

1                   **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2                               STATE OF OKLAHOMA

3                               2nd Session of the 58th Legislature (2022)

4 COMMITTEE SUBSTITUTE  
5 FOR  
6 HOUSE BILL NO. 3634

By: Fetgatter and **Davis** of the  
House

and

**Rogers** of the Senate

11                               PROPOSED COMMITTEE SUBSTITUTE

12           An Act relating to medical marijuana; amending 63  
13           O.S. 2021, Sections 427.2, 427.14 and 427.16, which  
14           relate to the Oklahoma Medical Marijuana and Patient  
15           Protection Act; adding definition; modifying certain  
16           definition; adding medical marijuana wholesaler  
17           license; providing for the issuance of medical  
18           marijuana wholesaler licenses; modifying transporter  
19           requirements to allow wholesaler licensees to  
20           contract with other businesses; stating storage  
21           security requirements for wholesaler licensees;  
22           requiring wholesaler licensees to utilize seed-to-  
23           sale tracking; providing requirements for warehousing  
24           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:

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

3       1. "Advertising" means the act of providing consideration for  
4 the publication, dissemination, solicitation, or circulation, of  
5 visual, oral, or written communication to induce directly or  
6 indirectly any person to patronize a particular medical marijuana  
7 business, or to purchase particular medical marijuana or a medical  
8 marijuana product. Advertising includes marketing, but does not  
9 include packaging and labeling;

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

11       3. "Batch number" means a unique numeric or alphanumeric  
12 identifier assigned prior to testing to allow for inventory tracking  
13 and traceability;

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

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

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

- 20           a. designed or constructed to be significantly difficult  
21               for children under five (5) years of age to open and  
22               not difficult for normal adults to use properly as  
23               defined by 16 C.F.R. 1700.15 (1995) and 16 C.F.R.  
24               1700.20 (1995),

1           b.    opaque so that the outermost packaging does not allow  
2                   the product to be seen without opening the packaging  
3                   material, and

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

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

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

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

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

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

21          12.   "Dispense" means the selling of medical marijuana or a  
22          medical marijuana product to a qualified patient or the designated  
23          caregiver of the patient that is packaged in a suitable container  
24

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

3 13. "Dispensary" means a medical marijuana dispensary, an  
4 entity that has been licensed by the Department pursuant to the  
5 Oklahoma Medical Marijuana and Patient Protection Act to purchase  
6 medical marijuana or medical marijuana products from a licensed  
7 medical marijuana commercial grower or licensed medical marijuana  
8 processor, to prepare and package noninfused pre-rolled medical  
9 marijuana, and to sell medical marijuana or medical marijuana  
10 products to licensed patients and caregivers as defined in this  
11 section, or sell or transfer products to another licensed  
12 dispensary;

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

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

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

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

4        18. "Food-based medical marijuana concentrate" means a medical  
5 marijuana concentrate that was produced by extracting cannabinoids  
6 from medical marijuana through the use of propylene glycol,  
7 glycerin, butter, olive oil, coconut oil or other typical food-safe  
8 cooking fats;

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

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

15        21. "Heat- or pressure-based medical marijuana concentrate"  
16 means a medical marijuana concentrate that was produced by  
17 extracting cannabinoids from medical marijuana through the use of  
18 heat or pressure;

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

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

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

4       25. "Licensed premises" means the premises specified in an  
5 application for a medical marijuana business license, medical  
6 marijuana research facility license or medical marijuana education  
7 facility license pursuant to the Oklahoma Medical Marijuana and  
8 Patient Protection Act that are owned or in possession of the  
9 licensee and within which the licensee is authorized to cultivate,  
10 manufacture, distribute, sell, store, transport, test or research  
11 medical marijuana or medical marijuana products in accordance with  
12 the provisions of the Oklahoma Medical Marijuana and Patient  
13 Protection Act and rules promulgated pursuant thereto;

14       26. "Manufacture" means the production, propagation,  
15 compounding or processing of a medical marijuana product, excluding  
16 marijuana plants, either directly or indirectly by extraction from  
17 substances of natural or synthetic origin, or independently by means  
18 of chemical synthesis, or by a combination of extraction and  
19 chemical synthesis;

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

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

1        29. "Mature plant" means a harvestable female marijuana plant  
2 that is flowering;

3        30. "Medical marijuana business (MMB)" means a licensed medical  
4 marijuana dispensary, medical marijuana processor, medical marijuana  
5 commercial grower, medical marijuana laboratory, medical marijuana  
6 business operator ~~or a~~, medical marijuana transporter, or a medical  
7 marijuana wholesaler;

