

STATE OF OKLAHOMA

2nd Session of the 58th Legislature (2022)

COMMITTEE SUBSTITUTE  
FOR

HOUSE BILL NO. 3634

By: Fetgatter

PROPOSED COMMITTEE SUBSTITUTE

An Act relating to medical marijuana; amending 63 O.S. 2021, Sections 427.2, 427.14 and 427.16, which relate to the Oklahoma Medical Marijuana and Patient Protection Act; adding definition; modifying certain definition; adding medical marijuana wholesaler license; providing for the issuance of medical marijuana wholesaler licenses; modifying transporter requirements to allow wholesaler licensees to contract with other businesses; stating storage security requirements for wholesaler licensees; requiring wholesaler licensees to utilize seed-to-sale tracking; providing requirements for warehousing medical marijuana products; and providing an effective date.

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

SECTION 1. AMENDATORY 63 O.S. 2021, Section 427.2, is amended to read as follows:

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

1. "Advertising" means the act of providing consideration for the publication, dissemination, solicitation, or circulation, of

1 visual, oral, or written communication to induce directly or  
2 indirectly any person to patronize a particular medical marijuana  
3 business, or to purchase particular medical marijuana or a medical  
4 marijuana product. Advertising includes marketing, but does not  
5 include packaging and labeling;

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

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

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

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

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

16 a. designed or constructed to be significantly difficult  
17 for children under five (5) years of age to open and  
18 not difficult for normal adults to use properly as  
19 defined by 16 C.F.R. 1700.15 (1995) and 16 C.F.R.  
20 1700.20 (1995),

21 b. opaque so that the outermost packaging does not allow  
22 the product to be seen without opening the packaging  
23 material, and  
24

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

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

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

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

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

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

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

13. "Dispensary" means a medical marijuana dispensary, an entity that has been licensed by the Department pursuant to the

1 Oklahoma Medical Marijuana and Patient Protection Act to purchase  
2 medical marijuana or medical marijuana products from a licensed  
3 medical marijuana commercial grower or licensed medical marijuana  
4 processor, to prepare and package noninfused pre-rolled medical  
5 marijuana, and to sell medical marijuana or medical marijuana  
6 products to licensed patients and caregivers as defined in this  
7 section, or sell or transfer products to another licensed  
8 dispensary;

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

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

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

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

23 18. "Food-based medical marijuana concentrate" means a medical  
24 marijuana concentrate that was produced by extracting cannabinoids

1 from medical marijuana through the use of propylene glycol,  
2 glycerin, butter, olive oil, coconut oil or other typical food-safe  
3 cooking fats;

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

8 20. "Harvested marijuana" means postflowering medical marijuana  
9 not including trim, concentrate or waste;

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

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

16 23. "Inventory tracking system" means the required tracking  
17 system that accounts for the entire life span of medical marijuana  
18 and medical marijuana products, including any testing samples  
19 thereof and medical marijuana waste;

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

23 25. "Licensed premises" means the premises specified in an  
24 application for a medical marijuana business license, medical

1 marijuana research facility license or medical marijuana education  
2 facility license pursuant to the Oklahoma Medical Marijuana and  
3 Patient Protection Act that are owned or in possession of the  
4 licensee and within which the licensee is authorized to cultivate,  
5 manufacture, distribute, sell, store, transport, test or research  
6 medical marijuana or medical marijuana products in accordance with  
7 the provisions of the Oklahoma Medical Marijuana and Patient  
8 Protection Act and rules promulgated pursuant thereto;

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

15       27. "Marijuana" shall have the same meaning as such term is  
16 defined in Section 2-101 of this title;

17       28. "Material change" means any change that would affect the  
18 qualifications for licensure of an applicant or licensee;

19       29. "Mature plant" means a harvestable female marijuana plant  
20 that is flowering;

21       30. "Medical marijuana business (MMB)" means a licensed medical  
22 marijuana dispensary, medical marijuana processor, medical marijuana  
23 commercial grower, medical marijuana laboratory, medical marijuana  
24

1 business operator ~~or a~~, medical marijuana transporter, or a medical  
2 marijuana wholesaler;

