

STATE OF OKLAHOMA

2nd Session of the 58th Legislature (2022)

HOUSE BILL 3461

By: Grego

AS INTRODUCED

An Act relating to medical marijuana; amending 63 O.S. 2021, Section 422, which relates to medical marijuana commercial grower licensing; prohibiting medical marijuana commercial operations from being located near places of worship, schools, or child care centers; defining terms; providing for the continuation of licensure under certain circumstances; and providing an effective date.

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

SECTION 1. AMENDATORY 63 O.S. 2021, Section 422, is amended to read as follows:

Section 422. A. The State Department of Health shall, within thirty (30) days of passage of this initiative, make available on its website in an easy-to-find location an application for a commercial grower license. The application fee shall be Two Thousand Five Hundred Dollars (\$2,500.00). A method of payment shall be provided on the website of the Department. The State Department of Health shall have ninety (90) days to review the application; approve, reject or deny the application; and mail the

1 approval, rejection or denial letter stating the reasons for the
2 rejection or denial to the applicant.

3 B. The State Department of Health shall approve all
4 applications which meet the following criteria:

5 1. The applicant must be twenty-five (25) years of age or
6 older;

7 2. The applicant, if applying as an individual, must show
8 residency in the State of Oklahoma;

9 3. All applying entities must show that all members, managers,
10 and board members are Oklahoma residents;

11 4. An applying entity may show ownership of non-Oklahoma
12 residents, but that percentage ownership may not exceed twenty-five
13 percent (25%);

14 5. All applying individuals or entities must be registered to
15 conduct business in the State of Oklahoma; and

16 6. All applicants must disclose all ownership interests in the
17 commercial grower operation.

18 Applicants with a nonviolent felony conviction in the last two
19 (2) years, any other felony conviction in the last five (5) years,
20 inmates in the custody of the Department of Corrections or any
21 person currently incarcerated shall not qualify for a commercial
22 grower license.

23 C. A licensed commercial grower may sell marijuana to a
24 licensed dispensary or a licensed processor. Further, sales by a

1 licensed commercial grower shall be considered wholesale sales and
2 shall not be subject to taxation. Under no circumstances may a
3 licensed commercial grower sell marijuana directly to a licensed
4 medical marijuana patient or licensed caregiver. A licensed
5 commercial grower may only sell at the wholesale level to a licensed
6 dispensary, a licensed grower or a licensed processor. If the
7 federal government lifts restrictions on buying and selling
8 marijuana between states, then a licensed commercial grower would be
9 allowed to sell and buy marijuana wholesale from, or to, an out-of-
10 state wholesale provider. A licensed commercial grower shall be
11 required to complete a monthly yield and sales report to the State
12 Department of Health. This report shall be due on the fifteenth of
13 each month and provide reporting on the previous month. This report
14 shall detail the amount of marijuana harvested in pounds, the amount
15 of drying or dried marijuana on hand, the amount of marijuana sold
16 to licensed processors in pounds, the amount of waste in pounds, and
17 the amount of marijuana sold to licensed dispensaries in pounds.
18 Additionally, this report shall show total wholesale sales in
19 dollars. The State Department of Health shall have oversight and
20 auditing responsibilities to ensure that all marijuana being grown
21 by licensed commercial growers is accounted for.

22 D. There shall be no limits on how much marijuana a licensed
23 commercial grower can grow.

1 E. Beginning on the effective date of this act, licensed
2 commercial growers shall be authorized to package and sell pre-
3 rolled marijuana to licensed medical marijuana dispensaries. The
4 products described in this subsection shall contain only the ground
5 parts of the marijuana plant and shall not include marijuana
6 concentrates or derivatives. The total net weight of each pre-roll
7 packaged and sold by medical marijuana commercial growers shall not
8 exceed one (1) gram. These products must be tested, packaged and
9 labeled in accordance with Oklahoma law and rules promulgated by the
10 State Commissioner of Health.

11 F. The location of any medical marijuana commercial grow
12 operation is specifically prohibited within one thousand (1,000)
13 feet of any place of worship, school, or child care center. The
14 distance indicated in this subsection shall be measured from the
15 nearest property line of the place of worship, school, or child care
16 center to the nearest property line of the grow operation of such
17 medical marijuana commercial grower. As used in this subsection:

18 1. "Child care center" means any permitted or licensed child
19 care program that operates thirty (30) or more hours per week;

20 2. "Place of worship" means any permanent building, structure,
21 facility, or office space owned, leased, rented, or borrowed, on a
22 full-time basis, and used no less than biweekly for worship
23 services, activities, or business of the congregation, which shall
24 include, but not be limited to, churches, temples, synagogues, and

1 mosques and any permanent building, structure, facility, or office
2 space owned, leased, rented, or borrowed for use on a temporary
3 basis of no less than twelve (12) months, and used no less than
4 biweekly for worship services, activities, or business of the
5 congregation, which shall include, but not be limited to, churches,
6 temples, synagogues, and mosques; and

7 3. "School" means a public or private preschool or a public or
8 private elementary or secondary school which is primarily used for
9 classroom instruction;

10 If a medical marijuana commercial grow operation was established
11 within one thousand (1,000) feet of a place of worship, school, or
12 child care center at the time of initial licensure, the medical
13 marijuana commercial grower licensee shall be permitted to continue
14 operating at the licensed premises in the same manner and not be
15 subject to nonrenewal or revocation due to subsequent events or
16 changes in regulations occurring after licensure that would render
17 the medical marijuana commercial grower in violation of the
18 provisions of this subsection. If any place of worship, school, or
19 child care center is established within one thousand (1,000) feet of
20 any medical marijuana commercial grow operation after such medical
21 marijuana commercial grower has been licensed, the provisions of
22 this subsection shall not be a deterrent to the renewal of such
23 license or warrant revocation of the license.

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

58-2-8582 GRS 01/13/22