

1 ENGROSSED SENATE
2 BILL NO. 1779

By: Jett and Stephens of the
Senate

3 and

4 Roberts (Eric) of the House

5
6
7 [medical marijuana - business license holder to post
8 signage - effective date]
9

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;

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

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

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

23 8. There shall be no limit to the number of medical marijuana
24 business licenses or categories that an individual or entity can

1 apply for or receive, although each application and each category
2 shall require a separate application and application fee. A
3 commercial grower, processor and dispensary, or any combination
4 thereof, are authorized to share the same address or physical
5 location, subject to the restrictions set forth in the Oklahoma
6 Medical Marijuana and Patient Protection Act;

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

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

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

21 11. In order to be considered an Oklahoma resident for purposes
22 of a medical marijuana business application, all applicants shall
23 provide proof of Oklahoma residency for at least two (2) years
24 immediately preceding the date of application or five (5) years of

1 continuous Oklahoma residency during the preceding twenty-five (25)
2 years immediately preceding the date of application. Sufficient
3 documentation of proof of residency shall include a combination of
4 the following:

- 5 a. an unexpired Oklahoma-issued driver license,
- 6 b. an Oklahoma voter identification card,
- 7 c. a utility bill preceding the date of application,
- 8 excluding cellular telephone and Internet bills,
- 9 d. a residential property deed to property in this state,
- 10 and
- 11 e. a rental agreement preceding the date of application
- 12 for residential property located in this state.

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

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

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

- 24 a. front and back of an Oklahoma driver license,

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

14. All applicants shall submit an applicant photograph.

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

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

2. Approved applicants shall be issued a medical marijuana business license for the specific category applied under which shall act as proof of their approved status. Rejection letters shall provide a reason for the rejection. Applications may only be rejected based on the applicant not meeting the standards set forth in the provisions of this section, improper completion of the application or for a reason provided for in the Oklahoma Medical

1 Marijuana and Patient Protection Act. If an application is rejected
2 for failure to provide required information, the applicant shall
3 have thirty (30) days to submit the required information for
4 reconsideration. No additional application fee shall be charged for
5 such reconsideration.

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

10 4. Approval, rejection or status-update letters shall be sent
11 to the applicant in the same method the application was submitted to
12 the Authority.

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

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

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

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

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

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

4 a. file taxes, interest or penalties due related to a
5 medical marijuana business, or

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

8 6. A sheriff, deputy sheriff, police officer or prosecuting
9 officer, or an officer or employee of the Authority or municipality;
10 or

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

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

1 conviction of the applicant and the consideration of the application
2 for a state license.

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

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

14 L. A licensed medical marijuana business premises shall ~~be~~:

15 1. Be subject to and responsible for compliance with applicable
16 provisions for medical marijuana business facilities as described in
17 the most recent versions of the Oklahoma Uniform Building Code, the
18 International Building Code and the International Fire Code, unless
19 granted an exemption by the Authority or municipality; and

20 2. Post conspicuous, easy-to-read signage at each licensed
21 property entrance with the medical marijuana business license number
22 and a telephone number accessible for the public to reach the
23 medical marijuana business license holder.
24

1 M. All medical marijuana business licensees shall pay the
2 relevant licensure fees prior to receiving licensure to operate a
3 medical marijuana business, as defined in the Oklahoma Medical
4 Marijuana and Patient Protection Act for each class of license.

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

22 SECTION 2. This act shall become effective November 1, 2022.
23
24

1 Passed the Senate the 23rd day of March, 2022.

2
3 _____
4 Presiding Officer of the Senate

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

7
8 _____
9 Presiding Officer of the House
10 of Representatives