3 31. "Medical marijuana concentrate" or "concentrate" means a  
4 specific subset of medical marijuana that was produced by extracting  
5 cannabinoids from medical marijuana. Categories of medical  
6 marijuana concentrate include water-based medical marijuana  
7 concentrate, food-based medical marijuana concentrate, solvent-based  
8 medical marijuana concentrate, and heat- or pressure-based medical  
9 marijuana concentrate;

10 32. "Medical marijuana commercial grower" or "commercial  
11 grower" means an entity licensed to cultivate, prepare and package  
12 medical marijuana or package medical marijuana as pre-rolls, and  
13 transfer or contract for transfer medical marijuana and medical  
14 marijuana pre-rolls to a medical marijuana dispensary, medical  
15 marijuana processor, any other medical marijuana commercial grower,  
16 medical marijuana research facility or medical marijuana education  
17 facility. A commercial grower may sell seeds, flower or clones to  
18 commercial growers pursuant to the Oklahoma Medical Marijuana and  
19 Patient Protection Act;

20 33. "Medical marijuana education facility" or "education  
21 facility" means a person or entity approved pursuant to the Oklahoma  
22 Medical Marijuana and Patient Protection Act to operate a facility  
23 providing training and education to individuals involving the  
24 cultivation, growing, harvesting, curing, preparing, packaging or

1 testing of medical marijuana, or the production, manufacture,  
2 extraction, processing, packaging or creation of medical-marijuana-  
3 infused products or medical marijuana products as described in the  
4 Oklahoma Medical Marijuana and Patient Protection Act;

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

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

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

23 37. "Medical marijuana research facility" or "research  
24 facility" means a person or entity approved pursuant to the Oklahoma



1 Medical Marijuana and Patient Protection Act to conduct medical  
2 marijuana research. A medical marijuana research facility is not a  
3 medical marijuana business;

4 38. "Medical marijuana testing laboratory" or "laboratory"  
5 means a public or private laboratory licensed pursuant to the  
6 Oklahoma Medical Marijuana and Patient Protection Act to conduct  
7 testing and research on medical marijuana and medical marijuana  
8 products;

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

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

22 41. "Medical marijuana wholesaler" or "wholesaler" means an  
23 entity licensed by the Oklahoma Medical Marijuana Authority to  
24 acquire, possess, sell, or distribute medical marijuana or medical

1 marijuana products on behalf of another licensed medical marijuana  
2 business in the State of Oklahoma. A medical marijuana wholesaler  
3 does not include a medical marijuana business which grows, produces  
4 and sells its own medical marijuana, medical marijuana concentrate,  
5 or medical marijuana products;

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

11 ~~42.~~ 43. "Mother plant" means a marijuana plant that is grown or  
12 maintained for the purpose of generating clones, and that will not  
13 be used to produce plant material for sale to a medical marijuana  
14 processor or medical marijuana dispensary;

15 ~~43.~~ 44. "Oklahoma physician" or "physician" means a physician  
16 licensed by and in good standing with the State Board of Medical  
17 Licensure and Supervision, the State Board of Osteopathic Examiners  
18 or the Board of Podiatric Medical Examiners;

19 ~~44.~~ 45. "Oklahoma resident" means an individual who can provide  
20 proof of residency as required by the Oklahoma Medical Marijuana and  
21 Patient Protection Act;

22 ~~45.~~ 46. "Owner" means, except where the context otherwise  
23 requires, a direct beneficial owner including, but not limited to,  
24 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;

~~46.~~ 47 "Package" or "packaging" means any container or wrapper that may be used by a medical marijuana business to enclose or contain medical marijuana;

~~47.~~ 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

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

3       ~~48.~~ 49.   "Pesticide" means any substance or mixture of  
4   substances intended for preventing, destroying, repelling or  
5   mitigating any pest or any substance or mixture of substances  
6   intended for use as a plant regulator, defoliant or desiccant,  
7   except that the term "pesticide" shall not include any article that  
8   is a "new animal drug" as designated by the United States Food and  
9   Drug Administration;

10      ~~49.~~ 50.   "Production batch" means:

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

20      ~~50.~~ 51.   "Public institution" means any entity established or  
21   controlled by the federal government, state government, or a local  
22   government or municipality including, but not limited to,  
23   institutions of higher education or related research institutions;

