

1 ENGROSSED HOUSE AMENDMENT  
TO  
2 ENGROSSED SENATE BILL NO. 882 By: Weaver of the Senate  
3 and  
4 Fetgatter of the House  
5  
6

7 An Act relating to medical marijuana; creating the  
8 Oklahoma Medical Marijuana Waste Management Act;  
9 providing for medical marijuana to be subject to the  
10 provisions of this act; providing definitions;  
11 creating certain license; requiring certain license  
12 for disposal of medical marijuana waste; directing  
13 limit on available licenses; directing certain  
14 application information be provided; requiring  
15 certain liability insurance or financial assurance;  
16 allowing annual inspection; requiring permit for each  
17 facility; providing for cost of license and permit;  
18 directing fees to be deposited; authorizing  
19 promulgation of rules; providing for codification;  
20 and providing an effective date.

21  
22  
23 AMENDMENT NO. 1. Delete the title, enacting clause and entire bill  
24 and replace with

25 "An Act relating to medical marijuana; creating the  
26 Oklahoma Medical Marijuana Waste Management Act;  
27 defining terms; exempting provisions of the act from  
28 the Uniform Controlled Dangerous Substances Act;  
29 affirming jurisdiction and environmental  
30 responsibilities of the Department of Environmental  
31 Quality; authorizing commercial licensees and  
32 certain entities to destroy certain marijuana plant  
33 parts without utilizing required disposal facility;  
34 stating manner by which plant parts may be  
35 destroyed; requiring documentation of amount and  
36 manner by which marijuana waste is disposed;  
37 requiring maintenance of disposal records for

1 certain amount of time; authorizing inspection and  
2 auditing by the Oklahoma Medical Marijuana  
3 Authority; creating medical marijuana waste disposal  
4 license; authorizing licensees to possess, transport  
5 and dispose of marijuana waste; providing  
6 restrictions on issuing licenses; allowing Oklahoma  
7 Medical Marijuana Authority to issue temporary  
8 licenses; providing limitation on number of licenses  
9 to be issued; authorizing Authority to assess need  
10 for additional licenses; establishing screening  
11 process requirements for entities; providing  
12 application requirements; providing for submission  
13 of certain documentation; requiring certain  
14 liability insurance or financial assurance;  
15 authorizing entry into facilities for inspections;  
16 allowing annual inspections and inspections when  
17 complaints are received by the Authority; directing  
18 Authority to refer complaints of criminal activity  
19 to appropriate state or local law enforcement  
20 authorities; authorizing Authority to issue medical  
21 marijuana waste disposal facility permits; providing  
22 restrictions on issuing permits; allowing for the  
23 issuance of temporary permits; establishing cost for  
24 waste disposal licenses and permits; directing  
deposit of proceeds into certain fund; exempting  
medical marijuana waste disposal licensees from  
transporter licensing requirements; directing  
commercial licensees to utilize disposal services;  
directing State Commissioner of Health to promulgate  
certain rules; amending Section 2 of Enrolled House  
Bill No. 2612 of the 1st Session of the 57th  
Oklahoma Legislature; providing exception to certain  
definitions; providing for codification; providing  
effective dates; and declaring an emergency.

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 427 of Title 63, unless there is  
created a duplication in numbering, reads as follows:

1       This act shall be known and may be cited as the "Oklahoma  
2 Medical Marijuana Waste Management Act".

3       SECTION 2.       NEW LAW       A new section of law to be codified  
4 in the Oklahoma Statutes as Section 428 of Title 63, unless there is  
5 created a duplication in numbering, reads as follows:

6       As used in this act:

7       1. "Authority" shall mean the Oklahoma Medical Marijuana  
8 Authority, or successor agency;

9       2. "Commercial licensee" shall mean any person or entity issued  
10 a license by the Oklahoma Medical Marijuana Authority, or successor  
11 agency, to conduct commercial business in this state;

12       3. "Disposal" shall mean the final disposition of medical  
13 marijuana waste by either a process which renders the waste unusable  
14 through physical destruction or a recycling process;

15       4. "Facility" shall mean a location where the disposal of  
16 medical marijuana waste takes place by a licensee;

17       5. "License" shall mean a medical marijuana waste disposal  
18 license;

19       6. "Licensee" shall mean the holder of a medical marijuana  
20 waste disposal license;

21       7. "Medical marijuana waste" shall mean unused, surplus,  
22 returned or out-of-date marijuana and plant debris of the plant of  
23 the genus Cannabis, including dead plants and all unused plant  
24

1 parts, except the term shall not include roots, stems, stalks and  
2 fan leaves; and

3 8. "Medical marijuana waste disposal license" shall mean a  
4 license issued by the Oklahoma Medical Marijuana Authority, or  
5 successor agency.