8        31. "Medical marijuana concentrate" or "concentrate" means a  
9 specific subset of medical marijuana that was produced by extracting  
10 cannabinoids from medical marijuana. Categories of medical  
11 marijuana concentrate include water-based medical marijuana  
12 concentrate, food-based medical marijuana concentrate, solvent-based  
13 medical marijuana concentrate, and heat- or pressure-based medical  
14 marijuana concentrate;

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

1        33. "Medical marijuana education facility" or "education  
2 facility" means a person or entity approved pursuant to the Oklahoma  
3 Medical Marijuana and Patient Protection Act to operate a facility  
4 providing training and education to individuals involving the  
5 cultivation, growing, harvesting, curing, preparing, packaging or  
6 testing of medical marijuana, or the production, manufacture,  
7 extraction, processing, packaging or creation of medical-marijuana-  
8 infused products or medical marijuana products as described in the  
9 Oklahoma Medical Marijuana and Patient Protection Act;

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

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

21       36. "Medical marijuana processor" means a person or entity  
22 licensed pursuant to the Oklahoma Medical Marijuana and Patient  
23 Protection Act to operate a business including the production,  
24 manufacture, extraction, processing, packaging or creation of



1 concentrate, medical-marijuana-infused products or medical marijuana  
2 products as described in the Oklahoma Medical Marijuana and Patient  
3 Protection Act;

4 37. "Medical marijuana research facility" or "research  
5 facility" means a person or entity approved pursuant to the Oklahoma  
6 Medical Marijuana and Patient Protection Act to conduct medical  
7 marijuana research. A medical marijuana research facility is not a  
8 medical marijuana business;

9 38. "Medical marijuana testing laboratory" or "laboratory"  
10 means a public or private laboratory licensed pursuant to the  
11 Oklahoma Medical Marijuana and Patient Protection Act to conduct  
12 testing and research on medical marijuana and medical marijuana  
13 products;

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

22 40. "Medical marijuana waste" or "waste" means unused, surplus,  
23 returned or out-of-date marijuana, plant debris of the plant of the  
24 genus Cannabis including dead plants and all unused plant parts and

1 roots, except the term shall not include roots, stems, stalks and  
2 fan leaves;

3 41. "Medical marijuana wholesaler" or "wholesaler" means an  
4 entity licensed by the Oklahoma Medical Marijuana Authority to  
5 acquire, possess, sell, or distribute medical marijuana or medical  
6 marijuana products on behalf of another licensed medical marijuana  
7 business in the State of Oklahoma. A medical marijuana wholesaler  
8 does not include a medical marijuana business which grows, produces  
9 and sells its own medical marijuana, medical marijuana concentrate,  
10 or medical marijuana products;

11 42. "Medical use" means the acquisition, possession, use,  
12 delivery, transfer or transportation of medical marijuana, medical  
13 marijuana products, medical marijuana devices or paraphernalia  
14 relating to the administration of medical marijuana to treat a  
15 licensed patient;

16 ~~42.~~ 43. "Mother plant" means a marijuana plant that is grown or  
17 maintained for the purpose of generating clones, and that will not  
18 be used to produce plant material for sale to a medical marijuana  
19 processor or medical marijuana dispensary;

20 ~~43.~~ 44. "Oklahoma physician" or "physician" means a physician  
21 licensed by and in good standing with the State Board of Medical  
22 Licensure and Supervision, the State Board of Osteopathic Examiners  
23 or the Board of Podiatric Medical Examiners;

1       ~~44.~~ 45. "Oklahoma resident" means an individual who can provide  
2 proof of residency as required by the Oklahoma Medical Marijuana and  
3 Patient Protection Act;

4       ~~45.~~ 46. "Owner" means, except where the context otherwise  
5 requires, a direct beneficial owner including, but not limited to,  
6 all persons or entities as follows:

- 7           a. all shareholders owning an interest of a corporate  
8           entity and all officers of a corporate entity,
- 9           b. all partners of a general partnership,
- 10          c. all general partners and all limited partners that own  
11          an interest in a limited partnership,
- 12          d. all members that own an interest in a limited  
13          liability company,
- 14          e. all beneficiaries that hold a beneficial interest in a  
15          trust and all trustees of a trust,
- 16          f. all persons or entities that own interest in a joint  
17          venture,
- 18          g. all persons or entities that own an interest in an  
19          association,
- 20          h. the owners of any other type of legal entity, and
- 21          i. any other person holding an interest or convertible  
22          note in any entity which owns, operates or manages a  
23          licensed facility;