1       ~~51.~~ 52. "Public money" means any funds or money obtained by the  
2 holder from any governmental entity including, but not limited to,  
3 research grants;

4       ~~52.~~ 53. "Recommendation" means a document that is signed or  
5 electronically submitted by a physician on behalf of a patient for  
6 the use of medical marijuana pursuant to the Oklahoma Medical  
7 Marijuana and Patient Protection Act;

8       ~~53.~~ 54. "Registered to conduct business" means a person that  
9 has provided proof that the business applicant or licensee is in  
10 good standing with the Oklahoma Secretary of State;

11       ~~54.~~ 55. "Remediation" means the process by which a harvest  
12 batch or production batch that fails testing undergoes a procedure  
13 to remedy the harvest batch or production batch and is retested in  
14 accordance with Oklahoma laws, rules and regulations;

15       ~~55.~~ 56. "Research project" means a discrete scientific endeavor  
16 to answer a research question or a set of research questions related  
17 to medical marijuana and is required for a medical marijuana  
18 research license. A research project shall include a description of  
19 a defined protocol, clearly articulated goals, defined methods and  
20 outputs, and a defined start and end date. The description shall  
21 demonstrate that the research project will comply with all  
22 requirements in the Oklahoma Medical Marijuana and Patient  
23 Protection Act and rules promulgated pursuant thereto. All research  
24

1 and development conducted by a medical marijuana research facility  
2 shall be conducted in furtherance of an approved research project;

3 ~~56.~~ 57. "Revocation" means the final decision by the Department  
4 that any license issued pursuant to the Oklahoma Medical Marijuana  
5 and Patient Protection Act is rescinded because the individual or  
6 entity does not comply with the applicable requirements set forth in  
7 the Oklahoma Medical Marijuana and Patient Protection Act or rules  
8 promulgated pursuant thereto;

9 ~~57.~~ 58. "School" means a public or private elementary, middle  
10 or high school used for school classes and instruction. A  
11 homeschool, daycare or child-care facility shall not be considered a  
12 "school" as used in the Oklahoma Medical Marijuana and Patient  
13 Protection Act;

14 ~~58.~~ 59. "Shipping container" means a hard-sided container with  
15 a lid or other enclosure that can be secured in place. A shipping  
16 container is used solely for the transport of medical marijuana,  
17 medical marijuana concentrate, or medical marijuana products between  
18 medical marijuana businesses, a medical marijuana research facility,  
19 or a medical marijuana education facility;

20 ~~59.~~ 60. "Solvent-based medical marijuana concentrate" means a  
21 medical marijuana concentrate that was produced by extracting  
22 cannabinoids from medical marijuana through the use of a solvent  
23 approved by the Department;

1       ~~60.~~ 61. "State Question" means Oklahoma State Question No. 788,  
2 Initiative Petition No. 412, approved by a majority vote of the  
3 citizens of Oklahoma on June 26, 2018;

4       ~~61.~~ 62. "Strain" means the name given to a particular variety  
5 of medical marijuana that is based on a combination of factors which  
6 may include, but is not limited to, botanical lineage, appearance,  
7 chemical profile and accompanying effects. An example of a "strain"  
8 would be "OG Kush" or "Pineapple Express";

9       ~~62.~~ 63. "THC" means tetrahydrocannabinol, which is the primary  
10 psychotropic cannabinoid in marijuana formed by decarboxylation of  
11 naturally tetrahydrocannabinolic acid, which generally occurs by  
12 exposure to heat;

13       ~~63.~~ 64. "Transporter agent" means a person who transports  
14 medical marijuana or medical marijuana products as an employee of a  
15 licensed medical marijuana business and holds a transporter agent  
16 license specific to that business pursuant to the Oklahoma Medical  
17 Marijuana and Patient Protection Act;

18       ~~64.~~ 65. "Universal symbol" means the image established by the  
19 State Department of Health or Oklahoma Medical Marijuana Authority  
20 and made available to licensees through its website indicating that  
21 the medical marijuana or the medical marijuana product contains THC;

22       ~~65.~~ 66. "Usable marijuana" means the dried leaves, flowers,  
23 oils, vapors, waxes and other portions of the marijuana plant and  
24

1 any mixture or preparation thereof, excluding seeds, roots, stems,  
2 stalks and fan leaves; and

3 ~~66.~~ 67. "Water-based medical marijuana concentrate" means a  
4 concentrate that was produced by extracting cannabinoids from  
5 medical marijuana through the use of only water, ice or dry ice.

