

**COMMITTEE AMENDMENT**

HOUSE OF REPRESENTATIVES

State of Oklahoma

SPEAKER:

CHAIR:

I move to amend HB2023 \_\_\_\_\_  
Of the printed Bill  
Page \_\_\_\_\_ Section \_\_\_\_\_ Lines \_\_\_\_\_  
Of the Engrossed Bill

By striking the Title, the Enacting Clause, the entire bill, and by  
inserting in lieu thereof the following language:

**AMEND TITLE TO CONFORM TO AMENDMENTS**

Amendment submitted by: Scott Fetgatter

Adopted: \_\_\_\_\_

\_\_\_\_\_  
Reading Clerk

STATE OF OKLAHOMA

1st Session of the 58th Legislature (2021)

PROPOSED COMMITTEE  
SUBSTITUTE  
FOR  
HOUSE BILL NO. 2023

By: Fetgatter

PROPOSED COMMITTEE SUBSTITUTE

An Act relating to medical marijuana; amending Section 14, Chapter 11, O.S.L. 2019, as last amended by Section 51, Chapter 161, O.S.L. 2020 (63 O.S. Supp. 2020, Section 427.14), which relates to the Oklahoma Medical Marijuana and Patient Protection Act; providing for the transfer of medical marijuana dispensary, medical marijuana processor and medical marijuana commercial grower licenses; providing procedures; setting application fee; prohibiting transfer of license until approval by the Oklahoma Medical Marijuana Authority; granting transferees the same rights, privileges and exemptions as the transferor; directing the Authority to provide certain notice upon denial of transfer request; directing the Authority to promulgate rules and procedures; and declaring an emergency.

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

SECTION 1. AMENDATORY Section 14, Chapter 11, O.S.L. 2019, as last amended by Section 51, Chapter 161, O.S.L. 2020 (63 O.S. Supp. 2020, Section 427.14), is amended to read as follows:

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

- 4       1. Medical marijuana commercial grower;
- 5       2. Medical marijuana processor;
- 6       3. Medical marijuana dispensary;
- 7       4. Medical marijuana transporter; and
- 8       5. Medical marijuana testing laboratory.

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

12       C. The Authority shall make available on its website in an  
13 easy-to-find location, applications for a medical marijuana  
14 business.

15       D. The nonrefundable application fee for a medical marijuana  
16 business license shall be Two Thousand Five Hundred Dollars  
17 (\$2,500.00).

18       E. All applicants seeking licensure as a medical marijuana  
19 business shall comply with the following general requirements:

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

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

4        3. Applicants shall submit a complete application to the  
5 ~~Department~~ Authority before the application may be accepted or  
6 considered;

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

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

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

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

17            a. all applicants shall be age twenty-five (25) years of  
18 age or older,

19            b. any applicant applying as an individual shall show  
20 proof that the applicant is an Oklahoma resident  
21 pursuant to paragraph 11 of this subsection,

22            c. any applicant applying as an entity shall show that  
23 seventy-five percent (75%) of all members, managers,  
24 executive officers, partners, board members or any

- 1           other form of business ownership are Oklahoma  
2           residents pursuant to paragraph 11 of this subsection,
- 3           d.   all applying individuals or entities shall be  
4           registered to conduct business in the State of  
5           Oklahoma,
- 6           e.   all applicants shall disclose all ownership interests  
7           pursuant to this act, and
- 8           f.   applicants shall not have been convicted of a  
9           nonviolent felony in the last two (2) years, and any  
10          other felony conviction within the last five (5)  
11          years, shall not be current inmates, or currently  
12          incarcerated in a jail or corrections facility;

13          8.   There shall be no limit to the number of medical marijuana  
14   business licenses or categories that an individual or entity can  
15   apply for or receive, although each application and each category  
16   shall require a separate application and application fee. A  
17   commercial grower, processor and dispensary, or any combination  
18   thereof, are authorized to share the same address or physical  
19   location, subject to the restrictions set forth in ~~this act~~ the  
20   Oklahoma Medical Marijuana and Patient Protection Act;

21          9.   All applicants for a medical marijuana business license,  
22   research facility license or education facility license authorized  
23   by this act shall undergo an Oklahoma criminal history background  
24   check conducted by the Oklahoma State Bureau of Investigation (OSBI)

1 within thirty (30) days prior to the application for the license,  
2 including:

- 3 a. individual applicants applying on their own behalf,
- 4 b. individuals applying on behalf of an entity,
- 5 c. all principal officers of an entity, and
- 6 d. all owners of an entity as defined by ~~this act~~ Section  
7 427.2 of this title;

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

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

- 19 a. an unexpired Oklahoma-issued driver license,
- 20 b. an Oklahoma voter identification card,
- 21 c. a utility bill preceding the date of application,  
22 excluding cellular telephone and Internet bills,
- 23 d. a residential property deed to property in the State  
24 of Oklahoma, and

1 e. a rental agreement preceding the date of application  
2 for residential property located in the State of  
3 Oklahoma.

