STATE OF OKLAHOMA

1st Session of the 54th Legislature (2013)

COMMITTEE SUBSTITUTE FOR

SENATE BILL NO. 710

By: Johnson (Constance)

5

1

2

3

4

6

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

7 COMMITTEE SUBSTITUTE

An Act relating to medical marijuana; creating the Compassionate Use Act of 2013; providing short title; clarifying scope of act; providing definitions; exempting qualified patients and designated caregivers from certain acts; exempting physicians from punishments related to recommending the medical use of cannabis; restricting amounts of medical cannabis to be possessed by qualified patients and designated caregivers; directing the State Department of Health to establish a program for the issuance of licenses to certain persons; establishing a telephone hotline and web-based verification system for law enforcement officers; directing county health departments to develop, process, and utilize applications and identification cards; instructing county health departments to establish protocols and application forms for certain persons; providing standards for falsified applications; authorizing fees for applications to county health departments; describing information to be included on applications; directing county health departments to verify certain information; providing standards for verification and issuance of licenses and identification cards; describing information to be listed on identification cards; establishing appeals process for denial of applications; providing standards for license renewals; authorizing application fees; providing reductions in fees for persons eligible for social services programs; providing procedures for persons with identification cards; providing exemptions for certain property and premises; providing exemptions to certain health insurance providers; prohibiting discrimination

22

23

24

1

2

3

against qualified patients or designated caregivers; providing for civil actions by persons suffering discrimination; providing exemptions to employers of persons in safety-sensitive positions; providing definition; providing certain exemptions from certain civil penalties to qualified patients; providing reciprocity to out-of-state qualified patients; providing procedures for seizure of certain property belonging to qualified patients or designated caregivers; authorizing collective cultivation of medical cannabis; restricting applicable taxes and charges on medical cannabis; permitting general sales tax on certain entities; designating distribution of monies derived from license fees; requiring certain entities to maintain a minimum distance from certain properties; providing limitations on certain designated caregivers; describing annual fees for identification cards and licenses; preempting political subdivisions; permitting sales between certain entities; making laboratory testing voluntary; regulating sale of edible medical cannabis; providing enforcement authority to the Oklahoma Department of Agriculture, Food, and Forestry; providing classifications of medical cannabis collectives; authorizing the State Board of Agriculture to promulgate rules; authorizing the Department of Agriculture, Food, and Forestry to issue licenses for the production of edible cannabis products; directing State Board of Pharmacy to reclassify medical cannabis; providing for codification; and providing an effective date.

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

SECTION 1. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 2-800 of Title 63, unless there is created a duplication in numbering, reads as follows:

A. This act shall be known and may be cited as the "Compassionate Use Act of 2013".

B. Nothing in this section shall be construed to supersede laws or regulations prohibiting persons from engaging in conduct that endangers others, nor to condone the diversion of marijuana for nonmedical purposes. In addition, this section shall not affect any other rule or law that regulates:

- 1. Penalties for sales to any person who is not a qualified patient;
- 2. Penalties for the possession of marijuana by any person who is not a qualified patient; and
- 3. A person driving a motor vehicle under the influence who is not a qualified patient.
 - C. All owners, partners, workers and employees of any medical cannabis dispensing center, laboratory, delivery service, cultivator, designated caregiver, manufacturers and labelers of medical cannabis or medical cannabis products shall be at least eighteen (18) years of age and shall be licensed by the State Department of Health as required by this act.
 - SECTION 2. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 2-801 of Title 63, unless there is created a duplication in numbering, reads as follows:

As used in the Oklahoma Compassionate Use Act of 2013:

"Cannabis plant" means a plant of the species Cannabis
 Sativa or Cannabis Indica that has flowers or is greater than twelve
 inches in height and twelve (12) inches in diameter;

2. "Seedling" means a cannabis plant that has no flowers or that is less than twelve (12) inches in diameter;