6 SECTION 2. AMENDATORY 63 O.S. 2021, Section 427.14, is  
7 amended to read as follows:

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

- 11 1. Medical marijuana commercial grower;
- 12 2. Medical marijuana processor;
- 13 3. Medical marijuana dispensary;
- 14 4. Medical marijuana transporter; ~~and~~
- 15 5. Medical marijuana testing laboratory; and
- 16 6. Medical marijuana wholesaler.

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

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

23

24



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

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

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

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

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

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

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

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

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

- a. twenty-five (25) years of age or older,
- b. if applying as an individual, proof that the applicant is an Oklahoma resident pursuant to paragraph 11 of this subsection,
- c. if applying as an entity, proof that seventy-five percent (75%) of all members, managers, executive officers, partners, board members or any other form of business ownership are Oklahoma residents pursuant to paragraph 11 of this subsection,
- d. if applying as an individual or entity, proof that the individual or entity is registered to conduct business in the State of Oklahoma,
- e. disclosure of all ownership interests pursuant to the Oklahoma Medical Marijuana and Patient Protection Act, and
- f. proof that the medical marijuana business, medical marijuana research facility, medical marijuana education facility and medical marijuana waste disposal facility applicant or licensee has not been convicted of a nonviolent felony in the last two (2) years, or any other felony conviction within the last five (5) years, is not a current inmate in the custody of the Department of Corrections, or currently incarcerated in a jail or corrections facility;

1        8. There shall be no limit to the number of medical marijuana  
2 business licenses or categories that an individual or entity can  
3 apply for or receive, although each application and each category  
4 shall require a separate application and application fee. A  
5 commercial grower, processor and dispensary, or any combination  
6 thereof, are authorized to share the same address or physical  
7 location, subject to the restrictions set forth in the Oklahoma  
8 Medical Marijuana and Patient Protection Act;

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

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

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

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

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

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

21        12. All license applicants shall be required to submit a  
22 registration with the Oklahoma State Bureau of Narcotics and  
23 Dangerous Drugs Control as provided in Sections 2-302 through 2-304  
24 of this title;

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

- 4            a. front of an Oklahoma driver license,
- 5            b. front of an Oklahoma identification card,
- 6            c. a United States passport or other photo identification  
7                issued by the United States government, or
- 8            d. a tribal identification card approved for  
9                identification purposes by the Oklahoma Department of  
10               Public Safety; and

11        14. All applicants shall submit an applicant photograph.

12        F. The Authority shall review the medical marijuana business  
13 application; approve, reject or deny the application; and mail the  
14 approval, rejection, denial or status-update letter to the applicant  
15 within ninety (90) business days of receipt of the application.

16        G. 1. The Authority shall review the medical marijuana  
17 business applications and conduct all investigations, inspections  
18 and interviews before approving the application.

19        2. Approved applicants shall be issued a medical marijuana  
20 business license for the specific category applied under, which  
21 shall act as proof of their approved status. Rejection and denial  
22 letters shall provide a reason for the rejection or denial.  
23 Applications may only be rejected or denied based on the applicant  
24 not meeting the standards set forth in the provisions of the

Oklahoma Medical Marijuana and Patient Protection Act and Sections 420 through 426.1 of this title, improper completion of the application, or for a reason provided for in the Oklahoma Medical Marijuana and Patient Protection Act and Sections 420 through 426.1 of this title. If an application is rejected for failure to provide required information, the applicant shall have thirty (30) days to submit the required information for reconsideration. No additional application fee shall be charged for such reconsideration. Unless the Department determines otherwise, an application that has been resubmitted but is still incomplete or contains errors that are not clerical or typographical in nature shall be denied.

