

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. 1543

By: Treat, Thompson, and Rosino  
of the Senate

and

Echols and **Fetgatter** of the  
House

11                                   COMMITTEE SUBSTITUTE

12                   An Act relating to medical marijuana; amending 63  
13                   O.S. 2021, Sections 420, as last amended by Section  
14                   1, Chapter 553, O.S.L. 2021, 421, 422, 423, 425, as  
15                   last amended by Section 5, Chapter 553, O.S.L. 2021,  
16                   426.1, as last amended by Section 7, Chapter 553,  
17                   O.S.L. 2021, and 427.2, as last amended by Section 8,  
18                   Chapter 553, O.S.L. 2021, which relate to medical  
19                   marijuana; conforming language; updating statutory  
20                   language; amending 63 O.S. 2021, Section 427.3, as  
21                   last amended by Section 9, Chapter 553, O.S.L. 2021,  
22                   which relates to Oklahoma Medical Marijuana  
23                   Authority; making Authority separate and distinct  
24                   agency; directing Authority and Executive Director of  
the Authority to continue to exercise statutory  
powers, duties, and responsibilities; providing for  
continuation of rights and privileges of certain  
licenses subject to certain condition; providing for  
succession to contractual rights and  
responsibilities; requiring Executive Director to  
adopt and enforce certain rules and authorizing  
further rulemaking authority; authorizing execution  
of certain agreement; requiring consent of employees  
prior to transfer; providing certain protections  
relating to salary, leave, time earned, and benefits;  
requiring transfer of personnel to be coordinated

1 with Office of Management and Enterprise Services;  
2 requiring Authority to pay certain expenses;  
3 abolishing certain division within State Department  
4 of Health upon completion of transfer; directing  
5 certain coordination; providing for certain  
6 transfers; amending 63 O.S. 2021, Section 427.4, as  
7 amended by Section 10, Chapter 553, O.S.L. 2021,  
8 which relates to Executive Director of the Authority;  
9 providing for appointment of Executive Director;  
10 modifying enforcement powers of Authority; requiring  
11 investigators to meet certain training requirements;  
12 authorizing certain arrests and assistance of law  
13 enforcement; allowing Executive Director to employ or  
14 contract with attorneys; conforming language;  
15 updating statutory language; amending 63 O.S. 2021,  
16 Sections 427.6, as last amended by Section 11,  
17 Chapter 553, O.S.L. 2021, 427.9, 427.10, 427.11,  
18 427.13, as last amended by Section 16, Chapter 553,  
19 O.S.L. 2021, 427.14, as last amended by Section 17,  
20 Chapter 553, O.S.L. 2021, 427.16, as last amended by  
21 Section 18, Chapter 553, O.S.L. 2021, 427.17, 427.18,  
22 427.19, 427.20, and 427.22, which relate to medical  
23 marijuana; conforming language; updating statutory  
24 language; amending 63 O.S. 2021, Section 427.23,  
which relates to medical marijuana; removing  
provisions relating to Medical Marijuana Advisory  
Council; conforming language; updating statutory  
language; amending 63 O.S. 2021, Sections 427.24 and  
430, as last amended by Section 28, Chapter 553,  
O.S.L. 2021, which relate to medical marijuana;  
conforming language; updating statutory language; and  
providing an effective date.

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

20 SECTION 1. AMENDATORY 63 O.S. 2021, Section 420, as last  
21 amended by Section 1, Chapter 553, O.S.L. 2021, is amended to read  
22 as follows:

23 Section 420. A. A person in possession of a state-issued  
24 medical marijuana patient license shall be able to:

- 1 1. Consume marijuana legally;
  - 2 2. Legally possess up to three (3) ounces or eighty-four and  
3 nine-tenths (84.9) grams of marijuana on their person;
  - 4 3. Legally possess six mature marijuana plants and the  
5 harvested marijuana therefrom;
  - 6 4. Legally possess six seedling plants;
  - 7 5. Legally possess one (1) ounce or twenty-eight and three-  
8 tenths (28.3) grams of concentrated marijuana;
  - 9 6. Legally possess seventy-two (72) ounces or two thousand  
10 thirty-seven and six-tenths (2,037.6) grams of edible marijuana;
  - 11 7. Legally possess up to eight (8) ounces or two hundred  
12 twenty-six and four-tenths (226.4) grams of marijuana in their  
13 residence; and
  - 14 8. Legally possess seventy-two (72) ounces of topical  
15 marijuana.
- 16 B. Possession of up to one and one-half (1.5) ounces or forty-  
17 two and forty-five one-hundredths (42.45) grams of marijuana by  
18 persons who can state a medical condition, but are not in possession  
19 of a state-issued medical marijuana patient license, shall  
20 constitute a misdemeanor offense not subject to imprisonment but  
21 punishable by a fine not to exceed Four Hundred Dollars (\$400.00).  
22 Any law enforcement officer who comes in contact with a person in  
23 violation of this subsection and who is satisfied as to the identity  
24 of the person, as well as any other pertinent information the law

1 enforcement officer deems necessary, shall issue to the person a  
2 written citation containing a notice to answer the charge against  
3 the person in the appropriate court. Upon receiving the written  
4 promise of the alleged violator to answer as specified in the  
5 citation, the law enforcement officer shall release the person upon  
6 personal recognizance unless there has been a violation of another  
7 provision of law.

8 C. ~~A regulatory office~~ The Oklahoma Medical Marijuana Authority  
9 shall be established ~~under the State Department of Health~~ which  
10 shall receive applications for medical marijuana patient and  
11 caregiver license recipients, dispensaries, growers and processors  
12 within sixty (60) days of the passage of this initiative.

13 D. ~~The State Department of Health~~ Authority shall, within  
14 thirty (30) days of passage of this initiative, make available on  
15 its website, in an easy-to-find location, an application for a  
16 medical marijuana patient license. The license shall be valid for  
17 two (2) years. The biannual application fee shall be One Hundred  
18 Dollars (\$100.00), or Twenty Dollars (\$20.00) for individuals on  
19 Medicaid, Medicare or SoonerCare. The methods of payment shall be  
20 provided on the website of the ~~Department~~ Authority. Reprints of  
21 the medical marijuana patient license shall be Twenty Dollars  
22 (\$20.00).

23 E. A short-term medical marijuana patient license application  
24 shall also be made available on the website of the ~~State Department~~

1 ~~of Health~~ Authority. A short-term medical marijuana patient license  
2 shall be granted to any applicant who can meet the requirements for  
3 a two-year medical marijuana patient license, but whose physician  
4 recommendation for medical marijuana is only valid for sixty (60)  
5 days. Short-term medical marijuana patient licenses shall be issued  
6 for sixty (60) days. The fee for a short-term medical marijuana  
7 patient license, reprints of the short-term medical marijuana  
8 patient license and the procedure for extending or renewing the  
9 license shall be determined by the ~~Department~~ Executive Director of  
10 the Authority.

11 F. A temporary medical marijuana patient license application  
12 shall also be available on the website of the ~~State Department of~~  
13 ~~Health~~ Authority for residents of other states. Temporary medical  
14 marijuana patient licenses shall be granted to medical marijuana  
15 license holders from other states, provided that such states have  
16 state-regulated medical marijuana programs and applicants can prove  
17 they are members of such programs. Temporary medical marijuana  
18 patient licenses shall be issued for thirty (30) days. The cost for  
19 a temporary medical marijuana patient license shall be One Hundred  
20 Dollars (\$100.00). Renewal shall be granted with resubmission of a  
21 new application. No additional criteria shall be required.  
22 Reprints of the temporary medical marijuana patient license shall be  
23 Twenty Dollars (\$20.00).

