

1 **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2 STATE OF OKLAHOMA

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

4 COMMITTEE SUBSTITUTE
5 FOR ENGROSSED
6 SENATE BILL NO. 1841

By: Paxton of the Senate

and

Bush of the House

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10 COMMITTEE SUBSTITUTE

11 An Act relating to medical marijuana; amending 63
12 O.S. 2021, Section 426.1, as last amended by Section
13 3, Chapter 584, O.S.L. 2021, which relates to
14 licensure revocation; authorizing the Oklahoma
15 Medical Marijuana Authority to deny applications or
16 suspend or revoke business licenses for certain
17 violations of laws or regulations; and declaring an
18 emergency.

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

20 SECTION 1. AMENDATORY 63 O.S. 2021, Section 426.1, as
21 last amended by Section 3, Chapter 584, O.S.L. 2021, is amended to
22 read as follows:

23 Section 426.1 A. Except for revocation hearings concerning
24 licensed patients, as defined in Section 427.2 of this title, all
 licensure revocation hearings conducted pursuant to marijuana

1 licenses established in the Oklahoma Statutes shall be recorded. A
2 party may request a copy of the recording of the proceedings.
3 Copies shall be provided to local law enforcement if the revocation
4 was based on alleged criminal activity.

5 B. The State Department of Health shall assist any law
6 enforcement officer in the performance of his or her duties upon
7 such request by the law enforcement officer or the request of other
8 local officials having jurisdiction. Except for license information
9 concerning licensed patients, as defined in Section 427.2 of this
10 title, the Department shall share information with law enforcement
11 agencies upon request without a subpoena or search warrant.

12 C. The State Department of Health shall make available all
13 information displayed on medical marijuana licenses, as well as
14 whether the license is valid, to law enforcement electronically
15 through the Oklahoma Law Enforcement Telecommunications System.

16 D. The Department shall make available to political
17 subdivisions a list of marijuana-licensed premises, medical
18 marijuana businesses or any other premises where marijuana or its
19 by-products are licensed to be cultivated, grown, processed, stored
20 or manufactured to aid county and municipal governments in
21 identifying locations within their jurisdiction and ensure
22 compliance with local regulations.

23 E. 1. All marijuana-licensed premises, medical marijuana
24 businesses or any other premises where marijuana or its by-products

1 are licensed to be cultivated, grown, processed, stored or
2 manufactured shall submit with their application, after notifying
3 the political subdivision of their intent, a certificate of
4 compliance from the political subdivision where the facility of the
5 applicant or use is to be located certifying compliance with zoning
6 classifications, applicable municipal ordinances and all applicable
7 safety, electrical, fire, plumbing, waste, construction and building
8 specification codes.

9 2. Beginning on ~~the effective date of this act~~ May 28, 2021,
10 upon the initial request for renewal or transfer of a retail
11 marijuana dispensary license, a municipal government may object to
12 the continued licensure of the medical marijuana dispensary if the
13 municipal government determines it is operating contrary to the
14 required setback distance from a school including the error in
15 measurement allowance authorized by Section 425 of this title.

16 3. To prevent the granting of the grandfather provisions of
17 Section 425 of this title as a matter of law, the municipal
18 government shall provide the following documentation prior to the
19 initial renewal or transfer of a license:

20 a. a municipal resolution finding that the marijuana
21 dispensary is located within the prohibited setback
22 distance from a school that was openly in existence in
23 such a way that the public generally would have known
24 of the school's existence and operation in that

1 location prior to the original marijuana dispensary
2 being licensed. For purposes of this subparagraph,
3 "openly in existence" means any building, location or
4 structure on a school site that has visible outward
5 markings indicating the building, location or
6 structure was operating as a school which would serve
7 as sufficient notice of the existence of the school or
8 a reason for further inquiry on the part of the
9 marijuana dispensary license applicant. "Openly in
10 existence" shall not mean any school that operated
11 secretly or discreetly without any signs or other
12 markings on any building, location or structure on the
13 school site, undeveloped land or a structure owned by
14 a school that was not openly used and marked as a
15 school site, or any school site that was established
16 after the marijuana dispensary had been established
17 and licensed by the Authority, and

- 18 b. documentation of the measured distance from the school
19 to the marijuana dispensary utilizing the method for
20 determining the setback distance less any allowable
21 error in measurement calculated and remeasured on and
22 after ~~the effective date of this act~~ May 28, 2021, as
23 authorized by Section 425 of this title.

1 4. Prior to initial renewal or transfer of a license and upon
2 receipt of documentation required by paragraph 3 of this subsection,
3 if the Authority determines that the medical marijuana dispensary is
4 operating contrary to the required setback distance from a school
5 including the error in measurement allowance authorized by Section
6 425 of this title, the Authority may deny the renewal or transfer of
7 the medical marijuana dispensary license and shall cause the license
8 to be revoked.

9 5. For purposes of this subsection, "school" means the same as
10 defined in Section 427.2 of this title.

11 F. After a final determination by the applicable entity, the
12 Oklahoma Medical Marijuana Authority may deny an application or
13 suspend or revoke a medical marijuana business license due to any
14 violation of state law, any violations of a regulation applicable to
15 the operation of a medical marijuana business including those
16 adopted or enforced by any state agency including, but not limited
17 to, the Department of Environmental Quality, the Oklahoma Water
18 Resources Board, the Oklahoma Department of Agriculture, Food, and
19 Forestry, the Corporation Commission, or any other agency or
20 commission of this state, or any local ordinance or regulation
21 applicable to a medical marijuana business or inaccurate reporting
22 or disclosures to municipal governments.

23 SECTION 2. It being immediately necessary for the preservation
24 of the public peace, health or safety, an emergency is hereby

1 declared to exist, by reason whereof this act shall take effect and
2 be in full force from and after its passage and approval.
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4 COMMITTEE REPORT BY: COMMITTEE ON ALCOHOL, TOBACCO AND CONTROLLED
5 SUBSTANCES, dated 04/14/2022 - DO PASS, As Amended.
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