- 3. "Defined relationship" means an agreement in which the parties have agreed to become collective members and shall cultivate, manufacture, and dispense cannabis and cannabis products on behalf of other members who are qualified patients or designated caregivers, as provided under this act;
 - 4. "Department" means the State Department of Health;
- 5. "Designated caregiver" means a person licensed by the State Department of Health who has been designated by a qualified patient to cultivate, manufacture, procure, dispense, store, and administer medical cannabis and/or medical cannabis products to such qualified patient. Each designated caregiver shall be limited to having no more than twenty-five (25) qualified patients to whom they provide medical cannabis and/or medical cannabis products as provided under this act;
- 6. "Dispense" means the selection, measuring, packaging, labeling, delivery, distribution, transport or sale of medical cannabis and medical cannabis products as defined in this act;
- 7. "Labeling" means all labels and other written, printed, or graphic matter upon any cannabis or cannabis products intended for medical use, or accompanying the cannabis or cannabis products;
- 8. "Medical cannabis cultivator" means any individual or nonprofit entity licensed by the State Department of Health and

organized to cultivate and dispense medical cannabis for medical use to medical cannabis dispensing centers, or medical cannabis product manufacturers;

9. "Medical cannabis delivery service" means any individual or a nonprofit entity licensed by the Department and organized to deliver cannabis and cannabis products for medical use to patients, designated caregivers, cannabis laboratories, manufacturers, cultivators, and dispensing centers;

- 10. "Medical cannabis dispensing center" means any individual or a nonprofit entity licensed by the Department and organized to dispense cannabis and cannabis products through storefronts for medical use to patients and their designated caregivers who are members;
- 11. "Medical cannabis laboratory" means a non-residential facility licensed by the State Department of Health to analyze dried, extracted, cured, food-based, or any other forms of cannabis for any, but not limited to the following:
 - a. contaminants, such as mold and insects, or
 - b. concentrations of cannabinoids, such as Tetrahydrocannabinol (THC) and Cannabidiol (CBD) and other chemical constituents;
- 12. "Medical cannabis products" means products that contain cannabis or cannabis extracts and are intended for human consumption

or application, including, but not limited to, edible products, tinctures, and lotions;

1

2

15

16

17

18

19

20

21

22

23

24

- 3 "Medical cannabis product manufacturer" means any individual or a nonprofit entity licensed by the Department and 4 5 organized to manufacture and dispense medical cannabis products to medical cannabis dispensing centers and designated caregivers. 6 Medical cannabis product manufacturers shall be members of medical 7 cannabis dispensing centers as provided under this act. Medical 8 9 cannabis product manufacturers may have a defined relationship with 10 medical cannabis cultivators. Medical cannabis product manufacturers do not include qualified patients and designated 11 12 caregivers who produce medical cannabis products for their own individual use or for the use of a qualified patient under their 13 care; 14
 - 14. "Qualified patient" means a person who has been diagnosed with a serious medical condition and, having been examined by a physician, has been determined to benefit from the use of cannabis and has obtained an identification card from the Department;
 - 15. "Patient grower" means a person who is a qualified patient, is licensed by the Department, and cultivates and/or manufactures medical cannabis and/or medical cannabis products for his or her own use. A patient grower shall be permitted to dispense medical cannabis and/or medical cannabis products to a medical cannabis dispensing center of which they are a member;

```
"Serious medical condition" means all of the following
 1
        16.
 2
    medical conditions:
 3
                   human immunodeficiency virus (HIV)/acquired immune
             a.
                   deficiency syndrome (AIDS),
 4
                   amyotrophic lateral sclerosis (ALS), also known as Lou
 5
             b.
                   Gehrig's disease,
 6
 7
             C.
                   anorexia,
             d.
                   autism,
 8
 9
             e.
                   bipolar disorder,
             f.
10
                  cachexia,
11
             g.
                   cancer,
                   cerebral palsy,
12
             h.
13
             i.
                  chronic depression,
             j.
                  chronic pain,
14
             k.
                   dystonia,
15
             1.
                   fibromyalgia,
16
17
                   gastrointestinal disorders, including but not limited
             m.
                   to:
18
                   (1) colitis,
19
20
                   (2) Crohn's disease, and
21
                        irritable bowel syndrome (IBS),
22
                   glaucoma,
             n.
23
                   migraine,
             Ο.
                   obsessive-compulsive disorder,
24
             p.
```

- q. rheumatoid arthritis,
- r. seizures, including but not limited to seizures
 associated with epilepsy,
- s. severe nausea,
- t. Tourette's syndrome,
- u. Post-traumatic Stress Disorder (PTSD), or
- v. any other chronic disease or persistent medical symptom that:
 - (1) substantially limits the ability of the person to conduct one or more major life activities as defined in the Americans with Disabilities Act of 1990, P.L. 101-336, and
 - (2) if not alleviated, may cause serious harm to the patient's safety or physical or mental health;
- 17. "Visiting qualified patient" means a person with a medical condition who is currently participating in another state's medical cannabis program and is in possession of a valid out-of-state medical cannabis program identification card or its equivalent; and
- 18. "Collectives" means qualified patients and designated caregivers wishing to collectively cultivate cannabis plants and manufacture medical cannabis products for exclusive use by their members as defined under this act.