24

1 G. Medical marijuana patient license applicants shall submit  
2 their applications to the ~~State Department of Health~~ Authority for  
3 approval. The applicant shall be a resident of ~~Oklahoma~~ this state  
4 and shall prove residency by a valid driver license, utility bills,  
5 or other accepted methods.

6 H. The ~~State Department of Health~~ Authority shall review the  
7 medical marijuana patient license application; approve, reject or  
8 deny the application; and mail the approval, rejection or denial  
9 letter stating any reasons for the rejection or denial to the  
10 applicant within fourteen (14) business days of receipt of the  
11 application. Approved applicants shall be issued a medical  
12 marijuana patient license which shall act as proof of his or her  
13 approved status. Applications may only be rejected or denied based  
14 on the applicant not meeting stated criteria or improper completion  
15 of the application.

16 I. The ~~State Department of Health~~ Authority shall make  
17 available, both on its website and through a telephone verification  
18 system, an easy method to validate the authenticity of the medical  
19 marijuana patient license by the unique 24-character identification  
20 number.

21 J. The ~~State Department of Health~~ Authority shall ensure that  
22 all medical marijuana patient and caregiver records and information  
23 are sealed to protect the privacy of medical marijuana patient  
24 license applicants.

1 K. A caregiver license shall be made available for qualified  
2 caregivers of a medical marijuana patient license holder who is  
3 homebound. As provided in Section 427.11 of this title, the  
4 caregiver license shall provide the caregiver the same rights as the  
5 medical marijuana patient licensee including the ability to possess  
6 marijuana, marijuana products and mature and immature plants  
7 pursuant to the Oklahoma Medical Marijuana and Patient Protection  
8 Act, but excluding the ability to use marijuana or marijuana  
9 products unless the caregiver has a medical marijuana patient  
10 license. Applicants for a caregiver license shall submit proof of  
11 the license status and homebound status of the medical marijuana  
12 patient and proof that the applicant is the designee of the medical  
13 marijuana patient. The applicant shall also submit proof that he or  
14 she is eighteen (18) years of age or older and proof of his or her  
15 ~~Oklahoma~~ state residency.

16 L. All applicants for a medical marijuana patient license shall  
17 be eighteen (18) years of age or older. A special exception shall  
18 be granted to an applicant under the age of eighteen (18); however,  
19 these applications shall be signed by two physicians and the parent  
20 or legal guardian of the applicant.

21 M. All applications for a medical marijuana patient license  
22 shall be signed by an Oklahoma physician licensed by and in good  
23 standing with the State Board of Medical Licensure and Supervision  
24 ~~or,~~ the State Board of Osteopathic Examiners, or the Board of

1 Podiatric Medical Examiners. There are no qualifying conditions. A  
2 medical marijuana patient license shall be recommended according to  
3 the accepted standards a reasonable and prudent physician would  
4 follow when recommending or approving any medication. No physician  
5 may be unduly stigmatized or harassed for signing a medical  
6 marijuana patient license application.

7 N. Counties and cities may enact medical marijuana guidelines  
8 allowing medical marijuana patient license holders or caregiver  
9 license holders to exceed the state limits set forth in subsection A  
10 of this section.

11 SECTION 2. AMENDATORY 63 O.S. 2021, Section 421, is  
12 amended to read as follows:

13 Section 421. A. ~~The State Department of Health~~ Oklahoma  
14 Medical Marijuana Authority shall, within thirty (30) days of  
15 passage of this initiative, make available on its website in an  
16 easy-to-find location an application for a medical marijuana  
17 dispensary license. The application fee shall be Two Thousand Five  
18 Hundred Dollars (\$2,500.00). A method of payment shall be provided  
19 on the website of the ~~Department~~ Authority. Dispensary applicants  
20 must all be residents of ~~Oklahoma~~ this state. Any entity applying  
21 for a dispensary license must be owned by ~~an Oklahoma resident~~ a  
22 resident of this state and must be registered to do business in  
23 ~~Oklahoma~~ this state. The ~~Department~~ Authority shall have ninety  
24 (90) business days to review the application; approve, reject or



1 deny the application; and mail the approval, rejection or denial  
2 letter stating reasons for the rejection or denial to the applicant.

3 B. The ~~State Department of Health~~ Authority 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~~ this state;

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

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

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

16 6. All applicants must disclose all ownership interests in the  
17 dispensary.

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 medical  
22 marijuana dispensary license.

23 C. Licensed medical marijuana dispensaries shall be required to  
24 complete a monthly sales report to the ~~State Department of Health~~

1 Authority. This report shall be due on the fifteenth of each month  
2 and provide reporting on the previous month. This report shall  
3 detail the weight of marijuana purchased at wholesale and the weight  
4 of marijuana sold to licensed medical marijuana patients and  
5 licensed caregivers and account for any waste. The report shall  
6 show total sales in dollars, tax collected in dollars, and tax due  
7 in dollars. The ~~State Department of Health~~ Authority shall have  
8 oversight and auditing responsibilities to ensure that all marijuana  
9 being grown is accounted for.

10 D. Only a licensed medical marijuana dispensary may conduct  
11 retail sales of marijuana or marijuana derivatives. Beginning on  
12 the effective date of this act, licensed medical marijuana  
13 dispensaries shall be authorized to package and sell pre-rolled  
14 marijuana to licensed medical marijuana patients and licensed  
15 caregivers. The products described in this subsection shall contain  
16 only the ground parts of the marijuana plant and shall not include  
17 marijuana concentrates or derivatives. The total net weight of each  
18 pre-roll packaged and sold by a medical marijuana dispensary shall  
19 not exceed one (1) gram. These products shall be tested, packaged  
20 and labeled in accordance with ~~Oklahoma~~ state law and rules  
21 promulgated by the ~~State Commissioner of Health~~ Executive Director  
22 of the Oklahoma Medical Marijuana Authority.

23 E. No medical marijuana dispensary shall offer or allow a  
24 medical marijuana patient licensee, caregiver licensee or other

1 member of the public to handle or otherwise have physical contact  
2 with any medical marijuana not contained in a sealed or separate  
3 package. Provided, such prohibition shall not preclude an employee  
4 of the medical marijuana dispensary from handling loose or  
5 nonpackaged medical marijuana to be placed in packaging consistent  
6 with the Oklahoma Medical Marijuana and Patient Protection Act and  
7 the rules promulgated by the ~~Authority~~ Executive Director for the  
8 packaging of medical marijuana for retail sale. Provided, further,  
9 such prohibition shall not prevent a medical marijuana dispensary  
10 from displaying samples of its medical marijuana in separate display  
11 cases, jars or other containers and allowing medical marijuana  
12 patient licensees and caregiver licensees the ability to handle or  
13 smell the various samples as long as the sample medical marijuana is  
14 used for display purposes only and is not offered for retail sale.

