HB2659 FULLPCS2 TJ Marti-GRS 2/24/2021 12:24:53 pm

COMMITTEE AMENDMENT

HOUSE OF REPRESENTATIVES
State of Oklahoma

SPEAKER:			
CHAIR:			
I move to amend	d _нв2659		
Page	Section	Lines	Of the printed Bill
			Of the Engrossed Bill
	e Title, the Enacting Leu thereof the follow		e bill, and by
AMEND TITLE TO COM	NFORM TO AMENDMENTS		
Adopted:	Reading Clerk	Amendment submit	ted by: TJ Marti

1	STATE OF OKLAHOMA			
2	1st Session of the 58th Legislature (2021)			
3	PROPOSED COMMITTEE SUBSTITUTE			
4	FOR HOUSE BILL NO. 2659 By: Echols			
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8	PROPOSED COMMITTEE SUBSTITUTE			
9	An Act relating to medical marijuana; amending			
10	Section 1, State Question No. 788, Initiative Petition No. 412, as last amended by Section 44, Chapter 161, O.S.L. 2020 (63 O.S. Supp. 2020, Section 420), which relates to medical marijuana patient and caregiver licenses; authorizing the possession of topical marijuana; amending Section 2, Chapter 11, O.S.L. 2019, as last amended by Section 48, Chapter 161, O.S.L. 2020 (63 O.S. Supp. 2020, Section 427.2), which relates to the Oklahoma Medical Marijuana and Patient Protection Act; modifying scope of certain definition; and providing an effective date.			
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18	BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:			
19	SECTION 1. AMENDATORY Section 1, State Question No. 788,			
20	Initiative Petition No. 412, as last amended by Section 44, Chapter			
21	161, O.S.L. 2020 (63 O.S. Supp. 2020, Section 420), is amended to			
22	read as follows:			
23	Section 420. A. A person in possession of a state-issued			
24	medical marijuana patient license shall be able to:			

- Consume marijuana legally;
- 2. Legally possess up to three (3) ounces of marijuana on their person;
- 3. Legally possess six mature marijuana plants <u>and the</u> harvested marijuana therefrom;
 - 4. Legally possess six seedling plants;
 - 5. Legally possess one (1) ounce of concentrated marijuana;
 - 6. <u>Legally possess seventy-two (72) ounces of topical</u>

marijuana;

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- 7. Legally possess seventy-two (72) ounces of edible marijuana; and
- 7. 8. Legally possess up to eight (8) ounces of marijuana in their residence.
 - B. Possession of up to one and one-half (1.5) ounces of marijuana by persons who can state a medical condition, but are not in possession of a state-issued medical marijuana license, shall constitute a misdemeanor offense punishable by a fine not to exceed Four Hundred Dollars (\$400.00) and shall not be subject to imprisonment for the offense. Any law enforcement officer who comes in contact with a person in violation of this subsection and who is satisfied as to the identity of the person, as well as any other pertinent information the law enforcement officer deems necessary, shall issue to the person a written citation containing a notice to answer the charge against the person in the appropriate court. Upon

- receiving the written promise of the alleged violator to answer as

 specified in the citation, the law enforcement officer shall release

 the person upon personal recognizance unless there has been a

 violation of another provision of law.
 - C. A regulatory office shall be established under the State

 Department of Health which shall receive applications for medical

 marijuana license recipients, dispensaries, growers, and packagers

 within sixty (60) days of the passage of this initiative.

- D. The State Department of Health shall, within thirty (30) days of passage of this initiative, make available on its website, in an easy-to-find location, an application for a medical marijuana license. The license shall be good for two (2) years. The application fee shall be One Hundred Dollars (\$100.00), or Twenty Dollars (\$20.00) for individuals on Medicaid, Medicare or SoonerCare. The methods of payment shall be provided on the website of the Department.
- E. A short-term medical marijuana license application shall also be made available on the website of the State Department of Health. A short-term medical marijuana license shall be granted to any applicant who can meet the requirements for a two-year medical marijuana license, but whose physician recommendation for medical marijuana is only valid for sixty (60) days. Short-term medical marijuana licenses shall be issued for sixty (60) days. The fee for a short-term medical marijuana license and the procedure for

extending or renewing the license shall be determined by the Department.

