:

- (1) Tier 1: Up to two and one-half (2 1/2) acres, the fee shall be Two Thousand Five Hundred Dollars (\$2,500.00),
- (2) Tier 2: Two and one-half (2 1/2) acres up to five (5) acres, the fee shall be Five Thousand Dollars (\$5,000.00),
- (3) Tier 3: Five (5) acres up to ten (10) acres, the fee shall be Ten Thousand Dollars (\$10,000.00),
- (4) Tier 4: Ten (10) acres up to twenty (20) acres, the fee shall be Twenty Thousand Dollars (\$20,000.00),

- (5) Tier 5: Twenty (20) acres up to thirty (30) acres, the fee shall be Thirty Thousand Dollars (\$30,000.00),
- (6) Tier 6: Thirty (30) acres up to forty (40) acres, the fee shall be Forty Thousand Dollars (\$40,000.00),
- (7) Tier 7: Forty (40) acres up to fifty (50) acres, the fee shall be Fifty Thousand Dollars (\$50,000.00), and
- (8) Tier 8: If the amount of acreage exceeds fifty (50) acres, the fee shall be Fifty Thousand Dollars (\$50,000.00) plus an additional Two Hundred Fifty Dollars (\$250.00) per acre in excess of fifty (50) acres.

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

d. As used in this paragraph:

- (1) "canopy" means the total surface area within a cultivation area that is dedicated to the cultivation of flowering marijuana plants. The surface area of the plant canopy must be calculated in square feet and measured and must include all of the area within the boundaries where the cultivation of the flowering marijuana plants occurs. If the surface of the plant canopy consists of noncontiguous areas, each component area must be separated by identifiable boundaries. If a tiered or shelving system is used in the cultivation area, the surface area of each tier or shelf must be included in

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

- (2) "greenhouse" means a structure located outdoors that is completely covered by a material that allows a controlled level of light transmission, and
- (3) "light deprivation" means a structure that has concrete floors and the ability to manipulate natural light.

3. The In addition to the nonrefundable application fee for a temporary medical marijuana business license, the annual, nonrefundable license fee for a medical marijuana processor license shall be determined as follows after November 1, 2025:

- a. Tier 1: Zero (0) to ten thousand (10,000) pounds of biomass or production or use of up to one hundred (100) liters of cannabis concentrate, the annual fee shall be Two Thousand Five Hundred Dollars (\$2,500.00),
- b. Tier 2: Ten thousand one (10,001) pounds to fifty thousand (50,000) pounds of biomass or production or use from one hundred one (101) to three hundred fifty (350) liters of cannabis concentrate, the annual fee shall be Five Thousand Dollars (\$5,000.00),
- c. Tier 3: Fifty thousand one (50,001) pounds to one hundred fifty thousand (150,000) pounds of biomass or production or use from three hundred fifty-one (351) to six hundred fifty (650) liters of cannabis

concentrate, the annual fee shall be Ten Thousand Dollars (\$10,000.00),

- d. Tier 4: One hundred fifty thousand one (150,001) pounds to three hundred thousand (300,000) pounds of biomass or production or use from six hundred fifty-one (651) to one thousand (1,000) liters of cannabis concentrate, the annual fee shall be Fifteen Thousand Dollars (\$15,000.00), and
- e. Tier 5: More than three hundred thousand one (300,001) pounds of biomass or production or use in excess of one thousand one (1,001) liters of cannabis concentrate, the annual fee shall be Twenty Thousand Dollars (\$20,000.00).

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

4. ~~The~~ Minus the fee of One Thousand Dollars (\$1,000.00) for a temporary medical marijuana business license, the initial fee for a medical marijuana dispensary license shall be Two Thousand Five Hundred Dollars (\$2,500.00). ~~The~~ After November 1, 2025, the annual, nonrefundable license fee for a medical marijuana dispensary license shall be calculated at ten percent (10%) of the sum of twelve (12) calendar months of the combined annual state sales tax and state excise tax of the dispensary. The minimum fee shall be not less than Two Thousand Five Hundred Dollars (\$2,500.00) and the maximum fee shall not exceed Ten Thousand Dollars (\$10,000.00).

5. ~~The~~ Minus the fee of One Thousand Dollars (\$1,000.00) for a temporary medical marijuana business license, the annual, nonrefundable license fee for a medical marijuana testing laboratory shall be Twenty Thousand Dollars (\$20,000.00) after November 1, 2025.