15 SECTION 3. AMENDATORY 63 O.S. 2021, Section 422, is  
16 amended to read as follows:

17 Section 422. A. The ~~State Department of Health~~ Oklahoma  
18 Medical Marijuana Authority shall, within thirty (30) days of  
19 passage of this initiative, make available on its website in an  
20 easy-to-find location an application for a commercial grower  
21 license. The application fee shall be Two Thousand Five Hundred  
22 Dollars (\$2,500.00). A method of payment shall be provided on the  
23 website of the ~~Department~~ Authority. The ~~State Department of Health~~  
24 Authority shall have ninety (90) days to review the application;

1 approve, reject or deny the application; and mail the approval,  
2 rejection or denial letter stating the reasons for the rejection or  
3 denial to the applicant.

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

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

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

10 3. All applying entities must show that all members, managers,  
11 and board members are ~~Oklahoma~~ residents of this state;

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

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

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

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

24

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

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

3 E. Beginning on ~~the effective date of this act~~ November 1,  
4 2021, licensed commercial growers shall be authorized to package and  
5 sell pre-rolled marijuana to licensed medical marijuana  
6 dispensaries. The products described in this subsection shall  
7 contain only the ground parts of the marijuana plant and shall not  
8 include marijuana concentrates or derivatives. The total net weight  
9 of each pre-roll packaged and sold by medical marijuana commercial  
10 growers shall not exceed one (1) gram. These products must be  
11 tested, packaged and labeled in accordance with ~~Oklahoma~~ state law  
12 and rules promulgated by the ~~State Commissioner of Health~~ Executive  
13 Director of the Oklahoma Medical Marijuana Authority.

14 SECTION 4. AMENDATORY 63 O.S. 2021, Section 423, is  
15 amended to read as follows:

16 Section 423. A. The ~~State Department of Health~~ Oklahoma  
17 Medical Marijuana Authority shall, within thirty (30) days of  
18 passage of this initiative, make available on its website in an  
19 easy-to-find location an application for a medical marijuana  
20 processing license. The ~~Department~~ Authority shall be authorized to  
21 issue two types of medical marijuana processor licenses based on the  
22 level of risk posed by the type of processing conducted:

- 23 1. Nonhazardous medical marijuana processor license; and
- 24 2. Hazardous medical marijuana processor license.

1 The application fee for a nonhazardous or hazardous medical  
2 marijuana processor license shall be Two Thousand Five Hundred  
3 Dollars (\$2,500.00). A method of payment shall be provided on the  
4 website of the ~~Department~~ Authority. The ~~State Department of Health~~  
5 Authority shall have ninety (90) days to review the application;  
6 approve, reject or deny the application; and mail the approval,  
7 rejection or denial letter stating the reasons for the rejection or  
8 denial to the applicant.

9 B. The ~~State Department of Health~~ Authority shall approve all  
10 applications which meet the following criteria:

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

13 2. The applicant, if applying as an individual, must show  
14 residency in ~~the State of Oklahoma~~ this state;

15 3. All applying entities must show that all members, managers,  
16 and board members are ~~Oklahoma~~ residents of this state;

17 4. An applying entity may show ownership of ~~non-Oklahoma~~  
18 nonstate residents, but that percentage ownership may not exceed  
19 twenty-five percent (25%);

20 5. All applying individuals or entities must be registered to  
21 conduct business in ~~the State of Oklahoma~~ this state; and

22 6. All applicants must disclose all ownership interests in the  
23 processing operation.

24

1 Applicants with a nonviolent felony conviction in the last two  
2 (2) years, any other felony conviction in the last five (5) years,  
3 inmates in the custody of the Department of Corrections or any  
4 person currently incarcerated shall not qualify for a medical  
5 marijuana processing license.

6 C. 1. A licensed processor may take marijuana plants and  
7 distill or process these plants into concentrates, edibles, and  
8 other forms for consumption.

9 2. ~~As required by subsection D of this section, the State~~  
10 ~~Department of Health~~ The Executive Director of the Authority shall,  
11 within sixty (60) days of passage of this initiative, make available  
12 a set of standards which shall be used by licensed processors in the  
13 preparation of edible marijuana products. The standards should be  
14 in line with current food preparation guidelines. No excessive or  
15 punitive rules may be established by the ~~State Department of Health~~  
16 Executive Director.

17 3. Up to two times a year, the ~~State Department of Health~~  
18 Authority may inspect a processing operation and determine its  
19 compliance with the preparation standards. If deficiencies are  
20 found, a written report of the deficiency shall be issued to the  
21 licensed processor. The licensed processor shall have one (1) month  
22 to correct the deficiency or be subject to a fine of Five Hundred  
23 Dollars (\$500.00) for each deficiency.



1 4. A licensed processor may sell marijuana products it creates  
2 to a licensed dispensary or any other licensed processor. All sales  
3 by a licensed processor shall be considered wholesale sales and  
4 shall not be subject to taxation.

5 5. Under no circumstances may a licensed processor sell  
6 marijuana or any marijuana product directly to a licensed medical  
7 marijuana patient or licensed caregiver. However, a licensed  
8 processor may process cannabis into a concentrated form for a  
9 licensed medical marijuana patient for a fee.

10 6. Licensed processors shall be required to complete a monthly  
11 yield and sales report to the ~~State Department of Health~~ Authority.  
12 This report shall be due on the fifteenth of each month and shall  
13 provide reporting on the previous month. This report shall detail  
14 the amount of marijuana and medical marijuana products purchased in  
15 pounds, the amount of marijuana cooked or processed in pounds, and  
16 the amount of waste in pounds. Additionally, this report shall show  
17 total wholesale sales in dollars. The ~~State Department of Health~~  
18 Authority shall have oversight and auditing responsibilities to  
19 ensure that all marijuana being processed is accounted for.

20 D. The ~~Department~~ Authority shall oversee the inspection and  
21 compliance of licensed processors producing products with marijuana  
22 as an additive. ~~The State Department of Health shall be compelled~~  
23 ~~to, within thirty (30) days of passage of this initiative, appoint~~  
24 ~~twelve (12) Oklahoma residents to the Medical Marijuana Advisory~~

1 ~~Council, who are marijuana industry experts, to create a list of~~  
2 ~~food safety standards for processing and handling medical marijuana~~  
3 ~~in Oklahoma. These standards shall be adopted by the Department and~~  
4 ~~the Department may enforce these standards for licensed processors.~~  
5 ~~The Department shall develop a standards review procedure and these~~  
6 ~~standards can be altered by calling another council of twelve (12)~~  
7 ~~Oklahoma marijuana industry experts. A signed letter of twenty~~  
8 ~~operating, licensed processors shall constitute a need for a new~~  
9 ~~council and standards review.~~

10 ~~E.~~ If it becomes permissible under federal law, marijuana may  
11 be moved across state lines.

12 ~~F.~~ E. Any device used for the processing or consumption of  
13 medical marijuana shall be considered legal to be sold,  
14 manufactured, distributed and possessed. No merchant, wholesaler,  
15 manufacturer or individual may be unduly harassed or prosecuted for  
16 selling, manufacturing or possessing marijuana paraphernalia.

17 SECTION 5. AMENDATORY 63 O.S. 2021, Section 425, as last  
18 amended by Section 5, Chapter 553, O.S.L. 2021, is amended to read  
19 as follows:

20 Section 425. A. No school or landlord may refuse to enroll or  
21 lease to and may not otherwise penalize a person solely for his or  
22 her status as a medical marijuana patient licensee, unless failing  
23 to do so would cause the school or landlord the potential to lose a  
24

1 monetary or licensing-related benefit under federal law or  
2 regulations.