1       ~~46.~~ 47 "Package" or "packaging" means any container or wrapper  
2 that may be used by a medical marijuana business to enclose or  
3 contain medical marijuana;

4       ~~47.~~ 48. "Person" means a natural person, partnership,  
5 association, business trust, company, corporation, estate, limited  
6 liability company, trust or any other legal entity or organization,  
7 or a manager, agent, owner, director, servant, officer or employee  
8 thereof, except that "person" does not include any governmental  
9 organization;

10       ~~48.~~ 49. "Pesticide" means any substance or mixture of  
11 substances intended for preventing, destroying, repelling or  
12 mitigating any pest or any substance or mixture of substances  
13 intended for use as a plant regulator, defoliant or desiccant,  
14 except that the term "pesticide" shall not include any article that  
15 is a "new animal drug" as designated by the United States Food and  
16 Drug Administration;

17       ~~49.~~ 50. "Production batch" means:

- 18           a. any amount of medical marijuana concentrate of the  
19           same category and produced using the same extraction  
20           methods, standard operating procedures and an  
21           identical group of harvest batch of medical marijuana,  
22           or  
23           b. any amount of medical marijuana product of the same  
24           exact type, produced using the same ingredients,

1 standard operating procedures and the same production  
2 batch of medical marijuana concentrate;

3 ~~50.~~ 51. "Public institution" means any entity established or  
4 controlled by the federal government, state government, or a local  
5 government or municipality including, but not limited to,  
6 institutions of higher education or related research institutions;

7 ~~51.~~ 52. "Public money" means any funds or money obtained by the  
8 holder from any governmental entity including, but not limited to,  
9 research grants;

10 ~~52.~~ 53. "Recommendation" means a document that is signed or  
11 electronically submitted by a physician on behalf of a patient for  
12 the use of medical marijuana pursuant to the Oklahoma Medical  
13 Marijuana and Patient Protection Act;

14 ~~53.~~ 54. "Registered to conduct business" means a person that  
15 has provided proof that the business applicant or licensee is in  
16 good standing with the Oklahoma Secretary of State;

17 ~~54.~~ 55. "Remediation" means the process by which a harvest  
18 batch or production batch that fails testing undergoes a procedure  
19 to remedy the harvest batch or production batch and is retested in  
20 accordance with Oklahoma laws, rules and regulations;

21 ~~55.~~ 56. "Research project" means a discrete scientific endeavor  
22 to answer a research question or a set of research questions related  
23 to medical marijuana and is required for a medical marijuana  
24 research license. A research project shall include a description of

1 a defined protocol, clearly articulated goals, defined methods and  
2 outputs, and a defined start and end date. The description shall  
3 demonstrate that the research project will comply with all  
4 requirements in the Oklahoma Medical Marijuana and Patient  
5 Protection Act and rules promulgated pursuant thereto. All research  
6 and development conducted by a medical marijuana research facility  
7 shall be conducted in furtherance of an approved research project;

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

14 ~~57.~~ 58. "School" means a public or private elementary, middle  
15 or high school used for school classes and instruction. A  
16 homeschool, daycare or child-care facility shall not be considered a  
17 "school" as used in the Oklahoma Medical Marijuana and Patient  
18 Protection Act;

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

1       ~~59.~~ 60. "Solvent-based medical marijuana concentrate" means a  
2 medical marijuana concentrate that was produced by extracting  
3 cannabinoids from medical marijuana through the use of a solvent  
4 approved by the Department;

5       ~~60.~~ 61. "State Question" means Oklahoma State Question No. 788,  
6 Initiative Petition No. 412, approved by a majority vote of the  
7 citizens of Oklahoma on June 26, 2018;

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

13       ~~62.~~ 63. "THC" means tetrahydrocannabinol, which is the primary  
14 psychotropic cannabinoid in marijuana formed by decarboxylation of  
15 naturally tetrahydrocannabinolic acid, which generally occurs by  
16 exposure to heat;

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

22       ~~64.~~ 65. "Universal symbol" means the image established by the  
23 State Department of Health or Oklahoma Medical Marijuana Authority  
24

1 and made available to licensees through its website indicating that  
2 the medical marijuana or the medical marijuana product contains THC;

3 ~~65.~~ 66. "Usable marijuana" means the dried leaves, flowers,  
4 oils, vapors, waxes and other portions of the marijuana plant and  
5 any mixture or preparation thereof, excluding seeds, roots, stems,  
6 stalks and fan leaves; and

7 ~~66.~~ 67. "Water-based medical marijuana concentrate" means a  
8 concentrate that was produced by extracting cannabinoids from  
9 medical marijuana through the use of only water, ice or dry ice.