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

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

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

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

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

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

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

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

- a. twenty-five (25) years of age or older,
- b. if applying as an individual, proof that the applicant is an Oklahoma resident pursuant to paragraph 11 of this subsection,
- c. if applying as an entity, proof that seventy-five percent (75%) of all members, managers, executive officers, partners, board members or any other form of business ownership are Oklahoma residents pursuant to paragraph 11 of this subsection,
- d. if applying as an individual or entity, proof that the individual or entity is registered to conduct business in the State of Oklahoma,

- e. disclosure of all ownership interests pursuant to the Oklahoma Medical Marijuana and Patient Protection Act, ~~and~~
- f. proof that the medical marijuana business, medical marijuana research facility, medical marijuana education facility and medical marijuana waste disposal facility applicant or licensee has not been convicted of a nonviolent felony in the last two (2) years, or any other felony conviction within the last five (5) years, is not a current inmate in the custody of the Department of Corrections, or currently incarcerated in a jail or corrections facility, and
- g. proof that the applicant has possessory right to the real estate where the business will operate by submission of a copy of an executed deed of conveyance or a signed lease for the property;

8. There shall be no limit to the number of medical marijuana business licenses or categories that an individual or entity can apply for or receive, although each application and each category shall require a separate application and application fee. A commercial grower, processor and dispensary, or any combination thereof, are authorized to share the same address or physical location, subject to the further restrictions set forth in the Oklahoma Medical Marijuana and Patient Protection Act; provided, that no address or physical location shall be permitted to have multiple licenses of the same type, except a commercial grower with a combination of indoor or outdoor growing facilities at one location pursuant to the licensing requirements of this section or a licensed medical marijuana processor after the effective date of this act;

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

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

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

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

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

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

12. All license applicants shall be required to submit a registration with the Oklahoma State Bureau of Narcotics and

Dangerous Drugs Control as provided in Sections 2-302 through 2-304 of this title;

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

- a. front of an Oklahoma driver license,
- b. front of an Oklahoma identification card,
- 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.~~ G. The Authority shall review the temporary medical marijuana business license 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.~~ H. 1. The Authority shall review the temporary medical marijuana business license applications and conduct all investigations, inspections and interviews before approving the application for an annual medical marijuana business license for the specific category applied under. The annual medical marijuana business license shall not be issued until the Authority determines that all necessary inspections and reviews, including, but not limited to, plan reviews, safety inspections, or compliance inspections, have been completed.

2. Approved applicants shall be issued ~~a~~ an annual 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 for an annual medical marijuana business license may only be rejected or denied based on the applicant not meeting the

standards set forth in the provisions of subsection D of this section for a temporary medical marijuana business license, 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 for an annual medical marijuana business license is rejected for failure to provide required information, the applicant shall ~~have thirty (30) days~~ be granted an extension of time as provided for in paragraph 4 of subsection D of this section to submit the required information for reconsideration. ~~No additional application fee and shall be charged for such reconsideration~~ assessed a nonrefundable fee of One Thousand Dollars (\$1,000.00) for every ninety-day extension requested by the applicant and subsequently granted by the Authority. Unless the Authority determines otherwise, an application that has been resubmitted but is still incomplete or contains errors that are not clerical or typographical in nature shall be denied.

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

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

5. Medical marijuana businesses issued a medical marijuana business license prior to the effective date of this act shall be required to submit business-formation documents, financial information, and insurance information pertaining to the operations of the medical marijuana business, as prescribed in subparagraphs a, b, c, d, e, f, and i of paragraph 6 of subsection D of this section, to the Authority prior to renewal of the medical marijuana business license. The medical marijuana business licensee shall submit the required documentation not less than sixty (60) days prior to the date of renewal of the medical marijuana business license. The Authority shall have thirty (30) days to review the submitted documentation and an additional thirty (30) days immediately thereafter for the purposes of resolving any inconsistencies,

discrepancies, or disputed issues found within the submitted documentation. If the medical marijuana business licensee fails to submit the required documentation sixty (60) days prior to the date of renewal, the license of the medical marijuana business shall be suspended until such time as the documentation is submitted to the Authority.

6. Medical marijuana businesses that have been issued a temporary and annual medical marijuana business license pursuant to the provisions of subsection D of this section shall be required to annually submit updated business-formation documents, financial information, and insurance information pertaining to the operations of the medical marijuana business, as prescribed in subparagraphs a, b, c, d, e, f, and i of paragraph 6 of subsection D of this section, to the Authority when seeking renewal of the medical marijuana business license.