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

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

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

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

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

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

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

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

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

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

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

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

21       8. A person who was involved in the management or operations of  
22 any medical marijuana business, medical marijuana research facility,  
23 medical marijuana education facility or medical marijuana waste  
24 disposal facility that, after the initiation of a disciplinary

1 action, has had a medical marijuana license revoked, not renewed, or  
2 surrendered during the five (5) years preceding submission of the  
3 application and for the following violations:

- 4 a. unlawful sales or purchases,
- 5 b. any fraudulent acts, falsification of records or  
6 misrepresentation to the Authority, medical marijuana  
7 patient licensees, caregiver licensees or medical  
8 marijuana business licensees,
- 9 c. any grossly inaccurate or fraudulent reporting,
- 10 d. threatening or harming any medical marijuana patient,  
11 caregiver, medical practitioner or employee of the  
12 Department,
- 13 e. knowingly or intentionally refusing to permit the  
14 Department access to premises or records,
- 15 f. using a prohibited, hazardous substance for processing  
16 in a residential area,
- 17 g. criminal acts relating to the operation of a medical  
18 marijuana business, or
- 19 h. any violations that endanger public health and safety  
20 or product safety.

21 I. In investigating the qualifications of an applicant or a  
22 licensee, the Department, Authority and municipalities may have  
23 access to criminal history record information furnished by a  
24



1 criminal justice agency subject to any restrictions imposed by such  
2 an agency.

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

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

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

22 M. All medical marijuana business, medical marijuana research  
23 facility, medical marijuana education facility and medical marijuana  
24

1 waste disposal facility licensees shall pay the relevant licensure  
2 fees prior to receiving licensure to operate.

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

10 O. No medical marijuana business, medical marijuana research  
11 facility, medical marijuana education facility or medical marijuana  
12 waste disposal facility shall possess, sell or transfer medical  
13 marijuana or medical marijuana products without a valid, unexpired  
14 license issued by the Department.

15 SECTION 3. AMENDATORY 63 O.S. 2021, Section 427.16, is  
16 amended to read as follows:

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

20 B. Pursuant to Section 424 of this title, the Oklahoma Medical  
21 Marijuana Authority shall issue a medical marijuana transporter  
22 license to licensed medical marijuana commercial growers, processors  
23 and dispensaries upon issuance of such licenses and upon each  
24 renewal. Medical marijuana transporter licenses shall also be

1 issued to licensed medical marijuana research facilities, medical  
2 marijuana education facilities and medical marijuana testing  
3 laboratories upon issuance of such licenses and upon each renewal.

4 C. A Aside from a medical marijuana transporter license issued  
5 to a licensed medical marijuana dispensary, medical marijuana  
6 commercial grower, medical marijuana processor, medical marijuana  
7 research facility, or medical marijuana education facility in  
8 conjunction with its business license, a medical marijuana  
9 transporter license may also be issued to qualifying applicants who  
10 are registered with the Oklahoma Secretary of State and otherwise  
11 meet the requirements for a medical marijuana business license set  
12 forth in the Oklahoma Medical Marijuana and Patient Protection Act  
13 and the requirements set forth in this section to provide logistics,  
14 distribution and storage of medical marijuana, medical marijuana  
15 concentrate and medical marijuana products. The license, when not  
16 issued in conjunction with a medical marijuana dispensary, medical  
17 marijuana commercial grower, medical marijuana processor, medical  
18 marijuana research facility, or medical marijuana education facility  
19 license, shall be known as a "medical marijuana wholesaler license"  
20 or "wholesaler license".

21 D. A medical marijuana transporter license or wholesaler  
22 license shall be valid for one (1) year and shall not be transferred  
23 with a change of ownership. A licensed medical marijuana  
24 transporter or wholesaler shall be responsible for all medical

1 marijuana, medical marijuana concentrate and medical marijuana  
2 products once the transporter or wholesaler takes control of the  
3 product.

4 E. A transporter license or wholesaler license shall be  
5 required for any person or entity to transport or transfer medical  
6 marijuana, medical marijuana concentrate or medical marijuana  
7 products from a licensed medical marijuana business to another  
8 medical marijuana business, or from a medical marijuana business to  
9 a medical marijuana research facility or medical marijuana education  
10 facility.

