

1 ENGROSSED HOUSE
2 BILL NO. 4056

By: Marti, Davis, Talley, and
McDugle of the House

3 and

4 Paxton of the Senate
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6
7 An Act relating to medical marijuana; amending 63
8 O.S. 2021, Section 427.17, which relates to the
9 Oklahoma Medical Marijuana and Patient Protection
10 Act; directing certain laboratory to provide
11 recommendations, standards and operating procedures
12 to the Oklahoma Medical Marijuana Authority;
13 directing the Authority to promulgate rules;
14 requiring licensed medical marijuana testing
15 laboratories to comply with rules; providing for
16 license revocation; and declaring an emergency.

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

18 SECTION 1. AMENDATORY 63 O.S. 2021, Section 427.17, is
19 amended to read as follows:

20 Section 427.17 A. There is hereby created a medical marijuana
21 testing laboratory license as a category of the medical marijuana
22 business license. The Oklahoma Medical Marijuana Authority is
23 hereby enabled to monitor, inspect and audit a licensed testing
24 laboratory under the Oklahoma Medical Marijuana and Patient
Protection Act.

B. 1. The Authority is hereby authorized to contract with a
private laboratory for the purpose of conducting compliance testing

1 of medical marijuana testing laboratories licensed in this state.
2 Any such laboratory under contract for compliance testing shall be
3 prohibited from conducting any other commercial medical marijuana
4 testing in this state. The laboratory the Authority contracts with
5 for compliance testing shall not employ, or be owned by, the
6 following:

7 ~~1. Any~~

8 a. any individual that has a direct or indirect interest
9 in a licensed medical marijuana business~~7~~, or

10 ~~2. Any~~

11 b. any individual or his or her spouse, parent, child,
12 spouse of a child, sibling or spouse of a sibling that
13 has an application for a medical marijuana business
14 license pending before the Department or is a member
15 of the board of directors of a medical marijuana
16 business, or is an individual financially interested
17 in any licensee or medical marijuana business located
18 within this state.

19 2. The private laboratory under contract with the Authority for
20 compliance testing shall provide to the Authority its
21 recommendations for brands and models of all equipment and standards
22 to be utilized by licensed medical marijuana testing laboratories
23 when testing samples of medical marijuana, medical marijuana
24 concentrate, and medical marijuana products as well as standard

1 operating procedures when extracting and testing medical marijuana,
2 medical marijuana concentrate, and medical marijuana products. The
3 recommendations shall be submitted to the Authority no later than
4 June 1, 2023. The Authority shall have ninety (90) days from the
5 date it receives the recommendations to promulgate new rules or
6 modify its current rules for laboratory standards and testing.
7 Beginning June 1, 2024, medical marijuana testing laboratories
8 renewing their medical marijuana business license shall be subject
9 to and comply with any new or modified rules relating to the testing
10 of medical marijuana, medical marijuana concentrate, and medical
11 marijuana products. The refusal or failure of a medical marijuana
12 testing laboratory licensee to comply with new or modified rules
13 relating to laboratory standards and testing procedures promulgated
14 under the provisions of this paragraph shall result in the permanent
15 revocation of the medical marijuana testing laboratory license.

16 C. The Authority shall develop acceptable testing practices
17 including, but not limited to, testing, standards, quality control
18 analysis, equipment certification and calibration, and chemical
19 identification and substances used.

20 D. A person who is a direct beneficial owner of a medical
21 marijuana dispensary, medical marijuana commercial grower or medical
22 marijuana processor shall not be an owner of a laboratory.
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1 E. A laboratory and a laboratory applicant shall comply with
2 all applicable local ordinances including, but not limited to,
3 zoning, occupancy, licensing and building codes.

4 F. A separate license shall be required for each specific
5 laboratory.

6 G. A medical marijuana testing laboratory license may be issued
7 to a person who performs testing on medical marijuana and medical
8 marijuana products for medical marijuana businesses, medical
9 marijuana research facilities, medical marijuana education
10 facilities, and testing on marijuana and marijuana products grown or
11 produced by a patient or caregiver on behalf of a patient, upon
12 verification of registration. A medical marijuana testing
13 laboratory may also conduct research related to the development and
14 improvement of its testing practices and procedures. No state-
15 approved medical marijuana testing facility shall operate unless a
16 medical laboratory director is on site during operational hours.

17 H. Laboratory applicants and licensees shall comply with the
18 application requirements of this section and shall submit such other
19 information as required for a medical marijuana business applicant,
20 in addition to any information the Authority may request for initial
21 approval and periodic evaluations during the approval period.