6 SECTION 3. NEW LAW A new section of law to be codified  
7 in the Oklahoma Statutes as Section 429 of Title 63, unless there is  
8 created a duplication in numbering, reads as follows:

9 A. Medical marijuana waste shall be subject to the provisions  
10 of this act and shall not be subject to the provisions of the  
11 Uniform Controlled Dangerous Substances Act. Nothing in this act  
12 shall alter or affect the jurisdictional areas of environmental  
13 responsibility of the Department of Environmental Quality as  
14 provided for in Title 27A of the Oklahoma Statutes.

15 B. Commercial licensees, medical marijuana research facilities  
16 and medical marijuana education facilities shall be authorized to  
17 destroy the following marijuana plant parts without being required  
18 to utilize the services of a medical marijuana waste disposal  
19 facility:

- 20 1. Root balls;
- 21 2. Stems;
- 22 3. Fan leaves; and
- 23 4. Seeds.

1 Unless restricted by local ordinance, commercial licensees,  
2 medical marijuana research facilities and medical marijuana  
3 education facilities shall be authorized to destroy the above-listed  
4 marijuana plant parts on-site by open burning, incineration,  
5 burying, mulching, composting or any other technique approved by the  
6 Department of Environmental Quality.

7 C. Commercial licensees, medical marijuana research facilities  
8 and medical marijuana education facilities engaged in the disposal  
9 of medical marijuana waste shall create and maintain documentation  
10 on a form prescribed by the Oklahoma Medical Marijuana Authority  
11 that includes precise weights or counts of medical marijuana waste  
12 and the manner in which the medical marijuana waste is disposed.  
13 Such documentation shall contain a witness affidavit and signature  
14 attesting to the lawful disposal of the medical marijuana waste  
15 under penalty of perjury. All disposal records shall be maintained  
16 by commercial licensees, medical marijuana research facilities and  
17 medical marijuana educational facilities for a period of five (5)  
18 years and shall be subject to inspection and auditing by the  
19 Authority.

20 SECTION 4. NEW LAW A new section of law to be codified  
21 in the Oklahoma Statutes as Section 430 of Title 63, unless there is  
22 created a duplication in numbering, reads as follows:

23 A. There is hereby created and authorized a medical marijuana  
24 waste disposal license. A person or entity in possession of a

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

19 B. Entities applying for a medical marijuana waste disposal  
20 license shall undergo the following screening process:

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

- 23 a. an attestation that the applicant is authorized to  
24 make application on behalf of the entity,

- b. full name of the organization,
- c. trade name, if applicable,
- d. type of business organization,
- e. complete mailing address,
- f. an attestation that the commercial entity will not be located on tribal land,
- g. telephone number and email address of the entity, and
- h. name, residential address and date of birth of each owner and each member, manager and board member, if applicable;

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

- a. the first, middle and last name of the applicant and suffix, if applicable,
- b. the residence address and mailing address of the applicant,
- c. the date of birth of the applicant,
- d. the preferred telephone number and email address of the applicant,
- e. an attestation that the information provided by the applicant is true and correct, and

1           f.    a statement signed by the applicant pledging not to  
2               divert marijuana to any individual or entity that is  
3               not lawfully entitled to possess marijuana; and

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

- 6           a.    a list of all persons or entities that have an  
7               ownership interest in the entity,  
8           b.    a certificate of good standing from the Oklahoma  
9               Secretary of State, if applicable,  
10          c.    an Affidavit of Lawful Presence for each owner,  
11          d.    proof that the proposed location of the disposal  
12               facility is at least one thousand (1,000) feet from a  
13               public or private school. The distance shall be  
14               measured from any entrance of the school to the  
15               nearest property line point of the facility, and  
16          e.    documents establishing the applicant, the members,  
17               managers and board members, if applicable, and  
18               seventy-five percent (75%) of the ownership interests  
19               are Oklahoma residents as established in Section 420  
20               et seq. of Title 63 of the Oklahoma Statutes, as it  
21               relates to proof of residency.