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- F. A temporary license application shall also be made available on the website of the Department. A temporary medical marijuana license shall be granted to any medical marijuana license holder from other states, provided that the state has a state-regulated medical marijuana program, and the applicant can prove he or she is a member of such program. Temporary licenses shall be issued for thirty (30) days. The cost for a temporary license shall be One Hundred Dollars (\$100.00). Renewal shall be granted with resubmission of a new application. No additional criteria shall be required.
 - G. Medical marijuana license applicants shall submit his or her their applications to the State Department of Health for approval.

 The applicant shall be an Oklahoma state resident and shall prove residency by a valid driver license, utility bills, or other accepted methods.
 - H. The State Department of Health shall review the medical marijuana application, approve or reject the application, and mail the approval or rejection letter stating any reasons for rejection to the applicant within fourteen (14) business days of receipt of the application. Approved applicants shall be issued a medical marijuana license which shall act as proof of his or her approved status. Applications may only be rejected based on the applicant

- 1 not meeting stated criteria or improper completion of the
 2 application.
 - I. The State Department of Health shall only keep the following records for each approved medical marijuana license:
 - 1. A digital photograph of the license holder;
 - 2. The expiration date of the license;

- 3. The county where the card was issued; and
- 4. A unique 24-character identification number assigned to the license.
- J. The State Department of Health shall make available, both on its website and through a telephone verification system, an easy method to validate the authenticity of the medical marijuana license by the unique 24-character identification number.
- K. The State Department of Health shall ensure that all application records and information are sealed to protect the privacy of medical marijuana license applicants.
- L. A caregiver license shall be made available for qualified caregivers of a medical marijuana license holder who is homebound. As provided in Section 11 of Enrolled House Bill No. 2612 of the 1st Session of the 57th Oklahoma Legislature 427.8 of this title, the caregiver license shall provide the caregiver the same rights as the medical marijuana patient licensee, including the ability to possess marijuana, marijuana products and mature and immature plants pursuant to the Oklahoma Medical Marijuana and Patient Protection

Act, but excluding the ability to use marijuana or marijuana products unless the caregiver has a medical marijuana patient license. An applicant for a caregiver license shall submit proof of the license status and homebound status of the medical marijuana patient and proof that the applicant is the designee of the medical marijuana patient. The applicant shall also submit proof that he or she is eighteen (18) years of age or older and proof of his or her Oklahoma residency. This shall be the only criteria for a caregiver license.

- M. All applicants shall be eighteen (18) years of age or older. A special exception shall be granted to an applicant under the age of eighteen (18); however, these applications shall be signed by two physicians and the parent or legal guardian of the applicant.
- N. All applications for a medical marijuana license shall be signed by an Oklahoma physician. There are no qualifying conditions. A medical marijuana license must be recommended according to the accepted standards a reasonable and prudent physician would follow when recommending or approving any medication. No physician may be unduly stigmatized or harassed for signing a medical marijuana license application.
- O. Counties and cities may enact medical marijuana guidelines allowing medical marijuana license holders or caregivers to exceed the state limits set forth in subsection A of this section.

1 SECTION 2. AMENDATORY Section 2, Chapter 11, O.S.L. 2 2019, as last amended by Section 48, Chapter 161, O.S.L. 2020 (63 O.S. Supp. 2020, Section 427.2), is amended to read as follows: 3 Section 427.2 As used in this act:

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- "Advertising" means the act of providing consideration for the publication, dissemination, solicitation, or circulation, of visual, oral, or written communication to induce directly or indirectly any person to patronize a particular medical marijuana business, or to purchase particular medical marijuana or a medical marijuana product. Advertising includes marketing, but does not include packaging and labeling;
 - "Authority" means the Oklahoma Medical Marijuana Authority;
- 3. "Batch number" means a unique numeric or alphanumeric identifier assigned prior to testing to allow for inventory tracking and traceability;
- "Cannabinoid" means any of the chemical compounds that are active principles of marijuana;
- 5. "Caregiver" means a family member or assistant who regularly looks after a medical marijuana license holder whom a physician attests needs assistance;
 - "Child-resistant" means special packaging that is:
 - designed or constructed to be significantly difficult for children under five (5) years of age to open and not difficult for normal adults to use properly as