4 Applicants that were issued a medical marijuana business license  
5 prior to the enactment of the Oklahoma Medical Marijuana and Patient  
6 Protection Act are hereby exempt from the two-year or five-year  
7 Oklahoma residence requirement mentioned above;

8 12. All license applicants shall be required to submit a  
9 registration with the Oklahoma State Bureau of Narcotics and  
10 Dangerous Drugs Control as provided in Sections 2-302 through 2-304  
11 of ~~Title 63 of the Oklahoma Statutes~~ this title;

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

- 15 a. front and back of an Oklahoma driver license,
- 16 b. front and back of an Oklahoma identification card,
- 17 c. a United States passport or other photo identification  
18 issued by the United States government,
- 19 d. certified copy of the applicant's birth certificate  
20 for minor applicants who do not possess a document  
21 listed in this section, or
- 22 e. a tribal identification card approved for  
23 identification purposes by the Oklahoma Department of  
24 Public Safety; and

1 14. All applicants shall submit an applicant photograph.

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

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

9 2. Approved applicants shall be issued a medical marijuana  
10 business license for the specific category applied under which shall  
11 act as proof of their approved status. Rejection letters shall  
12 provide a reason for the rejection. Applications may only be  
13 rejected based on the applicant not meeting the standards set forth  
14 in the provisions of this section, improper completion of the  
15 application, or for a reason provided for in this act. If an  
16 application is rejected for failure to provide required information,  
17 the applicant shall have thirty (30) days to submit the required  
18 information for reconsideration. No additional application fee  
19 shall be charged for such reconsideration.

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



1        4. Approval, rejection or status-update letters shall be sent  
2 to the applicant in the same method the application was submitted to  
3 the ~~Department~~ Authority.

4        H. A medical marijuana business license shall not be issued to  
5 or held by:

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

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

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

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

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

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

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

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

4       7. A person whose authority to be a caregiver as defined in  
5 this act has been revoked by the ~~Department~~ Authority.

6       I. In investigating the qualifications of an applicant or a  
7 licensee, the ~~Department~~, Authority and municipalities may have  
8 access to criminal history record information furnished by a  
9 criminal justice agency subject to any restrictions imposed by such  
10 an agency. In the event the ~~Department~~ Authority considers the  
11 criminal history record of the applicant, the ~~Department~~ Authority  
12 shall also consider any information provided by the applicant  
13 regarding such criminal history record, including but not limited to  
14 evidence of rehabilitation, character references and educational  
15 achievements, especially those items pertaining to the period of  
16 time between the last criminal conviction of the applicant and the  
17 consideration of the application for a state license.

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

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

1 misrepresentations or untruths in the application or in connection  
2 with the background investigation of the applicant. This type of  
3 conduct may be considered as the basis for additional administrative  
4 action against the applicant. Typos and scrivener errors shall not  
5 be grounds for denial.

6 L. A licensed medical marijuana business premises shall be  
7 subject to and responsible for compliance with applicable provisions  
8 for medical marijuana business facilities as described in the most  
9 recent versions of the Oklahoma Uniform Building Code, the  
10 International Building Code and the International Fire Code, unless  
11 granted an exemption by the Authority or municipality.

12 M. All medical marijuana business licensees shall pay the  
13 relevant licensure fees prior to receiving licensure to operate a  
14 medical marijuana business, as defined in this act for each class of  
15 license.

16 N. 1. Upon the effective date of this act, the license of a  
17 medical marijuana dispensary, medical marijuana processor and  
18 medical marijuana commercial grower may be assigned or otherwise  
19 transferred from one person to another person, from one medical  
20 marijuana business to another, or from one legal entity to another;  
21 provided, however, a person may not transfer a license without first  
22 applying for and receiving approval by the Oklahoma Medical  
23 Marijuana Authority.

1        2. Prior to transferring the license, the licensee shall submit  
2 an application requesting such transfer and pay an application fee  
3 of Five Hundred Dollars (\$500.00) to the Authority. Applications  
4 for the transfer of medical marijuana dispensary licenses, medical  
5 marijuana processor licenses or medical marijuana commercial grower  
6 licenses shall be made upon a form and in a manner prescribed by the  
7 Authority. Failure to obtain approval of a license transfer request  
8 may result in the suspension or revocation of the license.

9        3. When the Authority approves an application for a license  
10 transfer, the transferee shall be entitled to the same rights,  
11 privileges and exemptions provided in statute including, but not  
12 limited to, residency requirements and medical marijuana business  
13 location restrictions, exercised or enjoyed by the transferor prior  
14 to the date of the transfer, regardless of whether the medical  
15 marijuana business license of the transferor expires pending  
16 approval of the transfer request.

17        4. If the Authority denies an application for a license  
18 transfer, the Authority shall provide written notice to the  
19 applicant of such denial and shall provide an explanation as to why  
20 the request was denied.

21        5. The Authority shall promulgate rules to implement the  
22 provisions of this subsection.

23        SECTION 2. It being immediately necessary for the preservation  
24 of the public peace, health or safety, an emergency is hereby

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

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