11 F. ~~A~~ Only a medical marijuana transporter or wholesaler  
12 licensee may contract with multiple licensed medical marijuana  
13 businesses to package, store, and transport medical marijuana,  
14 medical marijuana concentrate, and medical marijuana products on its  
15 behalf in the State of Oklahoma.

16 G. A medical marijuana transporter or wholesaler may maintain a  
17 licensed premises to ~~temporarily~~ store medical marijuana, medical  
18 marijuana concentrate and medical marijuana products and to use as a  
19 centralized packaging and distribution point. ~~A~~ Except for a  
20 medical marijuana business using its own owners or employees, only a  
21 medical marijuana transporter or wholesaler and its employees may  
22 broker, package, store and, market, or distribute medical marijuana,  
23 medical marijuana concentrate and medical marijuana products ~~from~~  
24 ~~the licensed premises~~ in the State of Oklahoma on behalf of another

1 medical marijuana business licensee. The licensed premises of the  
2 wholesaler shall meet all security requirements applicable to a  
3 medical marijuana business.

4 H. A medical marijuana transporter or wholesaler licensee shall  
5 use the seed-to-sale tracking system developed pursuant to the  
6 Oklahoma Medical Marijuana and Patient Protection Act to track all  
7 medical marijuana, medical marijuana concentrate, and medical  
8 marijuana products received, packaged, stored, or distributed by a  
9 transporter or wholesaler and to create shipping manifests  
10 documenting the transport of medical marijuana, medical marijuana  
11 concentrate and medical marijuana products throughout the state.

12 I. A licensed medical marijuana transporter or wholesaler may  
13 maintain and operate one or more warehouses in the state to handle  
14 medical marijuana, medical marijuana concentrate and medical  
15 marijuana products. Each location shall be registered and inspected  
16 by the Authority prior to its use.

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

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

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

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

3        K. A transporter agent may possess marijuana at any location  
4 while the transporter agent is transferring marijuana to or from a  
5 licensed medical marijuana business, licensed medical marijuana  
6 research facility or licensed medical marijuana education facility.  
7 The Department shall administer and enforce the provisions of this  
8 section concerning transportation.

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

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

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

- 20        1. The name, address and date of birth of the person;  
21        2. Proof of current Oklahoma residency;  
22        3. Proof of identity as required for a medical marijuana  
23 business license;  
24        4. Possession of a valid Oklahoma driver license;

1        5. Verification of employment with a licensed transporter;

2        6. The application and affiliated fee; and

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

5        O. If the transporter agent application is denied, the  
6 Department shall notify the transporter or wholesaler in writing of  
7 the reason for denying the registry identification card.

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

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

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

21        S. Vehicles used in the transport of medical marijuana or  
22 medical marijuana product shall be:

23        1. Insured at or above the legal requirements in Oklahoma;

24        2. Capable of securing medical marijuana during transport; and

1       3. In possession of a shipping container as defined in Section  
2 427.2 of this title capable of securing all transported products.

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

8       1. For the origination point of the medical marijuana:

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

14       2. For the end recipient license holder of the medical  
15 marijuana:

- 16           a. the license number for the dispensary, commercial  
17           grower, processor, research facility or education  
18           facility destination,
- 19           b. address of the destination, and
- 20           c. name and contact information for the destination  
21           licensee;

22       3. Quantities by weight or unit of each type of medical  
23 marijuana product contained in transport;



1        4. The date of the transport and the approximate time of  
2 departure;

3        5. The arrival date and estimated time of arrival;

4        6. Printed names and signatures of the personnel accompanying  
5 the transport; and

6        7. Notation of the transporting licensee.

7        U. 1. A separate inventory manifest shall be prepared for each  
8 licensee receiving the medical marijuana.

9        2. The transporter agent shall provide the other medical  
10 marijuana business with a copy of the inventory manifest at the time  
11 the product changes hands and after the other licensee prints his or  
12 her name and signs the inventory manifest.

13        3. A receiving licensee shall refuse to accept any medical  
14 marijuana, medical marijuana concentrate or medical marijuana  
15 products that are not accompanied by an inventory manifest.

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

19        SECTION 4. This act shall become effective November 1, 2022.

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21        58-2-10988        JL        03/03/22

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