SECTION 3. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 2-802 of Title 63, unless there is created a duplication in numbering, reads as follows:

- A. Section 2-402 of Title 63 of the Oklahoma Statutes, relating to the possession of marijuana, and Section 2-509 of Title 63 of the Oklahoma Statutes, regulating the cultivation of marijuana, shall not apply to a qualified patient, or to the designated caregiver of the patient, who possesses or cultivates cannabis for the personal medical purposes of the qualified patient upon the written recommendation or approval of a physician.
- B. Notwithstanding any other provision of law, a physician in this state may not be punished, or denied any right or privilege, for having recommended cannabis to a patient for medical purposes.
- SECTION 4. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 2-803 of Title 63, unless there is created a duplication in numbering, reads as follows:
- A. A qualified patient or designated caregiver may possess no more than eight (8) ounces of dried cannabis per qualified patient. In addition, a qualified patient or primary caregiver may also maintain no more than twelve (12) cannabis plants per qualified patient.
- B. If a qualified patient or designated caregiver has a doctor's recommendation that this quantity does not meet the qualified patient's medical needs, the qualified patient or

designated caregiver may possess an amount of cannabis consistent with the patient's needs.

- C. Only the dried mature processed flowers of a female cannabis plant or the plant conversion shall be considered when determining allowable quantities of cannabis under this section. Qualified patients, persons with valid identification cards, and the designated primary caregivers of qualified patients and persons with identification cards, who associate within this state in order to, collectively or cooperatively, cultivate cannabis for medical purposes, may not, solely on the basis of that fact, be subject to criminal sanctions under the laws of this state. A state or local law enforcement agency or officer may not refuse to accept an identification card issued by the Department unless the state or local law enforcement agency or officer has reasonable cause to believe that the information contained on the card is false or fraudulent, or the card is being used fraudulently.
 - SECTION 5. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 2-804 of Title 63, unless there is created a duplication in numbering, reads as follows:
 - A. The State Department of Health shall establish and maintain a program for the issuance of identification cards to qualified patients who satisfy the requirements of this act and apply to the identification card program.

B. The Department shall establish and maintain a program for the issuance of licenses to patient growers, caregivers, delivery services, laboratories, all classes of dispensaries, manufacturers, and all classes of cultivators, who satisfy the requirements of this act.

- C. The Department shall establish and maintain a twenty-four (24) hour, toll-free telephone number, as well as a secure, web-based verification system that will enable state and local law enforcement officers to have immediate access to information necessary to verify the validity of an identification card issued by the Department.
- D. Each county health department, or the county's designee, shall do all of the following:
 - 1. Provide applications upon request to individuals seeking to join the identification card program;
 - 2. Receive and process completed applications;
 - 3. Maintain records for identification card programs;
 - 4. Utilize protocols developed by the Department; and
 - 5. Issue identification cards developed by the Department to approved applicants and designated primary caregivers.
 - E. The Department shall develop all of the following:
- 1. Protocols that shall be used by a county health department, or the county's designee, to implement the responsibilities described in subsection D, including, but not limited to, protocols

to confirm the accuracy of information contained in an application and to protect the confidentiality of program records;

2. Application forms that shall be issued to requesting applicants; and

- 3. An identification card that identifies a person authorized to engage in the medical use of cannabis and an identification card that identifies the person's designated caregiver, if any. The two (2) identification cards developed pursuant to this paragraph shall be easily distinguishable from each other.
- F. No person or designated caregiver in possession of a valid identification card shall be subject to arrest for possession, transportation, delivery, or cultivation of medical cannabis in an amount established pursuant to this act, unless there is reasonable cause to believe that the information contained on the card is false or falsified, the card has been obtained by means of fraud, or the person is otherwise in violation of the provisions of this act.
- G. A person who seeks an identification card shall pay the fee and provide all of the following information to the county health department, or the county's designee, on a form developed and provided by the Department:
- The name of the person and proof of his or her residency within the county;
- 2. Written documentation by the attending physician in the medical records of the person stating that the person has been

diagnosed with a serious medical condition and that the medical use of cannabis is appropriate;