3 B. Unless a failure to do so would cause an employer the  
4 potential to lose a monetary or licensing-related benefit under  
5 federal law or regulations, an employer may not discriminate against  
6 a person in hiring, termination or imposing any term or condition of  
7 employment or otherwise penalize a person based upon the status of  
8 the person as a medical marijuana patient licensee. Employers may  
9 take action against a medical marijuana patient licensee if the  
10 licensee uses or possesses marijuana while in his or her place of  
11 employment or during the hours of employment. Employers may not  
12 take action against a medical marijuana patient licensee solely  
13 based upon the status of an employee as a medical marijuana patient  
14 licensee or the results of a drug test showing positive for  
15 marijuana or its components.

16 C. For the purposes of medical care, including organ  
17 transplants, the authorized use of marijuana by a medical marijuana  
18 patient licensee shall be considered the equivalent of the use of  
19 any other medication under the direction of a physician and does not  
20 constitute the use of an illicit substance or otherwise disqualify a  
21 registered qualifying patient from medical care.

22 D. No medical marijuana patient licensee may be denied custody  
23 of or visitation or parenting time with a minor child, and there is  
24 no presumption of neglect or child endangerment for conduct allowed

1 under this law unless the behavior of the medical marijuana patient  
2 licensee creates an unreasonable danger to the safety of the minor  
3 child.

4 E. No person who possesses a medical marijuana patient license  
5 may be unduly withheld from holding another state-issued license by  
6 virtue of his or her status as a medical marijuana patient licensee  
7 including, but not limited to, a concealed carry permit.

8 F. 1. No city or local municipality may unduly change or  
9 restrict zoning laws to prevent the opening of a medical marijuana  
10 dispensary.

11 2. For purposes of this subsection, an undue change or  
12 restriction of municipal zoning laws means an act which entirely  
13 prevents medical marijuana dispensaries from operating within  
14 municipal boundaries as a matter of law. Municipalities may follow  
15 their standard planning and zoning procedures to determine if  
16 certain zones or districts would be appropriate for locating  
17 marijuana-licensed premises, medical marijuana businesses or any  
18 other premises where marijuana or its by-products are cultivated,  
19 grown, processed, stored or manufactured.

20 3. A medical marijuana dispensary does not include those other  
21 entities licensed by the Oklahoma Medical Marijuana Authority as  
22 marijuana-licensed premises, medical marijuana businesses or other  
23 facilities or locations where marijuana or any product containing  
24

1 marijuana or its by-products are cultivated, grown, processed,  
2 stored or manufactured.

3 G. The location of any medical marijuana dispensary is  
4 specifically prohibited within one thousand (1,000) feet of any  
5 public school or private school. The distance indicated in this  
6 subsection shall be measured from the nearest property line of such  
7 public school or private school to the nearest perimeter wall of the  
8 licensed premises of such medical marijuana dispensary. If a  
9 medical marijuana dispensary met the requirements of this subsection  
10 at the time of its initial licensure, the medical marijuana  
11 dispensary licensee shall be permitted to continue operating at the  
12 licensed premises in the same manner and not be subject to  
13 nonrenewal or revocation due to subsequent events or changes in  
14 regulations occurring after licensure that would render the medical  
15 marijuana dispensary in violation by being within one thousand  
16 (1,000) feet of a public school or private school. If any public  
17 school or private school is established within one thousand (1,000)  
18 feet of any medical marijuana dispensary after such medical  
19 marijuana dispensary has been licensed, the provisions of this  
20 subsection shall not be a deterrent to the renewal of such license  
21 or warrant revocation of the license. For purposes of this  
22 subsection, a property owned, used or operated by a public school or  
23 by a private school that is not used for classroom instruction on  
24 core curriculum, such as an administrative building, athletic

1 facility, ballpark, field or stadium, shall not constitute a public  
2 school or private school unless such property is located on the same  
3 campus as a building used for classroom instruction on core  
4 curriculum.

5 H. Research shall be provided for under this law. A researcher  
6 may apply to the ~~State Department of Health~~ Oklahoma Medical  
7 Marijuana Authority for a special research license. The research  
8 license shall be granted, provided the applicant meets the criteria  
9 listed in the Oklahoma Medical Marijuana and Patient Protection Act.  
10 Research licensees shall be required to file monthly consumption  
11 reports to the ~~State Department of Health~~ Authority with amounts of  
12 marijuana used for research. Biomedical and clinical research which  
13 is subject to federal regulations and institutional oversight shall  
14 not be subject to oversight by the ~~State Department of Health~~  
15 Authority.

16 SECTION 6. AMENDATORY 63 O.S. 2021, Section 426.1, as  
17 last amended by Section 7, Chapter 553, O.S.L. 2021, is amended to  
18 read as follows:

19 Section 426.1 A. All licensure revocation hearings conducted  
20 pursuant to marijuana licenses established in the Oklahoma Statutes  
21 shall be recorded. A party may request a copy of the recording of  
22 the proceedings. Copies shall be provided to local law enforcement  
23 if the revocation was based on alleged criminal activity.

24

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

9        C. ~~The State Department of Health~~ Authority shall make  
10 available all information on whether or not a medical marijuana  
11 patient or caregiver license is valid to law enforcement  
12 electronically through an online verification system.

13        D. ~~The Department~~ Authority shall make available to ~~Oklahoma~~  
14 state agencies and political subdivisions a list of marijuana-  
15 licensed premises, medical marijuana businesses or any other  
16 premises where marijuana or its by-products are licensed to be  
17 cultivated, grown, processed, stored or manufactured to aid ~~Oklahoma~~  
18 state agencies and county and municipal governments in identifying  
19 locations within their jurisdiction and ensuring compliance with  
20 applicable laws, rules and regulations.

21        E. Any marijuana-licensed premises, medical marijuana business  
22 or any other premises where marijuana or its by-products are  
23 licensed to be cultivated, grown, processed, stored or manufactured  
24 shall submit with its application or request to change location,

1 after notifying the political subdivision of its intent, a  
2 certificate of compliance from the political subdivision where the  
3 facility of the applicant or licensee is to be located certifying  
4 compliance with zoning classifications, applicable municipal  
5 ordinances and all applicable safety, electrical, fire, plumbing,  
6 waste, construction and building specification codes.

7 Once a certificate of compliance has been submitted to the  
8 Oklahoma Medical Marijuana Authority showing full compliance as  
9 outlined in this subsection, no additional certificate of compliance  
10 shall be required for license renewal unless a change of use or  
11 occupancy occurs, or there is any change concerning the facility or  
12 location that would, by law, require additional inspection,  
13 licensure or permitting by the state or municipality.