defined by 16 C.F.R. 1700.15 (1995) and 16 C.F.R. 1700.20 (1995),

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- b. opaque so that the outermost packaging does not allow the product to be seen without opening the packaging material, and
- c. resealable to maintain its child-resistant effectiveness for multiple openings for any product intended for more than a single use or containing multiple servings;
- 7. "Clone" means a nonflowering plant cut from a mother plant that is capable of developing into a new plant and has shown no signs of flowering;
 - 8. "Commissioner" means the State Commissioner of Health;
- 9. "Complete application" means a document prepared in accordance with the provisions set forth in this act, rules promulgated pursuant thereto, and the forms and instructions provided by the Department, including any supporting documentation required and the applicable license application fee;
 - 10. "Department" means the State Department of Health;
- 11. "Director" means the Executive Director of the Oklahoma Medical Marijuana Authority;
- 12. "Dispense" means the selling of medical marijuana or a medical marijuana product to a qualified patient or the designated caregiver of the patient that is packaged in a suitable container

appropriately labeled for subsequent administration to or use by a qualifying patient;

- 13. "Dispensary" means a medical marijuana dispensary, an entity that has been licensed by the Department pursuant to this act the Oklahoma Medical Marijuana and Patient Protection Act to:
 - a. purchase medical marijuana or medical marijuana products from a licensed medical marijuana commercial grower, licensed medical marijuana dispensary or licensed medical marijuana processor,
 - b. prepare and package non-infused, pre-rolled medical marijuana,
 - c. sell or transfer products to another dispensary, or
 - d. sell medical marijuana or medical marijuana products to <u>licensed medical marijuana</u> patients and <u>licensed</u> caregivers as defined <u>under in</u> this act, or sell or transfer products to another dispensary section;
- 14. "Edible medical marijuana product" means any medicalmarijuana-infused product for which the intended use is oral
 consumption including, but not limited to, any type of food, drink
 or pill;
- 15. "Entity" means an individual, general partnership, limited partnership, limited liability company, trust, estate, association, corporation, cooperative, or any other legal or commercial entity;

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

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- 17. "Flowering" means the reproductive state of the marijuana or cannabis plant in which there are physical signs of flower or budding out of the nodes of the stem;
- 18. "Food-based medical marijuana concentrate" means a medical marijuana concentrate that was produced by extracting cannabinoids from medical marijuana through the use of propylene glycol, glycerin, butter, olive oil, coconut oil or other typical food-safe cooking fats;
- 19. "Good cause" for purposes of an initial, renewal or reinstatement license application, or for purposes of discipline of a licensee, means:
 - a. the licensee or applicant has violated, does not meet, or has failed to comply with any of the terms, conditions or provisions of the act, any rules promulgated pursuant thereto, or any supplemental relevant state or local law, rule or regulation,
 - b. the licensee or applicant has failed to comply with any special terms or conditions that were placed upon the license pursuant to an order of the State

Department of Health, Oklahoma Medical Marijuana

Authority or the municipality, or

- c. the licensed premises of a medical marijuana business or applicant have been operated in a manner that adversely affects the public health or welfare or the safety of the immediate vicinity in which the establishment is located;
- 20. "Harvest batch" means a specifically identified quantity of medical marijuana that is uniform in strain, cultivated utilizing the same cultivation practices, harvested at the same time from the same location and cured under uniform conditions;
- 21. "Harvested marijuana" means post-flowering medical marijuana not including trim, concentrate or waste;
- 22. "Heat- or pressure-based medical marijuana concentrate" means a medical marijuana concentrate that was produced by extracting cannabinoids from medical marijuana through the use of heat or pressure;
- 23. "Immature plant" means a nonflowering marijuana plant that has not demonstrated signs of flowering;
- 24. "Inventory tracking system" means the required tracking system that accounts for medical marijuana from either the seed or immature plant stage until the medical marijuana or medical marijuana product is sold to a patient at a medical marijuana dispensary, transferred to a medical marijuana research facility,

destroyed by a medical marijuana business or used in a research project by a medical marijuana research facility;

- 25. "Licensed patient" or "patient" means a person who has been issued a medical marijuana patient license by the State Department of Health or Oklahoma Medical Marijuana Authority;
- 26. "Licensed premises" means the premises specified in an application for a medical marijuana business license, medical marijuana research facility license or medical marijuana education facility license pursuant to this act that are owned or in possession of the licensee and within which the licensee is authorized to cultivate, manufacture, distribute, sell, store, transport, test or research medical marijuana or medical marijuana products in accordance with the provisions of this act and rules promulgated pursuant thereto;
- 27. "Manufacture" means the production, propagation, compounding or processing of a medical marijuana product, excluding marijuana plants, either directly or indirectly by extraction from substances of natural or synthetic origin, or independently by means of chemical synthesis, or by a combination of extraction and chemical synthesis;
- 28. "Marijuana" shall have the same meaning as such term is defined in Section 2-101 of Title 63 of the Oklahoma Statutes;
- 29. "Material change" means any change that would require a substantive revision to the standard operating procedures of a

licensee for the cultivation or production of medical marijuana, medical marijuana concentrate or medical marijuana products;