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

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

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

3. A corporation, if the criminal history of any of its officers, directors or stockholders indicates that the officer, director or stockholder has been convicted of a nonviolent felony within two (2) years of the date of application, or within five (5) years for any other felony;

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

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

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

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

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

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

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

- a. unlawful sales or purchases,
- b. any fraudulent acts, falsification of records or misrepresentation to the Authority, medical marijuana patient licensees, caregiver licensees or medical marijuana business licensees,
- c. any grossly inaccurate or fraudulent reporting,
- d. threatening or harming any medical marijuana patient, caregiver, medical practitioner or employee of the Authority,
- e. knowingly or intentionally refusing to permit the Authority access to premises or records,
- f. using a prohibited, hazardous substance for processing in a residential area,
- g. criminal acts relating to the operation of a medical marijuana business, or
- h. any violations that endanger public health and safety or product safety.

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

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

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

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

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

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

~~O.~~ P. No medical marijuana business, medical marijuana research facility, medical marijuana education facility or medical marijuana

waste disposal facility shall possess, sell or transfer medical marijuana or medical marijuana products without a valid, unexpired license issued by the Authority.

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

Q. Any medical marijuana business license holder pursuant to this section shall provide the Authority insurance verifications for all individuals licensed to transport medical marijuana or medical marijuana product. The Authority may determine the contents required from the insurance verification, which may include, but not be limited to, type of coverage, amount of coverage, or vehicles insured under coverage.

SECTION 10. AMENDATORY Section 3, Chapter 328, O.S.L. 2022 (63 O.S. Supp. 2022, Section 427.14b), is amended to read as follows:

Section 427.14b. A. 1. Beginning January 1, 2024, the Oklahoma Medical Marijuana Authority shall require employees of a medical marijuana business licensee to apply for and receive a credential authorizing the employee to work in a licensed medical marijuana business.

2. Beginning January 1, 2025, to be eligible for such credential, employees of medical marijuana dispensaries shall comply with the education and continuing education requirements described in subsection G of this section and shall meet all other requirements established by law or rule for employees of a medical marijuana business licensee.

B. The Authority may contract with one or more third-party vendors to provide the credentialing services necessary to carry out the provisions of this section.

C. The Authority shall determine the services to be provided by such third-party vendor and shall establish costs and prices. If contracted for credentialing services, a third-party vendor shall on behalf of the Authority conduct the background checks and verify eligibility and suitability for any employees of a medical marijuana business license holder to obtain a credential.

D. Upon successful completion by the third-party vendor of the statutorily required background checks and verification of eligibility and suitability for an employee, the third-party vendor shall issue a credential to the employee. The results of background checks and verifications shall be provided to the Authority by the third-party vendor.

E. If the third-party vendor determines that an employee of a medical marijuana business holder does not meet the minimum statutory requirements for a credential, the applicant or employee shall have no recourse against the third-party vendor but may appeal such adverse determination to the Authority.

F. The third-party vendor shall not be civilly liable to an applicant, licensee, or employee of a licensee for any acts taken in good-faith compliance with the provisions of Section 420 et seq. of ~~Title 63 of the Oklahoma Statutes~~ this title and the Oklahoma Medical Marijuana and Patient Protection Act and the rules promulgated by the Oklahoma Medical Marijuana Authority.

G. The Executive Director of the Authority may promulgate rules to implement the provisions of this section. Such rules shall include, but not be limited to, education and continuing education requirements for employees of medical marijuana dispensaries.

SECTION 11. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 427.14c of Title 63, unless there is created a duplication in numbering, reads as follows:

A. After the effective date of this act, no medical marijuana business license ownership shall be transferred without written approval of an application to transfer ownership by the Oklahoma Medical Marijuana Authority.

B. For purposes of this act, the "application to transfer" shall include all information disclosing the ownership and other documentary requirements required of a new business license application to be submitted on behalf of the new owners of the license including, but not limited to, a detailed inventory of all seeds, plant tissue, clones, plants, usable marijuana or trim, leaves and other plant matter, batches of extract, and marijuana

concentrates that are to be transferred. Any attempt to transfer the medical marijuana business license, the ownership of the business license, or substantially all of the listed medical marijuana, medical marijuana concentrate, or medical marijuana products of a medical marijuana business outside of the normal course of business without approval from the Authority shall be grounds for revocation or nonrenewal of the license and denial, revocation, or nonrenewal of current or future licenses or license applications with ownership held by any such person involved in the unlawful ownership transfer.