3. The name, office address, office telephone number, and medical license number of the person's attending physician;

- 4. The name of up to two designated caregivers, if any; and
- 5. A government-issued photo identification card of the person and of the designated caregiver, if any. If the applicant is a person under eighteen (18) years of age, a certified copy of a birth certificate shall be deemed sufficient proof of identity.
- H. Within thirty (30) days of receipt of an application for an identification card, a county health department or the county's designee, shall do all of the following:
- 1. For purposes of processing the application, verify that the information contained in the application is accurate. If the person is less than eighteen (18) years of age, the county health department, or its designee, shall also contact the parent with legal authority to make medical decisions, a legal guardian, or other person or entity with legal authority to make medical decisions to verify the information;
- 2. Verify with the Oklahoma Board of Medical Examiners that the attending physician has a license in good standing to practice medicine or osteopathy in the state, or with the appropriate licensing boards for naturopathic doctors and physicians assistants;

3. Contact the attending physician by facsimile, telephone, or mail to confirm that the medical records submitted by the patient are a true and correct copy of those contained in the physician's office records. When contacted by a county health department, or the county's designee, the attending physician shall confirm or deny that the contents of the medical records are accurate;

- 4. Provide a photograph or electronically transmissible image of the applicant and of the designated caregiver, if any; and
- 5. Approve or deny the application. During the application process, a certified copy of the application shall be acceptable as a temporary identification card and shall provide the applicant with all rights and privileges provided by an identification card. If the county health department, or the county's designee, approves the application, it shall, within 24 hours, or by the end of the next working day of approving the application, electronically transmit the following information to the Department:
 - a. a unique user identification number for the applicant,
 - b. the date of expiration of the identification card, and
 - c. the name and telephone number of the county health department, or the county's designee, that has approved the application.
 - (1) the county health department, or the county's designee, shall issue an identification card to the applicant and to his or her designated

caregiver, if any, within five working days of approving the application, and

- (2) in any case involving an incomplete application, the applicant shall assume responsibility for rectifying the deficiency. The county shall have fourteen (14) days from the receipt of information from the applicant pursuant to this subdivision to approve or deny the application.
- I. An identification card issued by the county health department shall be serially numbered and shall contain all of the following:
 - 1. A unique user identification number of the cardholder;
 - 2. The date of expiration of the identification card;
- 3. The name and telephone number, and the address of the secure web-based verification system, to be maintained by the Department that will enable state and local law enforcement officers to have immediate access to information necessary to verify the validity of the card; and
 - 4. Photo identification of the cardholder.
- J. A separate identification card shall be issued to the person's designated caregiver, if any, and shall include a photo identification of the caregiver.
- 23 K. An identification card shall be valid for a period of one year.

L. The county health department, or the county's designee, may deny an application only for any of the following reasons:

- 1. The applicant did not provide the information required and, upon notice of the deficiency, did not provide the information within fourteen (14) days;
- 2. The county health department, or the county's designee, determined that the information provided was false; or
- 3. The applicant did not meet the criteria set forth in this act.
- M. Any person whose application has been denied pursuant to subsection K of this section may appeal that decision to the Department. The Department, or the county's designee, shall make available a telephone number or address to which the denied applicant can direct an appeal. Any person whose appeal is denied pursuant to subsection L of this section may appeal that decision to the district court clerk who shall advise the chief justice who shall assign such appeal to a district judge or associate judge for a hearing.
- N. Upon renewal of an identification card, the county health department, or its designee, shall verify all new information and may verify any other information that has not changed. The county health department, or the county's designee, shall transmit its determination of approval or denial of a renewal to the Department.

O. Application fees shall be set at Thirty Dollars (\$30.00) for persons seeking to obtain identification cards and Twenty Dollars (\$20.00) for persons seeking to renew identification cards. These fees shall be used for expenses incurred by the Department, including the startup cost, the cost of reduced fees for those who qualify, the cost of identifying and developing a cost-effective Internet web-based system, and the cost of maintaining the twenty-four (24) hour, toll-free telephone number.