- 30. "Mature plant" means a harvestable female marijuana plant that is flowering;
- 31. "Medical marijuana business (MMB)" means a licensed medical marijuana dispensary, medical marijuana processor, medical marijuana commercial grower, medical marijuana laboratory, medical marijuana business operator, or a medical marijuana transporter;
- 32. "Medical marijuana concentrate" or "concentrate" means a specific subset of medical marijuana that was produced by extracting cannabinoids from medical marijuana. Categories of medical marijuana concentrate include water-based medical marijuana concentrate, food-based medical marijuana concentrate, solvent-based medical marijuana concentrate, and heat- or pressure-based medical marijuana concentrate;
- 33. "Medical marijuana commercial grower" or "commercial grower" means an entity licensed to cultivate, prepare and package medical marijuana and transfer or contract for transfer medical marijuana to a medical marijuana dispensary, medical marijuana processor, any other medical marijuana commercial grower, medical marijuana research facility, medical marijuana education facility and pesticide manufacturers. A commercial grower may sell seeds, flower or clones to commercial growers pursuant to this act;

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

- 35. "Medical-marijuana-infused product" means a product infused with medical marijuana including, but not limited to, edible products, ointments and tinctures;
- 36. "Medical marijuana product" or "product" means a product that contains cannabinoids that have been extracted from plant material or the resin therefrom by physical or chemical means and is intended for administration to a qualified patient including, but not limited to, oils, tinctures, edibles, pills, topical forms, gels, creams, vapors, patches, liquids, and forms administered by a nebulizer, excluding live plant forms which are considered medical marijuana;
- 37. "Medical marijuana processor" means a person or entity licensed pursuant to this act to operate a business including the production, manufacture, extraction, processing, packaging or creation of concentrate, medical-marijuana-infused products or medical marijuana products as described in this act;

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

- 39. "Medical marijuana testing laboratory" or "laboratory" means a public or private laboratory licensed pursuant to this act, to conduct testing and research on medical marijuana and medical marijuana products;
- 40. "Medical marijuana transporter" or "transporter" means a person or entity that is licensed pursuant to this act. A medical marijuana transporter does not include a medical marijuana business that transports its own medical marijuana, medical marijuana concentrate or medical marijuana products to a property or facility adjacent to or connected to the licensed premises if the property is another licensed premises of the same medical marijuana business;
- 41. "Medical marijuana waste" or "waste" means unused, surplus, returned or out-of-date marijuana, plant debris of the plant of the genus Cannabis, including dead plants and all unused plant parts and roots, except the term shall not include roots, stems, stalks and fan leaves;
- 42. "Medical use" means the acquisition, possession, use, delivery, transfer or transportation of medical marijuana, medical marijuana products, medical marijuana devices or paraphernalia

1 relating to the administration of medical marijuana to treat a 2 licensed patient;

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- 43. "Mother plant" means a marijuana plant that is grown or maintained for the purpose of generating clones, and that will not be used to produce plant material for sale to a medical marijuana processor or medical marijuana dispensary;
- 44. "Oklahoma physician" or "physician" means a physician licensed by and in good standing with the State Board of Medical Licensure and Supervision, the State Board of Osteopathic Examiners or the Board of Podiatric Medical Examiners;
- 45. "Oklahoma resident" means an individual who can provide proof of residency as required by this act;
- 46. "Owner" means, except where the context otherwise requires, a direct beneficial owner including, but not limited to, all persons or entities as follows:
 - a. all shareholders owning an interest of a corporate entity and all officers of a corporate entity,
 - b. all partners of a general partnership,
 - c. all general partners and all limited partners that own an interest in a limited partnership,
 - d. all members that own an interest in a limited liability company,
 - e. all beneficiaries that hold a beneficial interest in a trust and all trustees of a trust,

