

1 ENGROSSED SENATE
2 BILL NO. 1755

By: Leewright of the Senate

3 and

4 Pfeiffer of the House

5
6 [medical marijuana licensing - attestation
7 requirements for applicants - proper permitting from
8 municipalities - conditional license - effective
9 date]

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

11 SECTION 1. AMENDATORY 63 O.S. 2021, Section 427.14, as
12 last amended by Section 8, Chapter 584, O.S.L. 2021, is amended to
13 read as follows:

14 Section 427.14. A. There is hereby created the medical
15 marijuana business license, which shall include the following
16 categories:

- 17 1. Medical marijuana commercial grower;
- 18 2. Medical marijuana processor;
- 19 3. Medical marijuana dispensary;
- 20 4. Medical marijuana transporter; and
- 21 5. Medical marijuana testing laboratory.

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

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

4 D. The nonrefundable application fee for a medical marijuana
5 business license shall be Two Thousand Five Hundred Dollars
6 (\$2,500.00).

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

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

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

15 3. Applicants shall submit a complete application to the
16 Authority before the application may be accepted or considered;

17 4. All applications shall be complete and accurate in every
18 detail;

19 5. All applications shall include all attachments or
20 supplemental information required by the forms supplied by the
21 Authority including the attestation required by Section 427.15 of
22 this title;

1 6. All applications shall be accompanied by a full remittance
2 for the whole amount of the application fees. Application fees are
3 nonrefundable;

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

- 6 a. all applicants shall be age twenty-five (25) years of
7 age or older,
- 8 b. any applicant applying as an individual shall show
9 proof that the applicant is an Oklahoma resident
10 pursuant to paragraph 11 of this subsection,
- 11 c. any applicant applying as an entity shall show that
12 seventy-five percent (75%) of all members, managers,
13 executive officers, partners, board members or any
14 other form of business ownership are Oklahoma
15 residents pursuant to paragraph 11 of this subsection,
- 16 d. all applying individuals or entities shall be
17 registered to conduct business in this state,
- 18 e. all applicants shall disclose all ownership interests
19 pursuant to the Oklahoma Medical Marijuana and Patient
20 Protection Act, and
- 21 f. applicants shall not have been convicted of a
22 nonviolent felony in the last two (2) years, and any
23 other felony conviction within the last five (5)

1 years, shall not be current inmates, or currently
2 incarcerated in a jail or corrections facility;

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

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

- 17 a. individual applicants applying on their own behalf,
- 18 b. individuals applying on behalf of an entity,
- 19 c. all principal officers of an entity, and
- 20 d. all owners of an entity as defined by Section 427.2 of
- 21 this title;

22 10. All applicable fees charged by OSBI are the responsibility
23 of the applicant and shall not be higher than fees charged to any
24 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 voter 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 this state,
14 and
- 15 e. a rental agreement preceding the date of application
16 for residential property located in this state.

17 Applicants that were issued a medical marijuana business license
18 prior to the enactment of the Oklahoma Medical Marijuana and Patient
19 Protection Act are hereby exempt from the two-year or five-year
20 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 and back of an Oklahoma driver license,
- 5 b. front and back of an Oklahoma identification card,
- 6 c. a United States passport or other photo identification
7 issued by the United States government,
- 8 d. certified copy of the applicant's birth certificate
9 for minor applicants who do not possess a document
10 listed in this section, or
- 11 e. a tribal identification card approved for
12 identification purposes by the ~~Oklahoma~~ Department of
13 Public Safety; and

14 14. All applicants shall submit an applicant photograph.

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

19 G. 1. The Authority shall review the medical marijuana
20 business applications and conduct all investigations, inspections
21 and interviews before approving the application.

22 2. Approved applicants shall be issued a medical marijuana
23 business license for the specific category applied under which shall
24 act as proof of their approved status. Rejection letters shall

1 provide a reason for the rejection. Applications may only be
2 rejected based on the applicant not meeting the standards set forth
3 in the provisions of this section, improper completion of the
4 application or for a reason provided for in the Oklahoma Medical
5 Marijuana and Patient Protection Act. If an application is rejected
6 for failure to provide required information, the applicant shall
7 have thirty (30) days to submit the required information for
8 reconsideration. No additional application fee shall be charged for
9 such reconsideration.

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

14 4. Approval, rejection or status-update letters shall be sent
15 to the applicant in the same method the application was submitted to
16 the Authority.