14 SECTION 7. AMENDATORY 63 O.S. 2021, Section 427.2, as  
15 last amended by Section 8, Chapter 553, O.S.L. 2021, is amended to  
16 read as follows:

17 Section 427.2 As used in the Oklahoma Medical Marijuana and  
18 Patient Protection Act:

19 1. "Advertising" means the act of providing consideration for  
20 the publication, dissemination, solicitation, or circulation, of  
21 visual, oral, or written communication to induce directly or  
22 indirectly any person to patronize a particular medical marijuana  
23 business, or to purchase particular medical marijuana or a medical  
24



1 marijuana product. Advertising includes marketing, but does not  
2 include packaging and labeling;

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

4 3. "Batch number" means a unique numeric or alphanumeric  
5 identifier assigned prior to testing to allow for inventory tracking  
6 and traceability;

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

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

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

13 a. designed or constructed to be significantly difficult  
14 for children under five (5) years of age to open and  
15 not difficult for normal adults to use properly as  
16 defined by 16 C.F.R. 1700.15 (1995) and 16 C.F.R.  
17 1700.20 (1995),

18 b. opaque so that the outermost packaging does not allow  
19 the product to be seen without opening the packaging  
20 material, and

21 c. resealable to maintain its child-resistant  
22 effectiveness for multiple openings for any product  
23 intended for more than a single use or containing  
24 multiple servings;

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

4 ~~8. "Commissioner" means the State Commissioner of Health;~~

5 ~~9.~~ "Complete application" means a document prepared in  
6 accordance with the provisions set forth in the Oklahoma Medical  
7 Marijuana and Patient Protection Act, rules promulgated pursuant  
8 thereto, and the forms and instructions provided by the ~~Department~~  
9 Oklahoma Medical Marijuana Authority, including any supporting  
10 documentation required and the applicable license application fee;

11 ~~10. "Department" means the State Department of Health;~~

12 ~~11.~~ 9. "Director" means the Executive Director of the Oklahoma  
13 Medical Marijuana Authority;

14 ~~12.~~ 10. "Dispense" means the selling of medical marijuana or a  
15 medical marijuana product to a qualified patient or the designated  
16 caregiver of the patient that is packaged in a suitable container  
17 appropriately labeled for subsequent administration to or use by a  
18 qualifying patient;

19 ~~13.~~ 11. "Dispensary" means a medical marijuana dispensary, an  
20 entity that has been licensed by the ~~Department~~ Authority pursuant  
21 to the Oklahoma Medical Marijuana and Patient Protection Act to  
22 purchase medical marijuana or medical marijuana products from a  
23 licensed medical marijuana commercial grower or licensed medical  
24 marijuana processor, to prepare and package noninfused pre-rolled

1 medical marijuana, and to sell medical marijuana or medical  
2 marijuana products to licensed patients and caregivers as defined in  
3 this section, or sell or transfer products to another licensed  
4 dispensary;

5 ~~14.~~ 12. "Edible medical marijuana product" means any medical-  
6 marijuana-infused product for which the intended use is oral  
7 consumption including, but not limited to, any type of food, drink  
8 or pill;

9 ~~15.~~ 13. "Entity" means an individual, general partnership,  
10 limited partnership, limited liability company, trust, estate,  
11 association, corporation, cooperative or any other legal or  
12 commercial entity;

13 ~~16.~~ 14. "Flower" means the reproductive organs of the marijuana  
14 or cannabis plant referred to as the bud or parts of the plant that  
15 are harvested and used for consumption in a variety of medical  
16 marijuana products;

17 ~~17.~~ 15. "Flowering" means the reproductive state of the  
18 marijuana or cannabis plant in which there are physical signs of  
19 flower or budding out of the nodes of the stem;

20 ~~18.~~ 16. "Food-based medical marijuana concentrate" means a  
21 medical marijuana concentrate that was produced by extracting  
22 cannabinoids from medical marijuana through the use of propylene  
23 glycol, glycerin, butter, olive oil, coconut oil or other typical  
24 food-safe cooking fats;

1       ~~19.~~ 17. "Harvest batch" means a specifically identified  
2 quantity of medical marijuana that is uniform in strain, cultivated  
3 utilizing the same cultivation practices, harvested at the same time  
4 from the same location and cured under uniform conditions;

5       ~~20.~~ 18. "Harvested marijuana" means postflowering medical  
6 marijuana not including trim, concentrate or waste;

7       ~~21.~~ 19. "Heat- or pressure-based medical marijuana concentrate"  
8 means a medical marijuana concentrate that was produced by  
9 extracting cannabinoids from medical marijuana through the use of  
10 heat or pressure;

11       ~~22.~~ 20. "Immature plant" means a nonflowering marijuana plant  
12 that has not demonstrated signs of flowering;

13       ~~23.~~ 21. "Inventory tracking system" means the required tracking  
14 system that accounts for the entire life span of medical marijuana  
15 and medical marijuana products, including any testing samples  
16 thereof and medical marijuana waste;

17       ~~24.~~ 22. "Licensed patient" or "patient" means a person who has  
18 been issued a medical marijuana patient license by the ~~State~~  
19 ~~Department of Health or~~ Oklahoma Medical Marijuana Authority;

20       ~~25.~~ 23. "Licensed premises" means the premises specified in an  
21 application for a medical marijuana business license, medical  
22 marijuana research facility license or medical marijuana education  
23 facility license pursuant to the Oklahoma Medical Marijuana and  
24 Patient Protection Act that are owned or in possession of the

1 licensee and within which the licensee is authorized to cultivate,  
2 manufacture, distribute, sell, store, transport, test or research  
3 medical marijuana or medical marijuana products in accordance with  
4 the provisions of the Oklahoma Medical Marijuana and Patient  
5 Protection Act and rules promulgated pursuant thereto;

6 ~~26.~~ 24. "Manufacture" means the production, propagation,  
7 compounding or processing of a medical marijuana product, excluding  
8 marijuana plants, either directly or indirectly by extraction from  
9 substances of natural or synthetic origin, or independently by means  
10 of chemical synthesis, or by a combination of extraction and  
11 chemical synthesis;

12 ~~27.~~ 25. "Marijuana" shall have the same meaning as such term is  
13 defined in Section 2-101 of this title;

14 ~~28.~~ 26. "Material change" means any change that would affect  
15 the qualifications for licensure of an applicant or licensee;

16 ~~29.~~ 27. "Mature plant" means a harvestable female marijuana  
17 plant that is flowering;

18 ~~30.~~ 28. "Medical marijuana business (MMB)" means a licensed  
19 medical marijuana dispensary, medical marijuana processor, medical  
20 marijuana commercial grower, medical marijuana laboratory, medical  
21 marijuana business operator or a medical marijuana transporter;

22 ~~31.~~ 29. "Medical marijuana concentrate" or "concentrate" means  
23 a specific subset of medical marijuana that was produced by  
24 extracting cannabinoids from medical marijuana. Categories of

1 medical marijuana concentrate include water-based medical marijuana  
2 concentrate, food-based medical marijuana concentrate, solvent-based  
3 medical marijuana concentrate, and heat- or pressure-based medical  
4 marijuana concentrate;

5 ~~32.~~ 30. "Medical marijuana commercial grower" or "commercial  
6 grower" means an entity licensed to cultivate, prepare and package  
7 medical marijuana or package medical marijuana as pre-rolls, and  
8 transfer or contract for transfer medical marijuana and medical  
9 marijuana pre-rolls to a medical marijuana dispensary, medical  
10 marijuana processor, any other medical marijuana commercial grower,  
11 medical marijuana research facility or medical marijuana education  
12 facility. A commercial grower may sell seeds, flower or clones to  
13 commercial growers pursuant to the Oklahoma Medical Marijuana and  
14 Patient Protection Act;