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

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

- 15 1. Medical marijuana commercial grower;
- 16 2. Medical marijuana processor;
- 17 3. Medical marijuana dispensary;
- 18 4. Medical marijuana transporter; ~~and~~
- 19 5. Medical marijuana testing laboratory; and
- 20 6. Medical marijuana wholesaler.

21 B. The Oklahoma Medical Marijuana Authority, with the aid of  
22 the Office of Management and Enterprise Services, shall develop a  
23 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 annual, nonrefundable application fee for a medical  
5 marijuana business license shall be Two Thousand Five Hundred  
6 Dollars (\$2,500.00).

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

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

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

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

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

20 5. All applications shall include all attachments or  
21 supplemental information required by the forms supplied by the  
22 Authority;

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. twenty-five (25) years of age or older,
- 7           b. if applying as an individual, proof that the applicant  
8           is an Oklahoma resident pursuant to paragraph 11 of  
9           this subsection,
- 10          c. if applying as an entity, proof that seventy-five  
11          percent (75%) of all members, managers, executive  
12          officers, partners, board members or any other form of  
13          business ownership are Oklahoma residents pursuant to  
14          paragraph 11 of this subsection,
- 15          d. if applying as an individual or entity, proof that the  
16          individual or entity is registered to conduct business  
17          in the State of Oklahoma,
- 18          e. disclosure of all ownership interests pursuant to the  
19          Oklahoma Medical Marijuana and Patient Protection Act,  
20          and
- 21          f. proof that the medical marijuana business, medical  
22          marijuana research facility, medical marijuana  
23          education facility and medical marijuana waste  
24          disposal facility applicant or licensee has not been

1 convicted of a nonviolent felony in the last two (2)  
2 years, or any other felony conviction within the last  
3 five (5) years, is not a current inmate in the custody  
4 of the Department of Corrections, or currently  
5 incarcerated in a jail or corrections facility;

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

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

- 21 a. individual applicants applying on their own behalf,
  - 22 b. individuals applying on behalf of an entity,
  - 23 c. all principal officers of an entity, and
- 24

1           d.    all owners of an entity as defined by the Oklahoma  
2                Medical Marijuana and Patient Protection Act;

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

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

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

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

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

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

- 11 a. front of an Oklahoma driver license,
- 12 b. front of an Oklahoma identification card,
- 13 c. a United States passport or other photo identification  
14 issued by the United States government, or
- 15 d. a tribal identification card approved for  
16 identification purposes by the Oklahoma Department of  
17 Public Safety; and

18 14. All applicants shall submit an applicant photograph.

19 F. The Authority shall review the medical marijuana business  
20 application; approve, reject or deny the application; and mail the  
21 approval, rejection, denial or status-update letter to the applicant  
22 within ninety (90) business days of receipt of the application.  
23  
24

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

4 2. Approved applicants shall be issued a medical marijuana  
5 business license for the specific category applied under, which  
6 shall act as proof of their approved status. Rejection and denial  
7 letters shall provide a reason for the rejection or denial.  
8 Applications may only be rejected or denied based on the applicant  
9 not meeting the standards set forth in the provisions of the  
10 Oklahoma Medical Marijuana and Patient Protection Act and Sections  
11 420 through 426.1 of this title, improper completion of the  
12 application, or for a reason provided for in the Oklahoma Medical  
13 Marijuana and Patient Protection Act and Sections 420 through 426.1  
14 of this title. If an application is rejected for failure to provide  
15 required information, the applicant shall have thirty (30) days to  
16 submit the required information for reconsideration. No additional  
17 application fee shall be charged for such reconsideration. Unless  
18 the Department determines otherwise, an application that has been  
19 resubmitted but is still incomplete or contains errors that are not  
20 clerical or typographical in nature shall be denied.