- P. Upon satisfactory proof of participation and eligibility in a social services program, an applicant shall receive a fifty percent (50%) reduction in the fees established pursuant to this section.
- Q. A person who possesses an identification card shall do the following:
- 1. Within seven days, notify the county health department, or the county's designee, of any change in the person's attending physician or designated primary caregiver, if any; and
- 2. If the designated caregiver has been changed, the previous designated caregiver shall return his or her identification card to the department or to the county health department, or the county's designee.
- SECTION 6. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 2-805 of Title 63, unless there is created a duplication in numbering, reads as follows:

A. Nothing in this act shall require any accommodation of any medical use of cannabis on the property or premises of any place of employment or during the hours of employment, or on the property or premises of any public or private school, daycare, church, jail, correctional facility, or other type of penal institution in which prisoners reside or persons under arrest are detained.

- B. Nothing in this act shall require a governmental, private, or any other health insurance provider or health care service plan to be liable for any claim for reimbursement for the medical use of cannabis.
- C. It shall be unlawful for an employer to discriminate against a person in hiring, terminating, or any term or condition of employment or otherwise penalize a person if the discrimination or penalty is based solely upon either of the following:
- 1. The person's status as a qualified patient or a designated caregiver; or
- 2. The person's positive drug test for cannabis, provided the person is a qualified patient and the medical use of cannabis does not occur on the property or premises of the place of employment or during the hours of employment.
- D. A person who has suffered discrimination in violation of subsection C of this section may institute and prosecute in his or her own name and on his or her own behalf a civil action for damages, injunctive relief, and any other appropriate equitable

relief to protect the peaceable exercise of the right or rights secured.

- E. Paragraph 2 of subsection C of this section shall not apply when an employer employs a person in a safety-sensitive position.

 For purposes of this section, a safety-sensitive position means a position in law enforcement or a position in which medical cannabis-affected performance could clearly endanger the health and safety of others. A safety-sensitive position shall have all of the following general characteristics:
- 1. Its duties involve a greater than normal level of trust, responsibility for, or impact on the health and safety of others;
- 2. Errors in judgment, inattentiveness, or diminished coordination, dexterity, or composure while performing its duties could clearly result in mistakes that would endanger the health and safety of others; and
- 3. An employee in a safety-sensitive position works independently or performs tasks of a nature that it cannot safely be assumed that mistakes like those described in paragraph 2 could be prevented by a supervisor or another employee.
- 20 SECTION 7. NEW LAW A new section of law to be codified 21 in the Oklahoma Statutes as Section 2-806 of Title 63, unless there 22 is created a duplication in numbering, reads as follows:

- A. Nothing in this act shall be construed as authorizing the operation of a motor vehicle by a person while the person is under the influence of cannabis.
- B. A qualified patient shall not be considered to be operating a vehicle under the influence solely for having cannabis metabolites in his or her system, being a qualified patient, or being in possession of cannabis.
- 8 SECTION 8. NEW LAW A new section of law to be codified 9 in the Oklahoma Statutes as Section 2-807 of Title 63, unless there 10 is created a duplication in numbering, reads as follows:

A qualified patient or designated caregiver shall not be subject to any civil penalty, including but not limited to the loss of property or eviction, solely for one or more of the following:

- 1. Testing positive for cannabis use;
- 2. Being a qualified patient or designated caregiver;
- 3. Exercising rights as provided in this act;
- 4. Use of cannabis; or

1

2

3

4

5

6

7

11

12

13

14

15

16

17

18

19

20

24

- 5. Being an employee or agent of a medical cannabis dispensing center, medical cannabis delivery service, medical cannabis cultivator, or medical cannabis product manufacturer.
- 21 SECTION 9. NEW LAW A new section of law to be codified 22 in the Oklahoma Statutes as Section 2-808 of Title 63, unless there 23 is created a duplication in numbering, reads as follows:

As used in this act, the term "habitual or continual illegal use of controlled substances" does not include the following:

- 1. Testing positive for cannabis use;
- 2. Being a qualified patient or designated caregiver;
- 3. Exercising rights as provided in this act;
- 4. Use of cannabis; or

- 5. Being an employee or agent of a medical cannabis dispensing center, medical cannabis delivery service, medical cannabis cultivator, or medical cannabis product manufacturer.
- in the Oklahoma Statutes as Section 2-809 of Title 63, unless there is created a duplication in numbering, reads as follows:
 - A visiting qualified patient shall have the same rights and privileges under the laws of this state as a qualified patient.
- SECTION 11. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 2-810 of Title 63, unless there is created a duplication in numbering, reads as follows:
 - A. The fact that a person is a qualified patient or designated caregiver or is the employee or agent of a medical cannabis dispensing center, medical cannabis delivery service, medical cannabis cultivator, or medical cannabis product manufacturer does not, alone:
 - 1. Constitute probable cause to search the person or the person's property; or