22 I. A medical marijuana testing laboratory may accept samples of
23 medical marijuana, medical marijuana concentrate or medical
24 marijuana product from a medical marijuana business, medical

1 marijuana research facility or medical marijuana education facility
2 for testing purposes only, which purposes may include the provision
3 of testing services for samples submitted by a medical marijuana
4 business for product development. The Department may require a
5 medical marijuana business to submit a sample of medical marijuana,
6 medical marijuana concentrate or medical marijuana product to a
7 medical marijuana testing or quality assurance laboratory upon
8 demand.

9 J. A medical marijuana testing laboratory may accept samples of
10 medical marijuana, medical marijuana concentrate or medical
11 marijuana product from an individual person for testing only under
12 the following conditions:

13 1. The individual person is a patient or caregiver pursuant to
14 the Oklahoma Medical Marijuana and Patient Protection Act or is a
15 participant in an approved clinical or observational study conducted
16 by a research facility; and

17 2. The medical marijuana testing laboratory shall require the
18 patient or caregiver to produce a valid patient license and current
19 and valid photo identification.

20 K. A medical marijuana testing laboratory may transfer samples
21 to another medical marijuana testing laboratory for testing. All
22 laboratory reports provided to or by a medical marijuana business or
23 to a patient or caregiver shall identify the medical marijuana
24 testing laboratory that actually conducted the test.

1 L. A medical marijuana testing laboratory may utilize a
2 licensed medical marijuana transporter to transport samples of
3 medical marijuana, medical marijuana concentrate and medical
4 marijuana product for testing, in accordance with the Oklahoma
5 Medical Marijuana and Patient Protection Act and the rules adopted
6 pursuant thereto, between the originating medical marijuana business
7 requesting testing services and the destination laboratory
8 performing testing services.

9 M. The medical marijuana testing laboratory shall establish
10 policies to prevent the existence of or appearance of undue
11 commercial, financial or other influences that may diminish the
12 competency, impartiality and integrity of the testing processes or
13 results of the laboratory, or that may diminish public confidence in
14 the competency, impartiality and integrity of the testing processes
15 or results of the laboratory. At a minimum, employees, owners or
16 agents of a medical marijuana testing laboratory who participate in
17 any aspect of the analysis and results of a sample are prohibited
18 from improperly influencing the testing process, improperly
19 manipulating data or improperly benefiting from any ongoing
20 financial, employment, personal or business relationship with the
21 medical marijuana business that provided the sample. A medical
22 marijuana testing laboratory shall not test samples for any medical
23 marijuana business in which an owner, employee or agent of the
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1 medical marijuana testing laboratory has any form of ownership or
2 financial interest in the medical marijuana business.

3 N. The Department, pursuant to rules promulgated by the State
4 Commissioner of Health, shall develop standards, policies and
5 procedures as necessary for:

6 1. The cleanliness and orderliness of a laboratory premises and
7 the location of the laboratory in a secure location, and inspection,
8 cleaning and maintenance of any equipment or utensils used for the
9 analysis of test samples;

10 2. Testing procedures, testing standards for cannabinoid and
11 terpenoid potency and safe levels of contaminants, and remediation
12 procedures;

13 3. Controlled access areas for storage of medical marijuana and
14 medical marijuana product test samples, waste and reference
15 standards;

16 4. Records to be retained and computer systems to be utilized
17 by the laboratory;

18 5. The possession, storage and use by the laboratory of
19 reagents, solutions and reference standards;

20 6. A certificate of analysis (COA) for each lot of reference
21 standard;

22 7. The transport and disposal of unused marijuana, marijuana
23 products and waste;

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1 8. The mandatory use by a laboratory of an inventory tracking
2 system to ensure all harvest and production batches or samples
3 containing medical marijuana, medical marijuana concentrate or
4 medical marijuana products are identified and tracked from the point
5 they are transferred from a medical marijuana business, a patient or
6 a caregiver through the point of transfer, destruction or disposal.
7 The inventory tracking system reporting shall include the results of
8 any tests that are conducted on medical marijuana, medical marijuana
9 concentrate or medical marijuana product;

10 9. Standards of performance;

11 10. The employment of laboratory personnel;

12 11. A written standard operating procedure manual to be
13 maintained and updated by the laboratory;

14 12. The successful participation in a Department-approved
15 proficiency testing program for each testing category listed in this
16 section, in order to obtain and maintain certification;

17 13. The establishment of and adherence to a quality assurance
18 and quality control program to ensure sufficient monitoring of
19 laboratory processes and quality of results reported;

20 14. The immediate recall of medical marijuana or medical
21 marijuana products that test above allowable thresholds or are
22 otherwise determined to be unsafe;

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1 15. The establishment by the laboratory of a system to document
2 the complete chain of custody for samples from receipt through
3 disposal;

4 16. The establishment by the laboratory of a system to retain
5 and maintain all required records, including business records, and
6 processes to ensure results are reported in a timely and accurate
7 manner; and

8 17. Any other aspect of laboratory testing of medical marijuana
9 or medical marijuana product deemed necessary by the Department.