22       C. No license shall be issued except upon proof of sufficient  
23 liability insurance and financial responsibility. Liability  
24 insurance shall be provided by the applicant and shall apply to



1 sudden and nonsudden bodily injury or property damage on, below or  
2 above the surface, as required by the rules of the Authority. Such  
3 insurance shall be maintained for the period of operation of the  
4 facility and shall provide coverage for damages resulting from  
5 operation of the facility during operation and after closing. In  
6 lieu of liability insurance required by this subsection, an  
7 equivalent amount of cash, securities, bond or alternate financial  
8 assurance, of a type and in an amount acceptable to the Authority,  
9 may be substituted; provided, that such deposit shall be maintained  
10 for a period of five (5) years after the date of last operation of  
11 the facility.

12 D. Submission of an application for a medical marijuana waste  
13 disposal license shall constitute permission for entry to and  
14 inspection of the facility of the licensee during hours of operation  
15 and other reasonable times. Refusal to permit such entry of  
16 inspection shall constitute grounds for the nonrenewal, suspension  
17 or revocation of a license. The Authority may perform an annual  
18 unannounced on-site inspection of the operations and facility of the  
19 licensee. If the Authority receives a complaint concerning  
20 noncompliance by a licensee with the provisions of this act, the  
21 Authority may conduct additional unannounced, on-site inspections  
22 beyond an annual inspection. The Authority shall refer all  
23 complaints alleging criminal activity that are made against a  
24

1 licensed facility to appropriate state or local law enforcement  
2 authorities.

3 E. The Authority shall issue a permit for each medical  
4 marijuana waste disposal facility operated by a licensee. A permit  
5 shall be issued only upon proper application by a licensee and  
6 determination by the Authority that the proposed site and facility  
7 are physically and technically suitable. Upon a finding that a  
8 proposed medical marijuana waste disposal facility is not physically  
9 or technically suitable, the Authority shall deny the permit. The  
10 Authority shall have the authority to revoke a permit upon a finding  
11 that the site and facility are not physically and technically  
12 suitable for processing. The Authority may, upon determining that  
13 public health or safety requires emergency action, issue a temporary  
14 permit for treatment or storage of medical marijuana waste for a  
15 period not to exceed ninety (90) days.

16 F. The cost of a medical marijuana waste disposal license shall  
17 be Five Thousand Dollars (\$5,000.00) for the initial license. The  
18 cost of a medical marijuana waste disposal facility permit shall be  
19 Five Hundred Dollars (\$500.00). A medical marijuana waste disposal  
20 facility permit that has been revoked shall be reinstated upon  
21 remittance of a reinstatement fee of Five Hundred Dollars (\$500.00)  
22 to restore the facility permit. All license and permit fees shall  
23 be deposited into the Public Health Special Fund as provided in  
24 Section 1-107 of Title 63 of the Oklahoma Statutes.

1 G. The holder of a medical marijuana waste disposal license  
2 shall not be required to obtain a medical marijuana transporter  
3 license provided for in the Oklahoma Medical Marijuana and Patient  
4 Protection Act for purposes of transporting medical marijuana waste.

5 H. All commercial licensees, as defined in Section 2 of this  
6 act, shall utilize a licensed medical marijuana waste disposal  
7 service to process all medical marijuana waste generated by the  
8 licensee.

9 I. The State Commissioner of Health shall promulgate rules for  
10 the implementation of this act. Promulgated rules shall address  
11 disposal process standards, site security and any other subject  
12 matter deemed necessary by the Authority.

13 SECTION 5. AMENDATORY Section 2 of Enrolled House Bill  
14 No. 2612 of the 1st Session of the 57th Oklahoma Legislature, is  
15 amended to read as follows:

16 Section 2. As used in this act:

17 1. "Advertising" means the act of providing consideration for  
18 the publication, dissemination, solicitation, or circulation~~7~~ of  
19 visual, oral, or written communication~~7~~ to induce directly or  
20 indirectly any person to patronize a particular medical marijuana  
21 business, or to purchase particular medical marijuana or a medical  
22 marijuana product. Advertising includes marketing, but does not  
23 include packaging and labeling;

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

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

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

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

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

10        a. designed or constructed to be significantly difficult  
11            for children under five (5) years of age to open and  
12            not difficult for normal adults to use properly as  
13            defined by 16 C.F.R. 1700.15 (1995) and 16 C.F.R.  
14            1700.20 (1995),