2. Subject the person or the person's property to inspection by any governmental agency.

- B. Except as otherwise provided in this section, if officers of a state or local law enforcement agency seize cannabis, drug paraphernalia, or other related property from a person engaged or assisting in the medical use of cannabis, the law enforcement agency shall ensure that the cannabis, drug paraphernalia, or other related property is not destroyed while in the possession of the law enforcement agency. Any property interest of the person from whom cannabis, drug paraphernalia, or other related property is seized must not be forfeited pursuant to any provision of law providing for the forfeiture of property, except as part of a sentence imposed after conviction of a criminal offense.
- C. Upon a determination by the district attorney, or his or her designee, of the county in which the cannabis, drug paraphernalia, or other related property was seized, that the person from whom the cannabis, drug paraphernalia, or other related property was seized is engaging in or assisting in the medical use of cannabis in accordance with the provisions of this act, the law enforcement agency shall immediately return to that person any cannabis, cannabis plants, drug paraphernalia, or other related property that was seized. The determination of a district attorney, or the district attorney's designee, that a person is engaging in or assisting in the medical use of cannabis in accordance with the

1 provisions of this act shall be deemed to be evidenced by the 2 following:

- 1. A decision not to prosecute;
- 2. The dismissal of charges; or
 - 3. Acquittal.

SECTION 12. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 2-811 of Title 63, unless there is created a duplication in numbering, reads as follows:

For the purposes of medical care, including organ and tissue transplants, a qualified patient's authorized use of cannabis shall be considered the equivalent of the authorized use of any other medication used at the direction of a physician and may not constitute the use of an illicit substance.

SECTION 13. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 2-812 of Title 63, unless there is created a duplication in numbering, reads as follows:

Qualified patients and designated caregivers who associate within this state in order to collectively or cooperatively cultivate cannabis for medical purposes may share responsibility for acquiring and supplying the resources required to produce and process cannabis for medical use such as, for example, money; location for a collective garden; equipment, supplies, and labor necessary to plant, grow, and harvest cannabis; cannabis plants, seeds, and cuttings; and equipment, supplies, and labor necessary

1 for proper construction, plumbing, wiring, and ventilation of a garden of cannabis plants. It is the sole discretion of the 2 3 collective or cooperative to determine the requirements for membership within the collective or cooperative, and 4 5 responsibilities and duties may be carried out by any or all members of the collective or cooperative. It is also within the discretion 6 of the collective or cooperative to determine allocation of the 7 costs and benefits of the efforts of the collective or cooperative, 9 including the allocation of reasonable compensation for services 10 rendered amongst those associated. Testing by a medical cannabis 11 laboratory shall remain voluntary.

SECTION 14. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 2-813 of Title 63, unless there is created a duplication in numbering, reads as follows:

12

13

14

15

16

17

18

19

20

21

22

23

24

- A. No tax or charge upon the dispensing, possession, delivery, labeling, cultivating, or manufacturing of medical cannabis or medical cannabis products, as defined by this act, shall be levied or collected by any political subdivision of this state, except the general sales tax and/or license fees as defined by this act.
- 1. All general sales tax shall be entered into the general funds of the respective entities as collected.
- 2. Of the license fees there shall be a division of the total fees collected and shall be designated as funds for the following:

a. twenty percent (20%) for drug rehabilitation and

prevention or community-based behavioral health

programs sponsored by or otherwise organized by the

Department of Mental Health and Substance Abuse

Services,

- b. thirty percent (30%) for the department in which operation expenses were incurred,
- c. thirty percent (30%) for general state, county, and city tax funds,
- d. ten percent (10%) for the Oklahoma Department of Agriculture, Food, and Forestry, and
- e. ten percent (10%) for law enforcement entities.