f. all persons or entities that own interest in a joint venture,

- g. all persons or entities that own an interest in an association,
- h. the owners of any other type of legal entity, and
- i. any other person holding an interest or convertible note in any entity which owns, operates or manages a licensed facility;
- 47. "Package" or "packaging" means any container or wrapper that may be used by a medical marijuana business to enclose or contain medical marijuana;
- 48. "Person" means a natural person, partnership, association, business trust, company, corporation, estate, limited liability company, trust or any other legal entity or organization, or a manager, agent, owner, director, servant, officer or employee thereof, except that "person" does not include any governmental organization;
- 49. "Pesticide" means any substance or mixture of substances intended for preventing, destroying, repelling or mitigating any pest or any substance or mixture of substances intended for use as a plant regulator, defoliant or desiccant, except that the term "pesticide" shall not include any article that is a "new animal drug" as designated by the United States Food and Drug Administration;

50. "Production batch" means:

- a. any amount of medical marijuana concentrate of the same category and produced using the same extraction methods, standard operating procedures and an identical group of harvest batch of medical marijuana, or
- b. any amount of medical marijuana product of the same exact type, produced using the same ingredients, standard operating procedures and the same production batch of medical marijuana concentrate;
- 51. "Public institution" means any entity established or controlled by the federal government, state government, or a local government or municipality including, but not limited to, institutions of higher education or related research institutions;
- 52. "Public money" means any funds or money obtained by the holder from any governmental entity including, but not limited to, research grants;
- 53. "Recommendation" means a document that is signed or electronically submitted by a physician on behalf of a patient for the use of medical marijuana pursuant to this act;
- 54. "Registered to conduct business" means a person that has provided proof that the business applicant is in good standing with the Oklahoma Secretary of State and Oklahoma Tax Commission;

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

- 56. "Research project" means a discrete scientific endeavor to answer a research question or a set of research questions related to medical marijuana and is required for a medical marijuana research license. A research project shall include a description of a defined protocol, clearly articulated goals, defined methods and outputs, and a defined start and end date. The description shall demonstrate that the research project will comply with all requirements in this act and rules promulgated pursuant thereto. All research and development conducted by a medical marijuana research facility shall be conducted in furtherance of an approved research project;
- 57. "Revocation" means the final decision by the Department that any license issued pursuant to this act is rescinded because the individual or entity does not comply with the applicable requirements set forth in this act or rules promulgated pursuant thereto;
- 58. "School" means a public or private preschool or a public or private elementary or secondary school used for school classes and instruction. A homeschool, daycare or child-care facility shall not be considered a "school" as used in this act;

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

- 60. "Solvent-based medical marijuana concentrate" means a medical marijuana concentrate that was produced by extracting cannabinoids from medical marijuana through the use of a solvent approved by the Department;
- 61. "State Question" means Oklahoma State Question No. 788, Initiative Petition No. 412, approved by a majority vote of the citizens of Oklahoma on June 26, 2018;
- 62. "Strain" means the classification of marijuana or cannabis plants in either pure sativa, indica, afghanica, ruderalis or hybrid varieties;
- 63. "THC" means tetrahydrocannabinol, which is the primary psychotropic cannabinoid in marijuana formed by decarboxylation of naturally tetrahydrocannabinolic acid, which generally occurs by exposure to heat;
- 64. "Test batch" means with regard to usable marijuana, a homogenous, identified quantity of usable marijuana by strain, no greater than ten (10) pounds, that is harvested during a seven-day period from a specified cultivation area, and with regard to oils,

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vapors and waxes derived from usable marijuana, means an identified quantity that is uniform, that is intended to meet specifications for identity, strength and composition, and that is manufactured, packaged and labeled during a specified time period according to a single manufacturing, packaging and labeling protocol;
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- 65. "Transporter agent" means a person who transports medical marijuana or medical marijuana products for a licensed transporter and holds a transporter agent license pursuant to this act;
- 66. "Universal symbol" means the image established by the State Department of Health or Oklahoma Medical Marijuana Authority and made available to licensees through its website indicating that the medical marijuana or the medical marijuana product contains THC;
- 67. "Usable marijuana" means the dried leaves, flowers, oils, vapors, waxes and other portions of the marijuana plant and any mixture or preparation thereof, excluding seed, roots, stems, stalks and fan leaves; and
- 68. "Water-based medical marijuana concentrate" means a concentrate that was produced by extracting cannabinoids from medical marijuana through the use of only water, ice, or dry ice.

This act shall become effective November 1, 2021.

58-1-7676 GRS 02/23/21

SECTION 3.