10 O. A medical marijuana testing laboratory shall promptly
11 provide the Department or designee of the Department access to a
12 report of a test and any underlying data that is conducted on a
13 sample at the request of a medical marijuana business or qualified
14 patient. A medical marijuana testing laboratory shall also provide
15 access to the Department or designee of the Department to laboratory
16 premises and to any material or information requested by the
17 Department to determine compliance with the requirements of this
18 section.

19 P. A medical marijuana testing laboratory shall retain all
20 results of laboratory tests conducted on marijuana or products for a
21 period of at least seven (7) years and shall make them available to
22 the Department upon request.

23 Q. A medical marijuana testing laboratory shall test samples
24 from each harvest batch or product batch, as appropriate, of medical

1 marijuana, medical marijuana concentrate and medical marijuana
2 product for each of the following categories of testing, consistent
3 with standards developed by the Commissioner:

- 4 1. Microbials;
- 5 2. Mycotoxins;
- 6 3. Residual solvents;
- 7 4. Pesticides;
- 8 5. Tetrahydrocannabinol (THC) and other cannabinoid potency;
- 9 6. Terpenoid type and concentration; and
- 10 7. Heavy metals.

11 R. A licensed medical marijuana testing laboratory shall test
12 each individual harvest batch. A grower shall separate each harvest
13 lot of usable marijuana into harvest batches containing no more than
14 fifteen (15) pounds, with the exception of any plant material to be
15 sold to a licensed processor for the purposes of turning the plant
16 material into concentrate which may be separated into harvest
17 batches of no more than fifty (50) pounds. A processor shall
18 separate each medical marijuana production lot into production
19 batches containing no more than four (4) liters of concentrate or
20 nine (9) pounds for nonliquid products, and for final products, the
21 Oklahoma Medical Marijuana Authority shall be authorized to
22 promulgate rules on final products as necessary. Provided, however,
23 the Authority shall not require testing of final products less often
24 than every one thousand (1,000) grams of THC. As used in this

1 subsection, "final products" shall include, but not be limited to,
2 cookies, brownies, candies, gummies, beverages and chocolates.

3 S. Medical marijuana testing laboratory licensure shall be
4 contingent upon successful on-site inspection, successful
5 participation in proficiency testing and ongoing compliance with the
6 applicable requirements in this section.

7 T. A medical marijuana testing laboratory shall be inspected
8 prior to initial licensure and up to two (2) times per year
9 thereafter by an inspector approved by the Authority. The Authority
10 may enter the licensed premises of a testing laboratory to conduct
11 investigations and additional inspections when the Authority
12 believes an investigation or additional inspection is necessary due
13 to a possible violation of applicable laws, rules or regulations.

14 U. Medical marijuana testing laboratories shall obtain
15 accreditation by an accrediting body approved by the Commissioner
16 within one (1) year of the date the initial license is issued.
17 Renewal of any medical marijuana testing laboratory license shall be
18 contingent upon accreditation in accordance with this subsection.
19 All medical marijuana testing laboratories shall obtain
20 accreditation prior to applying for and receiving a medical
21 marijuana testing laboratory license.

22 V. Unless authorized by the provisions of this section, a
23 commercial grower shall not transfer or sell medical marijuana and a
24 processor shall not transfer, sell or process into a concentrate or

1 product any medical marijuana, medical marijuana concentrate or
2 medical marijuana product unless samples from each harvest batch or
3 production batch from which that medical marijuana, medical
4 marijuana concentrate or medical marijuana product was derived has
5 been tested by a medical marijuana testing laboratory and passed all
6 contaminant tests required by the Oklahoma Medical Marijuana and
7 Patient Protection Act and applicable laws, rules and regulations.
8 A licensed commercial grower may transfer medical marijuana that has
9 failed testing to a licensed processor only for the purposes of
10 decontamination or remediation and only in accordance with the
11 provisions of the Oklahoma Medical Marijuana and Patient Protection
12 Act and the rules and regulations of the Department. Remediated and
13 decontaminated medical marijuana may be returned only to the
14 originating licensed commercial grower.

15 W. Kief shall not be transferred or sold except as authorized
16 in the rules and regulations of the Department.

17 SECTION 2. It being immediately necessary for the preservation
18 of the public peace, health or safety, an emergency is hereby
19 declared to exist, by reason whereof this act shall take effect and
20 be in full force from and after its passage and approval.

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1 Passed the House of Representatives the 23rd day of March, 2022.

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3 _____
4 Presiding Officer of the House
of Representatives

5 Passed the Senate the ____ day of _____, 2022.

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9 Presiding Officer of the Senate