SECTION 15. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 2-814 of Title 63, unless there is created a duplication in numbering, reads as follows:

- A. This act mandates that all classes of medical cannabis dispensing centers, medical cannabis cultivators, medical cannabis delivery services, medical cannabis laboratories, collectives and medical cannabis product manufacturers, as defined in Section 2 of this act, shall maintain a minimum distance of one thousand feet (1,000) between them and any jail, correctional facility, primary school both public and private, any church, or any daycare facility.
- B. Any designated caregiver that operates within less than one thousand feet (1,000) of any jail, correctional facility, primary

- school either public or private, any church, or daycare facility shall be subject to the following:
- Limited to no more than ten (10) qualified patients,
 including themselves;

5

6

7

10

11

12

13

14

15

16

17

- 2. Maintain all cannabis plants and cannabis products in a completely enclosed structure that is secured by a lock and is not transparent whatsoever; and
- 8 3. No cannabis plants or cannabis products are in plain view of 9 the public.
 - C. Cultivation within city limits or residential neighborhoods shall require that all plants are kept from the plain view of the public by means of a completely enclosed structure or "green house" located inside a completely fenced area by means of a solid fence such as wood or similar material at least six (6) feet in height and secured by a lock. For purposes of this subsection, "green house" refers to any building or structure in which temperature and humidity can be controlled for the production of plants.
- SECTION 16. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 2-815 of Title 63, unless there is created a duplication in numbering, reads as follows:
- The annual fees for patient identification cards and license fees shall be as follows:
- 1. Patient Identification Cards: One Hundred Dollars (\$100.00)
 24 per year;

3. Caregiver License: One Thousand Five Hundred Dollars (\$1,500.00) per year;

3

4

24

- 5 4. Delivery Service License: Two Thousand Five Hundred Dollars 6 (\$2,500.00) per year;
- 5. Laboratory License: Two Thousand Five Hundred Dollars (\$2,500.00) per year;
- 9 6. Manufacturer License: Five Thousand Dollars (\$5,000.00) per 10 year;
- 7. Class 1 Dispensary, more than five hundred (500) patients:
 12 Fifteen Thousand Dollars (\$15,000.00) per year;
- 8. Class 2 Dispensary, two hundred fifty (250) to five hundred (500) patients: Ten Thousand Dollars (\$10,000.00) per year;
- 9. Class 3 Dispensary, zero (0) to two hundred fifty (250)
 patients: Five Thousand Dollars (\$5,000.00) per year;
- 17 10. Class 1 Collective, twenty-five (25) patients or less
 18 and/or caregivers: \$5,000 per year;
- 19 11. Class 2 Collective, twenty-six (26) to fifty (50) patients
 20 and/or caregivers: Ten Thousand Dollars (\$10,000.00) per year;
- 12. Class 3 Collective, fifty-one (51) to seventy-five (75)
 patients and/or caregivers: Fifteen Thousand Dollars (\$15,000.00)
 per year;

```
1 13. Class 1 Cultivator, over two-thousand pounds (2,000 lbs.):
2 Fifteen Thousand Dollars ($15,000.00) per year;
```

- 14. Class 2 Cultivator, One thousand one (1,001) to two thousand (2,000) pounds: Ten Thousand Dollars (\$10,000.00) per year; and
- 6 15. Class 3 Cultivator, less than one thousand (1,000) pounds: 7 Five Thousand Dollars (\$5,000.00) per year.
 - SECTION 17. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 2-816 of Title 63, unless there is created a duplication in numbering, reads as follows:
 - A. Each municipality and county within this state may only enact regulations and ordinances consistent with, and specifically assigned to them by, the Oklahoma Compassionate Use Act of 2013 governing medical cannabis dispensing centers, cannabis laboratories, delivery services, caregivers, cultivators, patient growers, and the manufacture and labeling of medical cannabis products. These regulations and ordinances shall not ban, either explicitly or implicitly, the operation of medical cannabis dispensing centers, cannabis laboratories, delivery services, care givers, cultivators, patient growers, and the manufacture and labeling of medical cannabis products. Any violation of these regulations and ordinances shall not be a violation of the Oklahoma Compassionate Use Act Of 2013.

B. This act may not be construed to prevent a municipality or county from adopting and enforcing laws consistent with this act.

- SECTION 18. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 2-817 of Title 63, unless there is created a duplication in numbering, reads as follows:
- Sales between medical cannabis dispensing centers, medical cannabis cultivators, medical cannabis product manufacturers, and qualified patients and designated caregivers shall be permitted as provided under this act.
- SECTION 19. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 2-818 of Title 63, unless there is created a duplication in numbering, reads as follows:
- Testing by a medical cannabis laboratory shall remain voluntary.