C. The nonrefundable application fee for the application to transfer shall be Five Hundred Dollars (\$500.00).

D. The Authority shall promulgate rules regarding the approval and denial of transfers of licenses. Transfers shall not be allowed for any licensee who is under investigation by the Authority or any other law enforcement agency. No business license shall be transferred more than once in a calendar year.

SECTION 12. AMENDATORY 63 O.S. 2021, Section 427.16, as last amended by Section 7 of Enrolled House Bill No. 2095 of the 1st Session of the 59th Oklahoma Legislature (63 O.S. Supp. 2022, Section 427.16), is amended to read as follows:

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

B. Pursuant to Section 424 of this title, the Oklahoma Medical Marijuana Authority shall issue a temporary and an annual medical marijuana transporter license to licensed medical marijuana commercial growers, licensed medical marijuana processors, and licensed medical marijuana dispensaries upon issuance of such licenses and upon each renewal. Medical marijuana transporter licenses shall also be issued to licensed medical marijuana research facilities, licensed medical marijuana education facilities and licensed medical marijuana testing laboratories upon issuance of such licenses and upon each renewal.

C. A temporary or annual medical marijuana transporter license may also be issued to qualifying applicants who are registered with

the Secretary of State and otherwise meet the requirements for a medical marijuana business license set forth in Section 427.14 of this title, the Oklahoma Medical Marijuana and Patient Protection Act, and the requirements set forth in this section to provide logistics, distribution and storage of medical marijuana, medical marijuana concentrate and medical marijuana products.

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

E. A transporter license shall be required for any person or entity to transport or transfer medical marijuana, medical marijuana concentrate or medical marijuana products from a licensed medical marijuana business to another medical marijuana business, or from a medical marijuana business to a medical marijuana research facility or medical marijuana education facility.

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

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

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

I. A licensed medical marijuana transporter may maintain and operate one or more warehouses in the state to handle medical marijuana, medical marijuana concentrate and medical marijuana

products. Each location shall be registered and inspected by the Authority prior to its use.

J. With the exception of a lawful transfer between medical marijuana businesses who are licensed to operate at the same physical address, all medical marijuana, medical marijuana concentrate and medical marijuana products shall be transported:

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

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

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

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

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

M. The annual fee for a transporter agent license shall be Twenty-five Dollars (\$25.00) and shall be paid by the transporter license holder or the individual applicant. Transporter license reprints shall be Twenty Dollars (\$20.00).

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

1. The name, address and date of birth of the person;

2. Proof of current state residency;

3. Proof of identity as required for a medical marijuana business license;

4. Possession of a valid state-issued driver license;

5. Verification of employment with a licensed transporter;

6. The application and affiliated fee; and

7. A copy of the criminal background check conducted by the Oklahoma State Bureau of Investigation, paid for by the applicant.

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

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

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

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

S. ~~Vehicles used in the transport of~~ Any vehicle used in the duties of a licensed medical marijuana business transporting medical marijuana or medical marijuana product shall be:

1. Insured at or above the legal requirements in this state in accordance with subsection Q of Section 427.14 of this title;

2. Capable of securing medical marijuana during transport; and

3. In possession of a shipping container as defined in Section 427.2 of this title capable of securing all transported products.

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

1. For the origination point of the medical marijuana:

- a. the licensee number for the commercial grower, processor or dispensary,
- b. address of origination of transport, and
- c. name and contact information for the originating licensee;

2. For the end recipient license holder of the medical 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.

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

V. Upon written approval by the Authority, a medical marijuana business license holder may be exempt from the provisions of this section for the purpose of transporting medical marijuana waste between licensed facilities; provided, the facilities are licensed under the same license holder. The Authority may, at any time, revoke this provision if the medical marijuana business license holder violates any provisions of Section 420 et seq. of this title.

SECTION 13. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 427.18a of Title 63, unless there is created a duplication in numbering, reads as follows:

A. The Executive Director of the Oklahoma Medical Marijuana Authority shall promulgate rules to limit the tetrahydrocannabinol (THC) serving size of edible medical marijuana products sold in medical marijuana dispensaries. The serving sizes imposed by such rules shall be at the discretion of the Executive Director; provided, that the limits do not exceed One thousand milligrams (1,000 mg) delta-9 tetrahydrocannabinol per package for edible medical marijuana products.