15 ~~33.~~ 31. "Medical marijuana education facility" or "education  
16 facility" means a person or entity approved pursuant to the Oklahoma  
17 Medical Marijuana and Patient Protection Act to operate a facility  
18 providing training and education to individuals involving the  
19 cultivation, growing, harvesting, curing, preparing, packaging or  
20 testing of medical marijuana, or the production, manufacture,  
21 extraction, processing, packaging or creation of medical-marijuana-  
22 infused products or medical marijuana products as described in the  
23 Oklahoma Medical Marijuana and Patient Protection Act;

24

1       ~~34.~~ 32. "Medical-marijuana-infused product" means a product  
2 infused with medical marijuana including, but not limited to, edible  
3 products, ointments and tinctures;

4       ~~35.~~ 33. "Medical marijuana product" or "product" means a  
5 product that contains cannabinoids that have been extracted from  
6 plant material or the resin therefrom by physical or chemical means  
7 and is intended for administration to a qualified patient including,  
8 but not limited to, oils, tinctures, edibles, pills, topical forms,  
9 gels, creams, vapors, patches, liquids, and forms administered by a  
10 nebulizer, excluding live plant forms which are considered medical  
11 marijuana;

12       ~~36.~~ 34. "Medical marijuana processor" means a person or entity  
13 licensed pursuant to the Oklahoma Medical Marijuana and Patient  
14 Protection Act to operate a business including the production,  
15 manufacture, extraction, processing, packaging or creation of  
16 concentrate, medical-marijuana-infused products or medical marijuana  
17 products as described in the Oklahoma Medical Marijuana and Patient  
18 Protection Act;

19       ~~37.~~ 35. "Medical marijuana research facility" or "research  
20 facility" means a person or entity approved pursuant to the Oklahoma  
21 Medical Marijuana and Patient Protection Act to conduct medical  
22 marijuana research. A medical marijuana research facility is not a  
23 medical marijuana business;

24

1       ~~38.~~ 36. "Medical marijuana testing laboratory" or "laboratory"  
2 means a public or private laboratory licensed pursuant to the  
3 Oklahoma Medical Marijuana and Patient Protection Act to conduct  
4 testing and research on medical marijuana and medical marijuana  
5 products;

6       ~~39.~~ 37. "Medical marijuana transporter" or "transporter" means  
7 a person or entity that is licensed pursuant to the Oklahoma Medical  
8 Marijuana and Patient Protection Act. A medical marijuana  
9 transporter does not include a medical marijuana business that  
10 transports its own medical marijuana, medical marijuana concentrate  
11 or medical marijuana products to a property or facility adjacent to  
12 or connected to the licensed premises if the property is another  
13 licensed premises of the same medical marijuana business;

14       ~~40.~~ 38. "Medical marijuana waste" or "waste" means unused,  
15 surplus, returned or out-of-date marijuana, plant debris of the  
16 plant of the genus Cannabis including dead plants and all unused  
17 plant parts and roots, except the term shall not include roots,  
18 stems, stalks and fan leaves;

19       ~~41.~~ 39. "Medical use" means the acquisition, possession, use,  
20 delivery, transfer or transportation of medical marijuana, medical  
21 marijuana products, medical marijuana devices or paraphernalia  
22 relating to the administration of medical marijuana to treat a  
23 licensed patient;

24



1       ~~42.~~ 40. "Mother plant" means a marijuana plant that is grown or  
2 maintained for the purpose of generating clones, and that will not  
3 be used to produce plant material for sale to a medical marijuana  
4 processor or medical marijuana dispensary;

5       ~~43.~~ 41. "Oklahoma physician" or "physician" means a physician  
6 licensed by and in good standing with the State Board of Medical  
7 Licensure and Supervision, the State Board of Osteopathic Examiners  
8 or the Board of Podiatric Medical Examiners;

9       ~~44.~~ 42. "Oklahoma resident" means an individual who can provide  
10 proof of residency as required by the Oklahoma Medical Marijuana and  
11 Patient Protection Act;

12       ~~45.~~ 43. "Owner" means, except where the context otherwise  
13 requires, a direct beneficial owner including, but not limited to,  
14 all persons or entities as follows:

- 15           a. all shareholders owning an interest of a corporate  
16           entity and all officers of a corporate entity,
- 17           b. all partners of a general partnership,
- 18           c. all general partners and all limited partners that own  
19           an interest in a limited partnership,
- 20           d. all members that own an interest in a limited  
21           liability company,
- 22           e. all beneficiaries that hold a beneficial interest in a  
23           trust and all trustees of a trust,

- 1 f. all persons or entities that own interest in a joint  
2 venture,  
3 g. all persons or entities that own an interest in an  
4 association,  
5 h. the owners of any other type of legal entity, and  
6 i. any other person holding an interest or convertible  
7 note in any entity which owns, operates or manages a  
8 licensed facility;

9 ~~46.~~ 44. "Package" or "packaging" means any container or wrapper  
10 that may be used by a medical marijuana business to enclose or  
11 contain medical marijuana;

12 ~~47.~~ 45. "Person" means a natural person, partnership,  
13 association, business trust, company, corporation, estate, limited  
14 liability company, trust or any other legal entity or organization,  
15 or a manager, agent, owner, director, servant, officer or employee  
16 thereof, except that "person" does not include any governmental  
17 organization;

18 ~~48.~~ 46. "Pesticide" means any substance or mixture of  
19 substances intended for preventing, destroying, repelling or  
20 mitigating any pest or any substance or mixture of substances  
21 intended for use as a plant regulator, defoliant or desiccant,  
22 except that the term "pesticide" shall not include any article that  
23 is a "new animal drug" as designated by the United States Food and  
24 Drug Administration;

1       ~~49.~~ 47. "Production batch" means:

2           a.    any amount of medical marijuana concentrate of the  
3                    same category and produced using the same extraction  
4                    methods, standard operating procedures and an  
5                    identical group of harvest batch of medical marijuana,  
6                    or

7           b.    any amount of medical marijuana product of the same  
8                    exact type, produced using the same ingredients,  
9                    standard operating procedures and the same production  
10                  batch of medical marijuana concentrate;

11       ~~50.~~ 48. "Public institution" means any entity established or  
12   controlled by the federal government, state government, or a local  
13   government or municipality including, but not limited to,  
14   institutions of higher education or related research institutions;

15       ~~51.~~ 49. "Public money" means any funds or money obtained by the  
16   holder from any governmental entity including, but not limited to,  
17   research grants;

18       ~~52.~~ 50. "Recommendation" means a document that is signed or  
19   electronically submitted by a physician on behalf of a patient for  
20   the use of medical marijuana pursuant to the Oklahoma Medical  
21   Marijuana and Patient Protection Act;

22       ~~53.~~ 51. "Registered to conduct business" means a person that  
23   has provided proof that the business applicant or licensee is in  
24   good standing with the ~~Oklahoma~~ Secretary of State;

1       ~~54.~~ 52. "Remediation" means the process by which a harvest  
2 batch or production batch that fails testing undergoes a procedure  
3 to remedy the harvest batch or production batch and is retested in  
4 accordance with ~~Oklahoma~~ state laws, rules and regulations;