 No laboratory testing shall be required of a cannabis manufacturer,

 designated caregiver, dispensing center, cultivator, delivery

 service, qualified patient, collective, or the department.
- SECTION 20. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 2-819 of Title 63, unless there is created a duplication in numbering, reads as follows:
- A. The manufacturing of edible medical cannabis products shall be regulated as the type of food or beverage being manufactured and no additional requirements shall be made.
- B. Enforcement shall be determined by the Oklahoma Department of Agriculture, Food, and Forestry. A violation of these

1 regulations and ordinances shall not be a violation of the Oklahoma 2 Compassionate Use Act of 2013.

- C. This act may not be construed as preventing a municipality or county from adopting and enforcing laws consistent with this act.

 SECTION 21. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 2-820 of Title 63, unless there is created a duplication in numbering, reads as follows:
- A. Medical cannabis collectives shall fall within three (3) classes. Collective licenses shall be renewable annually. Licensed classes of collectives and license requirements shall be as follows:
- 1. A qualified patient that wishes to be a member of a collective must maintain his or her patient identification card as defined by this act. The collective's license shall serve in lieu of a patient grower's license if a qualified patient is a member of a collective;
- 2. A designated caregiver that wishes to be a member of a collective must maintain his or her designated caregiver's license as defined by this act;
- 3. Nothing in this section may be construed to allow additional plants to be grown by any patient or caregiver. All collective members shall be required to maintain tags on each plant to identify to which patient or caregiver the plant belongs. Information on tags shall include name of patient or caregiver and patient and the serial number of their card; and

4. No patient or caregiver may be a member or maintain membership in more than one collective at any one time.

- B. Class 1: Less than twenty-five (25) qualified patients and designated caregivers wishing to collectively cultivate cannabis plants and manufacture medical cannabis products for exclusive use by their members. The collective shall be licensed by the Department of Agriculture, Food and Forestry. The application for a Class 1 license shall include the name of at least one collective or cooperative member, the address and contact information for that member, a statement that the collective wishes to cultivate collectively and is seeking a Class 1 license. The collective shall submit each collective member's patient identification number.
- C. Class 2: Collectives of qualified patients and designated caregivers with between twenty-five (25) and fifty (50) members. The collective shall be licensed by the Department of Agriculture, Food, and Forestry. The application for a Class 2 license shall include the name of at least three collective or cooperative members, the addresses and contact information for those members, a statement that the collective wishes to cultivate collectively and is seeking a Class 2 license. The collective shall submit each collective member's patient identification number.
- D. Class 3: Collectives of qualified patients and designated caregivers with between fifty-one (51) and seventy-five (75) members. The collective shall be licensed by the Department of

- Agriculture, Food, and Forestry. The application for a Class 3

 license shall include the name of at least five (5) collective or

 cooperative members, the addresses and contact information for those

 members, a statement that the collective wishes to cultivate

 collectively and is seeking a Class 3 license. The collective shall

 submit each collective member's patient identification number.
 - 1. The State Board of Agriculture shall promulgate rules in order to regulate Class 3 licenses. These rules may include inspections and quality controls as well as requirements for defined contractual relationships with medical cannabis dispensing centers and security requirements.

- 2. Collectives with more than seventy-five (75) members shall be prohibited.
- SECTION 22. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 2-821 of Title 63, unless there is created a duplication in numbering, reads as follows:

The State Board of Health shall promulgate rules to authorize and license medical cannabis laboratories in the testing of dried, extracted, cured, food-based, and other forms of cannabis. The testing may include the analysis of contaminants and chemical composition and other methods of investigation intended to advance the understanding of the therapeutic benefits of cannabis and to improve the health and welfare of qualified patients in the state.

```
1
                        NEW LAW A new section of law to be codified
        SECTION 23.
 2
    in the Oklahoma Statutes as Section 2-822 of Title 63, unless there
 3
    is created a duplication in numbering, reads as follows:
        The State Board of Pharmacy shall classify cannabis as a
 4
    controlled substance in Schedule III, IV, or V. The Board shall
 5
 6
    reclassify cannabis no later than one hundred eighty (180) days
 7
    after the effective date of this act.
 8
        SECTION 24. This act shall become effective November 1, 2013.
 9
        54-1-549
                                2/22/2013 1:54:05 PM
10
                       JAM
11
12
13
14
15
16
17
18
19
20
21
22
23
24
```