15        b. opaque so that the outermost packaging does not allow  
16            the product to be seen without opening the packaging  
17            material, and

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

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

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

2        9. "Complete application" means a document prepared in  
3 accordance with the provisions set forth in this act, rules  
4 promulgated pursuant thereto, and the forms and instructions  
5 provided by the Department, including any supporting documentation  
6 required and the applicable license application fee;

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

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

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

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

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

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

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

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

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

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

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

21 a. the licensee or applicant has violated, does not meet,  
22 or has failed to comply with any of the terms,  
23 conditions or provisions of the act, any rules  
24

- 1 promulgated pursuant thereto, or any supplemental  
2 relevant state or local law, rule or regulation,
- 3 b. the licensee or applicant has failed to comply with  
4 any special terms or conditions that were placed upon  
5 the license pursuant to an order of the State  
6 Department of Health, Oklahoma Medical Marijuana  
7 Authority or the municipality, or
- 8 c. the licensed premises of a medical marijuana business  
9 or applicant have been operated in a manner that  
10 adversely affects the public health or welfare or the  
11 safety of the immediate vicinity in which the  
12 establishment is located;

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

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

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

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

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

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

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

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



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

3 28. "Marijuana" shall have the same meaning as such term is  
4 defined in Section 2-101 of Title 63 of the Oklahoma Statutes;

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

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

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

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

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

1 marijuana to a medical marijuana dispensary, medical marijuana  
2 processor, any other medical marijuana commercial grower, medical  
3 marijuana research facility, medical marijuana education facility  
4 and pesticide manufacturers. A commercial grower may sell seeds,  
5 flower or clones to commercial growers pursuant to this act;

6 34. "Medical marijuana education facility" or "education  
7 facility" means a person or entity approved pursuant to this act to  
8 operate a facility providing training and education to individuals  
9 involving the cultivation, growing, harvesting, curing, preparing,  
10 packaging or testing of medical marijuana, or the production,  
11 manufacture, extraction, processing, packaging or creation of  
12 medical-marijuana-infused products or medical marijuana products as  
13 described in this act;

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

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

1        37. "Medical marijuana processor" means a person or entity  
2 licensed pursuant to this act to operate a business including the  
3 production, manufacture, extraction, processing, packaging or  
4 creation of concentrate, medical-marijuana-infused products or  
5 medical marijuana products as described in this act;

6        38. "Medical marijuana research facility" or "research  
7 facility" means a person or entity approved pursuant to this act to  
8 conduct medical marijuana research. A medical marijuana research  
9 facility is not a medical marijuana business;

10       39. "Medical marijuana testing laboratory" or "laboratory"  
11 means a public or private laboratory licensed pursuant to this act,  
12 to conduct testing and research on medical marijuana and medical  
13 marijuana products;

14       40. "Medical marijuana transporter" or "transporter" means a  
15 person or entity that is licensed pursuant to this act. A medical  
16 marijuana transporter does not include a medical marijuana business  
17 that transports its own medical marijuana, medical marijuana  
18 concentrate or medical marijuana products to a property or facility  
19 adjacent to or connected to the licensed premises if the property is  
20 another licensed premises of the same medical marijuana business;

21       41. "Medical marijuana waste" or "waste" means unused, surplus,  
22 returned or out-of-date marijuana, plant debris of the plant of the  
23 genus Cannabis, including dead plants and all unused plant parts and  
24

1 ~~roots~~, except the term shall not include roots, stems, stalks and  
2 fan leaves;

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

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

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

16 45. "Oklahoma resident" means an individual who can provide  
17 proof of residency as required by this act;

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

- 21 a. all shareholders owning an interest of a corporate  
22 entity and all officers of a corporate entity,  
23 b. all partners of a general partnership,

24

- 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;

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

8        50. "Production batch" means:

- 9            a. any amount of medical marijuana concentrate of the  
10            same category and produced using the same extraction  
11            methods, standard operating procedures and an  
12            identical group of harvest batch of medical marijuana,  
13            or  
14            b. any amount of medical marijuana product of the same  
15            exact type, produced using the same ingredients,  
16            standard operating procedures and the same production  
17            batch of medical marijuana concentrate;