5       ~~55.~~ 53. "Research project" means a discrete scientific endeavor  
6 to answer a research question or a set of research questions related  
7 to medical marijuana and is required for a medical marijuana  
8 research license. A research project shall include a description of  
9 a defined protocol, clearly articulated goals, defined methods and  
10 outputs, and a defined start and end date. The description shall  
11 demonstrate that the research project will comply with all  
12 requirements in the Oklahoma Medical Marijuana and Patient  
13 Protection Act and rules promulgated pursuant thereto. All research  
14 and development conducted by a medical marijuana research facility  
15 shall be conducted in furtherance of an approved research project;

16       ~~56.~~ 54. "Revocation" means the final decision by the ~~Department~~  
17 Authority that any license issued pursuant to the Oklahoma Medical  
18 Marijuana and Patient Protection Act is rescinded because the  
19 individual or entity does not comply with the applicable  
20 requirements set forth in the Oklahoma Medical Marijuana and Patient  
21 Protection Act or rules promulgated pursuant thereto;

22       ~~57.~~ 55. "School" means a public or private elementary, middle  
23 or high school used for school classes and instruction. A  
24 homeschool, daycare or child-care facility shall not be considered a

1 "school" as used in the Oklahoma Medical Marijuana and Patient  
2 Protection Act;

3 ~~58.~~ 56. "Shipping container" means a hard-sided container with  
4 a lid or other enclosure that can be secured in place. A shipping  
5 container is used solely for the transport of medical marijuana,  
6 medical marijuana concentrate, or medical marijuana products between  
7 medical marijuana businesses, a medical marijuana research facility,  
8 or a medical marijuana education facility;

9 ~~59.~~ 57. "Solvent-based medical marijuana concentrate" means a  
10 medical marijuana concentrate that was produced by extracting  
11 cannabinoids from medical marijuana through the use of a solvent  
12 approved by the ~~Department~~ Executive Director;

13 ~~60.~~ 58. "State Question" means Oklahoma State Question No. 788,  
14 Initiative Petition No. 412, approved by a majority vote of the  
15 citizens of Oklahoma on June 26, 2018;

16 ~~61.~~ 59. "Strain" means the name given to a particular variety  
17 of medical marijuana that is based on a combination of factors which  
18 may include, but is not limited to, botanical lineage, appearance,  
19 chemical profile and accompanying effects. An example of a "strain"  
20 would be "OG Kush" or "Pineapple Express";

21 ~~62.~~ 60. "THC" means tetrahydrocannabinol, which is the primary  
22 psychotropic cannabinoid in marijuana formed by decarboxylation of  
23 naturally tetrahydrocannabinolic acid, which generally occurs by  
24 exposure to heat;

1       ~~63.~~ 61. "Transporter agent" means a person who transports  
2 medical marijuana or medical marijuana products as an employee of a  
3 licensed medical marijuana business and holds a transporter agent  
4 license specific to that business pursuant to the Oklahoma Medical  
5 Marijuana and Patient Protection Act;

6       ~~64.~~ 62. "Universal symbol" means the image established by the  
7 ~~State Department of Health or~~ Oklahoma Medical Marijuana Authority  
8 and made available to licensees through its website indicating that  
9 the medical marijuana or the medical marijuana product contains THC;

10       ~~65.~~ 63. "Usable marijuana" means the dried leaves, flowers,  
11 oils, vapors, waxes and other portions of the marijuana plant and  
12 any mixture or preparation thereof, excluding seeds, roots, stems,  
13 stalks and fan leaves; and

14       ~~66.~~ 64. "Water-based medical marijuana concentrate" means a  
15 concentrate that was produced by extracting cannabinoids from  
16 medical marijuana through the use of only water, ice or dry ice.

17       SECTION 8.       AMENDATORY       63 O.S. 2021, Section 427.3, as  
18 last amended by Section 9, Chapter 553, O.S.L. 2021, is amended to  
19 read as follows:

20       Section 427.3 A. There is hereby created the Oklahoma Medical  
21 Marijuana Authority ~~within the State Department of Health~~ which  
22 shall address issues related to the medical marijuana program in  
23 ~~Oklahoma~~ this state including, but not limited to, the issuance of  
24 patient licenses and medical marijuana business licenses, and the

1 dispensing, cultivating, processing, testing, transporting, storage,  
2 research, and the use of and sale of medical marijuana pursuant to  
3 the Oklahoma Medical Marijuana and Patient Protection Act.

4 ~~B. The Department shall provide support staff to perform~~  
5 ~~designated duties of the Authority. The Department shall also~~  
6 ~~provide office space for meetings of the Authority.~~

7 1. Beginning on the effective date of this act, the Authority  
8 shall cease to be part of or a division of the State Department of  
9 Health and shall be deemed to be a separate and distinct agency, to  
10 be known as the Oklahoma Medical Marijuana Authority. The Authority  
11 and the Executive Director of the Authority shall continue to  
12 exercise their statutory powers, duties, and contractual  
13 responsibilities. All records, property, equipment, assets, monies,  
14 financial interests, liabilities, matters pending, and funds of the  
15 division shall be transferred to the Authority.

16 2. All licenses granted by the Department pertaining to medical  
17 marijuana shall maintain rights and privileges under the authority  
18 of the Authority; provided, however, that all licenses shall be  
19 subject to revocation, suspension, or disciplinary action for  
20 violation of any of the provisions of the Oklahoma Medical Marijuana  
21 and Patient Protection Act and rules promulgated by the Executive  
22 Director.

1       3. The Authority shall succeed to any contractual rights or  
2 responsibilities incurred by the Department pertaining to medical  
3 marijuana.

4       4. Rules promulgated by the State Commissioner of Health  
5 pertaining to medical marijuana that are in effect on the effective  
6 date of this act shall be immediately adopted and enforced by the  
7 Executive Director. The Executive Director maintains the authority  
8 to further promulgate and enforce rules.

9       5. The Department and the Authority may enter into an agreement  
10 for the transfer of personnel from the Department to the Authority.  
11 No employee shall be transferred to the Authority except on the  
12 freely given written consent of the employee. All employees who are  
13 transferred to the Authority shall not be required to accept a  
14 lesser grade or salary than presently received. All employees shall  
15 retain leave, sick, and annual time earned, and any retirement and  
16 longevity benefits which have accrued during their tenure with the  
17 Department. The transfer of personnel between the state agencies  
18 shall be coordinated with the Office of Management and Enterprise  
19 Services.

20       6. The expenses incurred by the Authority as a result of the  
21 transfer required by this subsection shall be paid by the Authority.

22       7. The division within the Department known as the Oklahoma  
23 Medical Marijuana Authority shall be abolished by the Department  
24 after the transfer has been completed.



1       8. The Office of Management and Enterprise Services shall  
2 coordinate the transfer of records, property, equipment, assets,  
3 funds, allotments, purchase orders, liabilities, outstanding  
4 financial obligations, or encumbrances provided for in this  
5 subsection.

6       C. The ~~Department~~ Authority shall implement the provisions of  
7 the Oklahoma Medical Marijuana and Patient Protection Act  
8 consistently with the voter-approved State Question No. 788,  
9 Initiative Petition No. 412, subject to the provisions of the  
10 Oklahoma Medical Marijuana and Patient Protection Act.