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

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

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

23 3. A corporation, if the criminal history of any of its
24 officers, directors or stockholders indicates that the officer,

1 director or stockholder 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 4. A person under twenty-five (25) years of age;

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

8 a. file taxes, interest or penalties due related to a
9 medical marijuana business, or

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

12 6. A sheriff, deputy sheriff, police officer or prosecuting
13 officer, or an officer or employee of the Authority or municipality;
14 or

15 7. A person whose authority to be a caregiver as defined in the
16 Oklahoma Medical Marijuana and Patient Protection Act has been
17 revoked by the Authority.

18 I. A license provided by the Oklahoma Medical Marijuana and
19 Patient Protection Act or by Section 421, 422, 423, or 425 of this
20 title shall not be issued until all relevant local licenses and
21 permits have been issued by the municipality including, but not
22 limited to, an occupancy permit or certificate of compliance.

23 J. In addition to the requirements of subsection I of this
24 section, a license provided by this section or by Section 421, 422,

1 423, or 425 of this title shall not be issued until the Authority
2 determines that all necessary inspections and reviews including, but
3 not limited to, plans reviews, life safety inspections, or
4 compliance inspections, have been completed.

5 K. If an applicant has not received the necessary permits,
6 certificates, or licenses from a municipality, or has not completed
7 the necessary inspections or reviews as determined by the Authority,
8 but the applicant has fulfilled all other obligations required by
9 the Oklahoma Medical Marijuana and Patient Protection Act, the
10 Authority shall grant a conditional license. A conditional license
11 shall not entitle an applicant to operate or act as a licensee
12 pursuant to the provisions of the Oklahoma Medical Marijuana and
13 Patient Protection Act. Once the applicant has fulfilled all the
14 obligations as determined by the Authority, the Authority may
15 approve the application.

16 L. In investigating the qualifications of an applicant or a
17 licensee, the Authority and municipalities may have access to
18 criminal history record information furnished by a criminal justice
19 agency subject to any restrictions imposed by such an agency. In
20 the event the Authority considers the criminal history record of the
21 applicant, the Authority shall also consider any information
22 provided by the applicant regarding such criminal history record
23 including but not limited to evidence of rehabilitation, character
24 references and educational achievements, especially those items

1 pertaining to the period of time between the last criminal
2 conviction of the applicant and the consideration of the application
3 for a state license.

4 ~~J.~~ M. The failure of an applicant to provide the requested
5 information by the Authority deadline may be grounds for denial of
6 the application.

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

15 ~~L.~~ O. A licensed medical marijuana business premises shall be
16 subject to and responsible for compliance with applicable provisions
17 for medical marijuana business facilities as described in the most
18 recent versions of the Oklahoma Uniform Building Code, the
19 International Building Code and the International Fire Code, unless
20 granted an exemption by the Authority or municipality.

21 ~~M.~~ P. All medical marijuana business licensees shall pay the
22 relevant licensure fees prior to receiving licensure to operate a
23 medical marijuana business, as defined in the Oklahoma Medical
24 Marijuana and Patient Protection Act for each class of license.

1 ~~N.~~ Q. An original medical marijuana business license issued on
2 or after June 26, 2018, by the Authority, for a medical marijuana
3 commercial grower, a medical marijuana processor or a medical
4 marijuana dispensary shall be deemed to have been grandfathered into
5 the location on the date the original license was first issued for
6 purposes of determining the authority of the business to conduct and
7 continue the same type of business at that location under a license
8 issued by the Authority, except as may be provided in Sections 425
9 and 426.1 of this title. Any change in ownership after the original
10 medical marijuana business license has been issued by the Authority
11 shall be construed by the Authority to be a continuation of the same
12 type of business originally licensed at that location. Nothing
13 shall authorize the Authority to deny issuance or renewal of a
14 license or transfer of license due to a change in ownership for the
15 same business location previously licensed, except when a revocation
16 is otherwise authorized by law or a protest is made under the
17 municipal compliance provisions of Section 426.1 of this title.

18 SECTION 2. This act shall become effective November 1, 2022.
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1 Passed the Senate the 23rd day of March, 2022.

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3 _____
4 Presiding Officer of the Senate

5 Passed the House of Representatives the ____ day of _____,
6 2022.

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8 _____
9 Presiding Officer of the House
10 of Representatives