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

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

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

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

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

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

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

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

21           a. file taxes, interest or penalties due related to a  
22 medical marijuana business, or

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

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

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

5       8. A person who was involved in the management or operations of  
6 any medical marijuana business, medical marijuana research facility,  
7 medical marijuana education facility or medical marijuana waste  
8 disposal facility that, after the initiation of a disciplinary  
9 action, has had a medical marijuana license revoked, not renewed, or  
10 surrendered during the five (5) years preceding submission of the  
11 application and for the following violations:

12           a. unlawful sales or purchases,

13           b. any fraudulent acts, falsification of records or  
14 misrepresentation to the Authority, medical marijuana  
15 patient licensees, caregiver licensees or medical  
16 marijuana business licensees,

17           c. any grossly inaccurate or fraudulent reporting,

18           d. threatening or harming any medical marijuana patient,  
19 caregiver, medical practitioner or employee of the  
20 Department,

21           e. knowingly or intentionally refusing to permit the  
22 Department access to premises or records,

23           f. using a prohibited, hazardous substance for processing  
24 in a residential area,



1           g.     criminal acts relating to the operation of a medical  
2                   marijuana business, or

3           h.     any violations that endanger public health and safety  
4                   or product safety.

5           I.    In investigating the qualifications of an applicant or a  
6   licensee, the Department, Authority and municipalities may have  
7   access to criminal history record information furnished by a  
8   criminal justice agency subject to any restrictions imposed by such  
9   an agency.

10          J.    The failure of an applicant or licensee to provide the  
11   requested information by the Authority deadline may be grounds for  
12   denial of the application.

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

22          L.    A licensed medical marijuana business premises shall be  
23   subject to and responsible for compliance with applicable provisions  
24   consistent with the zoning where such business is located as

1 described in the most recent versions of the Oklahoma Uniform  
2 Building Code, the International Building Code and the International  
3 Fire Code, unless granted an exemption by a municipality or  
4 appropriate code enforcement entity.

5 M. All medical marijuana business, medical marijuana research  
6 facility, medical marijuana education facility and medical marijuana  
7 waste disposal facility licensees shall pay the relevant licensure  
8 fees prior to receiving licensure to operate.

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

16 O. No medical marijuana business, medical marijuana research  
17 facility, medical marijuana education facility or medical marijuana  
18 waste disposal facility shall possess, sell or transfer medical  
19 marijuana or medical marijuana products without a valid, unexpired  
20 license issued by the Department.

21 SECTION 3. AMENDATORY 63 O.S. 2021, Section 427.16, is  
22 amended to read as follows:  
23  
24

1       Section 427.16 A. There is hereby created a medical marijuana  
2 transporter license as a category of the medical marijuana business  
3 license.

4       B. Pursuant to Section 424 of this title, the Oklahoma Medical  
5 Marijuana Authority shall issue a medical marijuana transporter  
6 license to licensed medical marijuana commercial growers, processors  
7 and dispensaries upon issuance of such licenses and upon each  
8 renewal. Medical marijuana transporter licenses shall also be  
9 issued to licensed medical marijuana research facilities, medical  
10 marijuana education facilities and medical marijuana testing  
11 laboratories upon issuance of such licenses and upon each renewal.

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

1 marijuana commercial grower, medical marijuana processor, medical  
2 marijuana research facility, or medical marijuana education facility  
3 license, shall be known as a "medical marijuana wholesaler license"  
4 or "wholesaler license".

5 D. A medical marijuana transporter license or wholesaler  
6 license shall be valid for one (1) year and shall not be transferred  
7 with a change of ownership. A licensed medical marijuana  
8 transporter or wholesaler shall be responsible for all medical  
9 marijuana, medical marijuana concentrate and medical marijuana  
10 products once the transporter or wholesaler takes control of the  
11 product.

12 E. A transporter license or wholesaler license shall be  
13 required for any person or entity to transport or transfer medical  
14 marijuana, medical marijuana concentrate or medical marijuana  
15 products from a licensed medical marijuana business to another  
16 medical marijuana business, or from a medical marijuana business to  
17 a medical marijuana research facility or medical marijuana education  
18 facility.

19 F. A Only a medical marijuana transporter or wholesaler  
20 licensee may contract with multiple licensed medical marijuana  
21 businesses to package, store, and transport medical marijuana,  
22 medical marijuana concentrate, and medical marijuana products on its  
23 behalf in the State of Oklahoma.

1 G. A medical marijuana transporter or wholesaler may maintain a  
2 licensed premises to ~~temporarily~~ store medical marijuana, medical  
3 marijuana concentrate and medical marijuana products and to use as a  
4 centralized packaging and distribution point. ~~A~~ Except for a  
5 medical marijuana business using its own owners or employees, only a  
6 medical marijuana transporter or wholesaler and its employees may  
7 broker, package, store and, market, or distribute medical marijuana,  
8 medical marijuana concentrate and medical marijuana products ~~from~~  
9 ~~the licensed premises~~ in the State of Oklahoma on behalf of another  
10 medical marijuana business licensee. The licensed premises of the  
11 wholesaler shall meet all security requirements applicable to a  
12 medical marijuana business.