B. A licensed medical marijuana dispensary shall not sell any edible medical marijuana product that exceeds the THC per package limits imposed in this section.

C. For medical marijuana patients under eighteen (18) years of age, the Executive Director may impose further limits on THC per serving in edible medical marijuana products. No dispensaries shall be allowed to sell any medical marijuana product for the use of vaping to any medical marijuana patient under eighteen (18) years of age.

D. The Executive Director shall establish rules that require dispensaries to provide educational efforts to patients regarding potency, dosing, and pharmacological impacts pertaining to usage and consumption of medical marijuana and medical marijuana products.

E. The Executive Director shall promulgate the rules for the use and limits of any other tetrahydrocannabinol isomer or analogue that occurs naturally in cannabis for edible medical marijuana products not defined herein or in Section 427.2 of Title 63 of the Oklahoma Statutes.

SECTION 14. AMENDATORY 63 O.S. 2021, Section 427.21, as amended by Section 2, Chapter 329, O.S.L. 2022 (63 O.S. Supp. 2022, Section 427.21), is amended to read as follows:

Section 427.21. A. A medical marijuana business shall not engage in advertising that is deceptive, false or misleading.

B. Medical marijuana advertising shall not contain any statement or illustration that:

1. Promotes overconsumption;
2. Represents that the use of marijuana has curative or therapeutic effects; or
3. Depicts a child or other person under legal age ~~to consume~~ consuming marijuana, or includes:
 - a. objects such as toys or cartoon or other characters, which suggest the presence of a child, or any other

depiction designed in any manner to be especially appealing to children or other persons under legal age to consume marijuana, or

- b. any manner or design that would be especially appealing to children or other persons under eighteen (18) years of age.

C. ~~Upon the effective date of this act~~ Beginning on November 1, 2022, all medical marijuana commercial grower licensees shall be required to post signage at the site of the commercial grow operation. Signage shall be located at the perimeter of the property with dimensions measuring no less than eighteen (18) inches by twenty-four (24) inches with a font size of no less than two (2) inches. Information required to be displayed on the sign shall be in black standardized font on a white background. The Oklahoma Medical Marijuana Authority shall promulgate rules as necessary regarding the size, placement, issuance and specifications of the required signage. The following information shall be included on the required signage:

1. Business name;
2. Physical address of the licensed business;
3. Phone number of the licensed business; and
4. Medical marijuana business license number.

The required signage shall also comply with county regulations and local ordinances related to the real property where the commercial grow operation is located. Failure to erect the proper signage within sixty (60) days after the renewal of each application for a medical marijuana commercial grower license in accordance with the provisions of this subsection shall result in the immediate revocation of the medical marijuana commercial grower license. Upon issuance of a temporary license, all medical marijuana commercial grower licensees shall be required to comply with the provisions of this subsection prior to the prelicensure inspection conducted by the Authority.

D. It shall be unlawful to host or advertise medical marijuana-related events encouraging public consumption or use of medical marijuana by non-licensed participants.

E. The Authority shall promulgate rules to:

1. Issue or deny permits for events for medical marijuana-related events located off-site of any medical marijuana licensed business and not hosted by the Authority, which shall include, but not be limited to, age restrictions for those attending;

2. Issue or deny permits for dispensaries hosting onsite events related to the education of patients. Onsite consumption of products shall not be permitted; and

3. Allow licensed medical marijuana businesses to sell products at permitted events to licensed businesses or licensed patients. A licensed dispensary shall not require a permit for onsite events at the licensed location if samples are not being dispensed.

SECTION 15. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 431.1 of Title 63, unless there is created a duplication in numbering, reads as follows:

A. Upon the effective date of this act, all medical marijuana flower, trim, shake, kief, medical marijuana product, or other flower-based product not defined as a concentrate, shall be sold by licensed medical marijuana processors and licensed medical marijuana commercial growers to licensed medical marijuana dispensaries only in pre-packaged form in package sizes weighing not less than one-half (1/2) of one (1) gram to not more than three (3) ounces.

B. Nonopaque materials may be used when packaging medical marijuana flower provided all other packaging and labeling requirements for medical marijuana products sold in this state are met and it is placed in an opaque container before leaving a licensed medical marijuana dispensary.