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

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

1        53. "Recommendation" means a document that is signed or  
2 electronically submitted by a physician on behalf of a patient for  
3 the use of medical marijuana pursuant to this act;

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

7        55. "Remediation" means the process by which the medical  
8 marijuana flower or trim, which has failed microbial testing, is  
9 processed into solvent-based medical marijuana concentrate and  
10 retested as required by this act;

11       56. "Research project" means a discrete scientific endeavor to  
12 answer a research question or a set of research questions related to  
13 medical marijuana and is required for a medical marijuana research  
14 license. A research project shall include a description of a  
15 defined protocol, clearly articulated goals, defined methods and  
16 outputs, and a defined start and end date. The description shall  
17 demonstrate that the research project will comply with all  
18 requirements in this act and rules promulgated pursuant thereto.  
19 All research and development conducted by a medical marijuana  
20 research facility shall be conducted in furtherance of an approved  
21 research project;

22       57. "Revocation" means the final decision by the Department  
23 that any license issued pursuant to this act is rescinded because  
24 the individual or entity does not comply with the applicable

1 requirements set forth in this act or rules promulgated pursuant  
2 thereto;

3 58. "School" means a public or private preschool or a public or  
4 private elementary or secondary school used for school classes and  
5 instruction. A homeschool, daycare or child-care facility shall not  
6 be considered a "school" as used in this act;

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

13 60. "Solvent-based medical marijuana concentrate" means a  
14 medical marijuana concentrate that was produced by extracting  
15 cannabinoids from medical marijuana through the use of a solvent  
16 approved by the Department;

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

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

23 63. "THC" means tetrahydrocannabinol, which is the primary  
24 psychotropic cannabinoid in marijuana formed by decarboxylation of



1 naturally tetrahydrocannabinolic acid, which generally occurs by  
2 exposure to heat;

3 64. "Test batch" means with regard to usable marijuana, a  
4 homogenous, identified quantity of usable marijuana by strain that  
5 is harvested during a seven-day period from a specified cultivation  
6 area, and with regard to oils, vapors and waxes derived from usable  
7 marijuana, means an identified quantity that is uniform, that is  
8 intended to meet specifications for identity, strength and  
9 composition, and that is manufactured, packaged and labeled during a  
10 specified time period according to a single manufacturing, packaging  
11 and labeling protocol;

12 65. "Transporter agent" means a person who transports medical  
13 marijuana or medical marijuana products for a licensed transporter  
14 and holds a transporter agent license pursuant to this act;

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

19 67. "Usable marijuana" means the dried leaves, flowers, oils,  
20 vapors, waxes and other portions of the marijuana plant and any  
21 mixture or preparation thereof, excluding seed, roots ~~and~~, stems,  
22 stalks and fan leaves; and  
23  
24

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 6. Sections 1, 2, 4 and 5 of this act shall become effective November 1, 2019.

SECTION 7. 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 House of Representatives the 18th day of April, 2019.

Presiding Officer of the House of  
Representatives

Passed the Senate the            day of            , 2019.

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Presiding Officer of the Senate

1 ENGROSSED SENATE  
2 BILL NO. 882

By: Weaver of the Senate

3 and

4 Fetgatter of the House  
5  
6

7 An Act relating to medical marijuana; creating the  
8 Oklahoma Medical Marijuana Waste Management Act;  
9 providing for medical marijuana to be subject to the  
10 provisions of this act; providing definitions;  
11 creating certain license; requiring certain license  
12 for disposal of medical marijuana waste; directing  
13 limit on available licenses; directing certain  
14 application information be provided; requiring  
15 certain liability insurance or financial assurance;  
16 allowing annual inspection; requiring permit for each  
17 facility; providing for cost of license and permit;  
18 directing fees to be deposited; authorizing  
19 promulgation of rules; providing for codification;  
20 and providing an effective date.  
21  
22  
23  
24

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

25 SECTION 8. NEW LAW A new section of law to be codified  
26 in the Oklahoma Statutes as Section 427 of Title 63, unless there is  
27 created a duplication in numbering, reads as follows:

28 This act shall be known and may be cited as the "Oklahoma  
29 Medical Marijuana Waste Management Act".  
30  
31  
32

1       SECTION 9.       NEW LAW       A new section of law to be codified  
2 in the Oklahoma Statutes as Section 428 of Title 63, unless there is  
3 created a duplication in numbering, reads as follows:

4       Medical Marijuana waste shall be subject to the provisions of  
5 this act and shall not be subject to the provisions of the Uniform  
6 Controlled and Dangerous Substances Act, as provided in Section 2-  
7 101 et seq. of Title 63 of the Oklahoma Statutes.