13 H. A medical marijuana transporter or wholesaler licensee shall  
14 use the seed-to-sale tracking system developed pursuant to the  
15 Oklahoma Medical Marijuana and Patient Protection Act to track all  
16 medical marijuana, medical marijuana concentrate, and medical  
17 marijuana products received, packaged, stored, or distributed by a  
18 transporter or wholesaler and to create shipping manifests  
19 documenting the transport of medical marijuana, medical marijuana  
20 concentrate and medical marijuana products throughout the state.

21 I. A licensed medical marijuana transporter or wholesaler may  
22 maintain and operate one or more warehouses in the state to handle  
23 medical marijuana, medical marijuana concentrate and medical  
24

1 marijuana products. Each location shall be registered and inspected  
2 by the Authority prior to its use.

3 J. With the exception of a lawful transfer between medical  
4 marijuana businesses who are licensed to operate at the same  
5 physical address, all medical marijuana, medical marijuana  
6 concentrate and medical marijuana products shall be transported:

7 1. In vehicles equipped with Global Positioning System (GPS)  
8 trackers;

9 2. In a locked container and clearly labeled "Medical Marijuana  
10 or Derivative"; and

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

13 K. A transporter agent may possess marijuana at any location  
14 while the transporter agent is transferring marijuana to or from a  
15 licensed medical marijuana business, licensed medical marijuana  
16 research facility or licensed medical marijuana education facility.  
17 The Department shall administer and enforce the provisions of this  
18 section concerning transportation.

19 L. The Authority shall issue a transporter agent license to  
20 individual ~~agents~~, employees, officers or owners of a transporter or  
21 wholesaler license in order for the ~~individual~~ employees, officers,  
22 or owners to qualify to transport medical marijuana, medical  
23 marijuana concentrate or medical marijuana products.

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

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

- 7 1. The name, address and date of birth of the person;
- 8 2. Proof of current Oklahoma residency;
- 9 3. Proof of identity as required for a medical marijuana  
10 business license;
- 11 4. Possession of a valid Oklahoma driver license;
- 12 5. Verification of employment with a licensed transporter;
- 13 6. The application and affiliated fee; and
- 14 7. A copy of the criminal background check conducted by the  
15 Oklahoma State Bureau of Investigation, paid for by the applicant.

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

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

23 Q. The Department may revoke the registry identification card  
24 of a transporter agent who knowingly violates any provision of this

1 section, and the transporter or wholesaler is subject to any other  
2 penalties established by law for the violation.

3 R. The Department may revoke or suspend the transporter license  
4 of a transporter or wholesaler that the Department determines  
5 knowingly aided or facilitated a violation of any provision of this  
6 section, and the license holder is subject to any other penalties  
7 established in law for the violation.

8 S. Vehicles used in the transport of medical marijuana or  
9 medical marijuana product shall be:

- 10 1. Insured at or above the legal requirements in Oklahoma;
- 11 2. Capable of securing medical marijuana during transport; and
- 12 3. In possession of a shipping container as defined in Section  
13 427.2 of this title capable of securing all transported products.

14 T. Prior to the transport of any medical marijuana, medical  
15 marijuana concentrate or medical marijuana products, an inventory  
16 manifest shall be prepared at the origination point of the medical  
17 marijuana. The inventory manifest shall include the following  
18 information:

- 19 1. For the origination point of the medical marijuana:
  - 20 a. the licensee number for the commercial grower,  
21 processor or dispensary,
  - 22 b. address of origination of transport, and
  - 23 c. name and contact information for the originating  
24 licensee;



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

3            a. the license number for the dispensary, commercial  
4 grower, processor, research facility or education  
5 facility destination,  
6            b. address of the destination, and  
7            c. name and contact information for the destination  
8 licensee;

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

11        4. The date of the transport and the approximate time of  
12 departure;

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

14        6. Printed names and signatures of the personnel accompanying  
15 the transport; and

16        7. Notation of the transporting licensee.

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

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

23  
24

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

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

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

8  
9 COMMITTEE REPORT BY: COMMITTEE ON ALCOHOL, TOBACCO AND CONTROLLED  
10 SUBSTANCES, dated 03/03/2022 - DO PASS, As Amended and Coauthored.  
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