C. The display and smelling of medical marijuana shall be allowed pursuant to Section 421 of Title 63 of the Oklahoma Statutes.

D. The Oklahoma Medical Marijuana Authority shall promulgate rules necessary to allow for pre-packaged products to be returned to the licensed medical marijuana dispensary when found defective or hazardous to the health of the patient. The Authority shall further promulgate rules necessary to allow for the return of medical marijuana products from a licensed medical marijuana dispensary to a licensed medical marijuana processor or licensed medical marijuana commercial grower, from a licensed medical marijuana processor to a licensed medical marijuana commercial grower, or from any other licensed entity that transferred medical marijuana products to another licensed entity.

SECTION 16. AMENDATORY Section 2 of Enrolled Senate Bill No. 913 of the 1st Session of the 59th Oklahoma Legislature, is amended to read as follows:

Section 427.26. A. It shall be unlawful for any holder of a medical marijuana business license pursuant to Section 427.14 of ~~Title 63 of the Oklahoma Statutes~~ this title to engage in any commercial growing operations in this state without acquiring a bond. The bond shall cover that area of land within the permit area upon which the business licensee will initiate and conduct commercial growing operations.

B. Every applicant for a commercial grower license or commercial grower licensee shall file with the Oklahoma Medical Marijuana Authority a bond satisfactory to the Authority and in the amount no less than Fifty Thousand Dollars (\$50,000.00) for each license sought or held, with a surety company qualified to do business in this state as a surety. The bond shall be furnished to the state for the use of the state pursuant to the provisions of this act. The bond shall be conditional that the obligor will comply with the provisions of this act including, but not limited to, building codes, administrative rules, and other relevant laws, and all rules and regulations made pursuant to this act and will pay all amounts of money that may be due to the state during the time such bond is in effect.

C. The Authority or the Department of Environmental Quality may require a higher amount depending upon the reclamation requirements of the approved application. The amount shall reflect the probable difficulty of reclamation with consideration for such factors

including, but not limited to, topography, hydrology, and revegetation potential. The amount of the bond for a commercial growing operation shall be sufficient to assure the completion of the reclamation plan if the work has to be performed by the Authority or the Department of Environmental Quality in the event of revocation of license.

D. An appropriate agency may recall the bond if the property has been abandoned, the Authority revokes the commercial growing operation's license, or in response to receiving notice of a violation of any law, regulation, policy, or ordinance necessitating remedial action. The bond shall be used to defray the cost of restoration of the property including, but not limited to, removing equipment, destruction of waste, remediation of environmental hazards, prohibiting public access, addressing improperly coded buildings, or determination of the final disposition of any seized property.

E. A holder of a medical marijuana business license pursuant to Section 427.14 of ~~Title 63 of the Oklahoma Statutes~~ this title engaging in a commercial growing operation may operate without obtaining a bond upon verification by the Authority that the permitted land on which the licensee operates the commercial growing operation has been owned by the licensee for at least a five-year period prior to submission of application.

F. The Authority shall promulgate the rules necessary to allow for a medical marijuana business licensee to engage in a commercial growing operation to fulfill the provisions of this section.

SECTION 17. Sections 1, 2, 3, 9, and 16 of this act shall become effective June 1, 2023.

SECTION 18. Sections 4, 5, 6, 7, 8, 10, 11, 12, 14, and 15 of this act shall become effective November 1, 2023.

SECTION 19. Section 13 of this act shall become effective January 1, 2025.

SECTION 20. It being immediately necessary for the preservation of the public peace, health or safety, an emergency is hereby

declared to exist, by reason whereof this act shall take effect and be in full force from and after its passage and approval.

Passed the Senate the 25th day of May, 2023.

Presiding Officer of the Senate

Passed the House of Representatives the 26th day of May, 2023.

Presiding Officer of the House
of Representatives

OFFICE OF THE GOVERNOR

Received by the Office of the Governor this _____

day of _____, 20_____, at _____ o'clock _____ M.

By: _____

Approved by the Governor of the State of Oklahoma this _____

day of _____, 20_____, at _____ o'clock _____ M.

Governor of the State of Oklahoma

OFFICE OF THE SECRETARY OF STATE

Received by the Office of the Secretary of State this _____

day of _____, 20_____, at _____ o'clock _____ M.

By: _____