8       SECTION 10.       NEW LAW       A new section of law to be codified  
9 in the Oklahoma Statutes as Section 429 of Title 63, unless there is  
10 created a duplication in numbering, reads as follows:

11       A. As used in this act:

12       1. "Authority" shall mean the Oklahoma Medical Marijuana  
13 Authority or successor agency;

14       2. "Commercial licensee" shall mean any person or entity issued  
15 a license by the Oklahoma Medical Marijuana Authority, or successor  
16 agency, to conduct commercial business in this state;

17       3. "Disposal" shall mean the final disposition of medical  
18 marijuana waste by either a process which renders the waste unusable  
19 through physical destruction or a recycling process;

20       4. "Facility" shall mean a location where the disposal of  
21 medical marijuana waste takes place by a licensee;

22       5. "License" shall mean a Medical Marijuana Waste Disposal  
23 License;

1       6. "Licensee" shall mean the holder of a Medical Marijuana  
2 Waste Disposal License;

3       7. "Medical marijuana waste" shall include, but not be limited  
4 to unused, surplus, returned or out-of-date marijuana, recalled  
5 marijuana, marijuana that has failed laboratory testing, plant  
6 debris of the plant of the genus cannabis, including dead plants and  
7 all unused plant parts and roots, and any wastewater generated  
8 during growing and processing; and

9       8. "Medical Marijuana Waste Disposal License" shall mean a  
10 license issued by the Oklahoma Medical Marijuana Authority or  
11 successor agency.

12       SECTION 11.       NEW LAW       A new section of law to be codified  
13 in the Oklahoma Statutes as Section 430 of Title 63, unless there is  
14 created a duplication in numbering, reads as follows:

15       A. There is hereby created and authorized a Medical Marijuana  
16 Waste Disposal License. A person or entity in possession of a  
17 Medical Marijuana Waste Disposal License shall be entitled to  
18 possess, transport and dispose of medical marijuana waste. No  
19 person or entity shall possess, transport or dispose of medical  
20 marijuana waste without a valid Medical Marijuana Waste Disposal  
21 License. The Oklahoma Medical Marijuana Authority shall issue  
22 licenses upon proper application by a licensee and determination by  
23 the Authority that the proposed site and facility are physically and  
24 technically suitable. Upon a finding that a proposed medical

1 marijuana waste facility is not physically or technically suitable,  
2 the Authority shall deny the license. The Authority may, upon  
3 determining that public health or safety requires emergency action,  
4 issue a temporary permit for treatment or storage of medical  
5 marijuana waste for a period not to exceed ninety (90) days. The  
6 Authority shall not, for the first year of the licensure program,  
7 issue more than ten (10) licenses. Upon the conclusion of the first  
8 year, the Authority shall assess the need for additional licenses  
9 and shall, if demonstrated, increase the number of licenses as  
10 deemed necessary by the Authority.

11 B. Entities applying for a Medical Marijuana Waste Disposal  
12 License shall undergo the following screening process:

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

- 15 a. an attestation that the applicant is authorized to
- 16 make application on behalf of the entity,
- 17 b. full name of the organization,
- 18 c. trade name, if applicable,
- 19 d. type of business organization,
- 20 e. complete mailing address,
- 21 f. an attestation that the commercial entity will not be
- 22 located on tribal land,
- 23 g. telephone number and email address of entity, and
- 24

1           h.    name, residential address and date of birth of each  
2               owner and each member, manager and board member, if  
3               applicable;

4           2.   The application for a commercial license made by an  
5 individual on their own behalf shall be on the form prescribed by  
6 the Authority and shall include, but not be limited to:

- 7           a.   the applicant's first, middle and last name and  
8               suffix, if applicable,
- 9           b.   the applicant's residence address and mailing address,
- 10          c.   the applicant's date of birth,
- 11          d.   the applicant's preferred telephone number and email  
12               address,
- 13          e.   an attestation that the information provided by the  
14               applicant is true and correct, and
- 15          f.   a statement signed by the applicant pledging not to  
16               divert marijuana to any individual or entity that is  
17               not lawfully entitled to possess marijuana;

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

- 20          a.   a list of all persons and/or entities that have an  
21               ownership interest in the entity,
- 22          b.   a certificate of good standing from the Oklahoma  
23               Secretary of State, if applicable,
- 24          c.   an Affidavit of Lawful Presence for each owner,

1           d.   proof that the proposed location of the disposal  
2               service is at least one thousand (1,000) feet from a  
3               public or private school. The distance shall be  
4               measured from any entrance of the school to the  
5               nearest property line point of the facility, and

6           e.   documents establishing the applicant, the members,  
7               managers and board members, if applicable, and  
8               seventy-five percent (75%) of the ownership interests  
9               are Oklahoma residents as established in Section 420  
10              et seq. of Title 63 of the Oklahoma Statutes, as it  
11              relates to proof of residency;

12        4.   No license shall be issued except upon proof of sufficient  
13   liability insurance and financial responsibility. Liability  
14   insurance shall be provided by the applicant and shall apply to  
15   sudden and nonsudden bodily injury or property damage on, below or  
16   above the surface, as required by the rules of the Authority. Such  
17   insurance shall be maintained for the period of operation of the  
18   facility and shall provide coverage for damages resulting from  
19   operation of the facility during operation and after closing. In  
20   lieu of liability insurance required by this paragraph, an  
21   equivalent amount of cash, securities, bond or alternate financial  
22   assurance of a type and in an amount acceptable to the Authority,  
23   may be substituted; provided that such deposit shall be maintained



1 for a period of five (5) years after the date of last operation of  
2 the facility;

3 5. Submission of an application for a medical marijuana waste  
4 disposal license shall constitute permission for entry to and  
5 inspection of the licensee's facility during hours of operation and  
6 other reasonable times. Refusal to permit such entry of inspection  
7 shall constitute grounds for the nonrenewal, suspension or  
8 revocation of a license. The Authority may perform an annual  
9 unannounced on-site inspection of a licensed licensee's operations  
10 and facility. If the Authority receives a complaint concerning a  
11 licensee's noncompliance with this act, the Authority may conduct  
12 additional unannounced, on-site inspections beyond an annual  
13 inspection. The Authority shall refer all complaints alleging  
14 criminal activity that are made against a licensed processor to  
15 appropriate state or local law enforcement authorities;

16 6. The Authority shall issue a permit for each medical  
17 marijuana disposal facilities operated by a licensee. A permit  
18 shall be issued only upon proper application by a licensee and  
19 determination by the Authority that the proposed site and facility  
20 are physically and technically suitable. Upon a finding that a  
21 proposed medical marijuana waste facility is not physically or  
22 technically suitable, the Authority shall deny the permit. The  
23 Authority shall have the authority to revoke a permit upon a finding  
24 that the site and facility are not physically and technically

1 suitable for processing. The Authority may, upon determining that  
2 public health or safety requires emergency action, issue a temporary  
3 permit for treatment or storage of medical marijuana waste for a  
4 period not to exceed ninety (90) days;

5 7. The cost of a medical marijuana waste disposal license shall  
6 be Five Thousand Dollars (\$5,000.00) for the initial license. The  
7 cost of a medical marijuana waste disposal facility permit shall be  
8 Five Hundred Dollars (\$500.00). A facility permit that has been  
9 revoked shall remit a reinstatement fee of Five Hundred Dollars  
10 (\$500.00) to restore the facility permit. All license and permit  
11 fees shall be deposited into the Public Health Special Fund as  
12 provided in Section 1-107 of Title 63 of the Oklahoma Statutes;

13 8. All commercial licensees, as defined in Section 3 of this  
14 act, shall utilize a licensed medical marijuana waste disposal  
15 service to process all medical marijuana waste generated by the  
16 licensee; and

17 9. The Oklahoma Medical Marijuana Authority shall promulgate  
18 rules for the implementation of this act. Promulgated rules shall  
19 address disposal process standards, site security and any other  
20 subject matter deemed necessary by the Authority.

21 SECTION 12. This act shall become effective November 1, 2019.  
22  
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1 Passed the Senate the 26th day of February, 2019.

2  
3 \_\_\_\_\_  
4 Presiding Officer of the Senate

5 Passed the House of Representatives the \_\_\_\_ day of \_\_\_\_\_,  
6 2019.

7  
8 \_\_\_\_\_  
9 Presiding Officer of the House  
10 of Representatives