11       D. The ~~Department~~ Authority shall exercise its respective  
12 powers and perform its respective duties and functions as specified  
13 in the Oklahoma Medical Marijuana and Patient Protection Act and  
14 this title including, but not limited to, the following:

15       1. Determine steps the state shall take, whether administrative  
16 or legislative in nature, to ensure that research on marijuana and  
17 marijuana products is being conducted for public purposes, including  
18 the advancement of:

- 19           a. public health policy and public safety policy,
- 20           b. agronomic and horticultural best practices, and
- 21           c. medical and pharmacopoeia best practices;

22       2. Contract with third-party vendors and other governmental  
23 entities in order to carry out the respective duties and functions

24

1 as specified in the Oklahoma Medical Marijuana and Patient  
2 Protection Act;

3 3. Upon complaint or upon its own motion and upon a completed  
4 investigation, levy fines as prescribed in applicable laws, rules  
5 and regulations and suspend, revoke or not renew licenses pursuant  
6 to applicable laws, rules and regulations;

7 4. Issue subpoenas for the appearance or production of persons,  
8 records and things in connection with disciplinary or contested  
9 cases considered by the ~~Department~~ Authority;

10 5. Apply for injunctive or declaratory relief to enforce the  
11 provisions of applicable laws, rules and regulations;

12 6. Inspect and examine all licensed premises of medical  
13 marijuana businesses, research facilities, education facilities and  
14 waste disposal facilities in which medical marijuana is cultivated,  
15 manufactured, sold, stored, transported, tested, distributed or  
16 disposed of;

17 7. Upon action by the federal government by which the  
18 production, sale and use of marijuana in ~~Oklahoma~~ this state does  
19 not violate federal law, work with the ~~Oklahoma State~~ Banking  
20 Department and the State Treasurer to develop good practices and  
21 standards for banking and finance for medical marijuana businesses;

22 8. Establish internal control procedures for licenses including  
23 accounting procedures, reporting procedures and personnel policies;

24

1           9. Establish a fee schedule and collect fees for performing  
2 background checks as the ~~Commissioner~~ Executive Director deems  
3 appropriate. The fees charged pursuant to this paragraph shall not  
4 exceed the actual cost incurred for each background check;

5           10. Establish a fee schedule and collect fees for material  
6 changes requested by the licensee; and

7           11. Establish regulations, which require a medical marijuana  
8 business to submit information to the Oklahoma Medical Marijuana  
9 Authority, deemed reasonably necessary to assist the Authority in  
10 the prevention of diversion of medical marijuana by a licensed  
11 medical marijuana business. Such information required by the  
12 Authority may include, but shall not be limited to:

- 13           a. the square footage of the licensed premises,
- 14           b. a diagram of the licensed premises,
- 15           c. the number and type of lights at the licensed medical  
16 marijuana commercial grower business,
- 17           d. the number, type and production capacity of equipment  
18 located at the medical marijuana processing facility,
- 19           e. the names, addresses and telephone numbers of  
20 employees or agents of a medical marijuana business,
- 21           f. employment manuals and standard operating procedures  
22 for the medical marijuana business, and
- 23           g. any other information as the Authority reasonably  
24 deems necessary.

1 SECTION 9. AMENDATORY 63 O.S. 2021, Section 427.4, as  
2 amended by Section 10, Chapter 553, O.S.L. 2021, is amended to read  
3 as follows:

4 Section 427.4 A. The Oklahoma Medical Marijuana Authority, ~~in~~  
5 ~~conjunction with the State Department of Health,~~ shall employ an  
6 Executive Director and other personnel as necessary to assist the  
7 Authority in carrying out its duties. The Executive Director shall  
8 be appointed by the Governor, with the advice and consent of the  
9 Senate. The Executive Director shall serve at the pleasure of the  
10 Governor and may be removed or replaced without cause. Compensation  
11 for the Executive Director shall be determined pursuant to Section  
12 3601.2 of Title 74 of the Oklahoma Statutes.

13 B. The Authority shall not employ an individual if any of the  
14 following circumstances exist:

15 1. The individual has a direct or indirect interest in a  
16 licensed medical marijuana business; or

17 2. The individual or his or her spouse, parent, child, spouse  
18 of a child, sibling, or spouse of a sibling has an application for a  
19 medical marijuana business license pending before the ~~Department~~  
20 Authority or is a member of the board of directors of a medical  
21 marijuana business, or is an individual financially interested in  
22 any licensee or medical marijuana business.

1 C. All officers and employees of the Authority shall be in the  
2 exempt unclassified service as provided for in Section 840-5.5 of  
3 Title 74 of the Oklahoma Statutes.

4 D. The ~~Commissioner~~ Executive Director may delegate to any  
5 officer or employee of the ~~Department~~ Authority any of the powers of  
6 the Executive Director and may designate any officer or employee of  
7 the ~~Department~~ Authority to perform any of the duties of the  
8 Executive Director.

9 E. The Executive Director ~~shall be authorized to suggest~~ may  
10 promulgate rules governing the oversight and implementation of the  
11 Oklahoma Medical Marijuana and Patient Protection Act.

12 F. The ~~Department~~ Authority is hereby authorized to create  
13 employment positions necessary for the implementation of its  
14 obligations pursuant to the Oklahoma Medical Marijuana and Patient  
15 Protection Act including, but not limited to, ~~Authority~~  
16 investigators of the Authority and a ~~senior~~ director of enforcement.  
17 The ~~Department and the Authority~~, the ~~senior~~ director of  
18 enforcement, the Executive Director, and ~~Department~~ investigators of  
19 the Authority shall have all the powers and authority of ~~any~~ a peace  
20 officer of this state for the purpose of enforcing the provisions of  
21 the Oklahoma Medical Marijuana and Patient Protection Act and other  
22 laws pertaining to medical marijuana, rules promulgated by the  
23 Executive Director, or criminal laws of this state. These powers  
24 shall include but not be limited to:

1       1. ~~Investigate~~ Investigating violations or suspected violations  
2 of the Oklahoma Medical Marijuana and Patient Protection Act ~~and or~~  
3 other laws pertaining to medical marijuana, any rules promulgated  
4 pursuant thereto, and any violations of criminal laws of this state  
5 discovered through the course of such investigations;

6       2. ~~Serve~~ Serving all warrants, summonses, subpoenas,  
7 administrative citations, notices or other processes relating to the  
8 enforcement of laws regulating ~~medical~~ marijuana, concentrate, and  
9 ~~medical~~ marijuana product;

10       3. ~~Assist or aid~~ Seizing any marijuana or marijuana product  
11 illegally held in violation of the Oklahoma Medical Marijuana  
12 Patient Protection Act, any other laws of this state, or any rules  
13 promulgated by the Executive Director;

14       4. Assisting or aiding any law enforcement officer in the  
15 performance of his or her duties upon such law enforcement officer's  
16 request or the request of other local officials having jurisdiction;

17       5. Referring any evidence, reports, or charges regarding  
18 violations of any provision of the Oklahoma Medical Marijuana and  
19 Patient Protection Act that carries criminal penalty, or of any  
20 other criminal laws of this state, to the appropriate law  
21 enforcement authority and prosecutorial authority for action;

22       6. Aiding the enforcement authorities of this state or any  
23 county or municipality of the state, or the federal government, in  
24 prosecutions of violations of the Oklahoma Medical Marijuana and

1 Patient Protection Act or any other laws of this state that carry  
2 criminal penalty involving crimes discovered during the  
3 investigation of violations or suspected violations of the Oklahoma  
4 Medical Marijuana and Patient Protection Act or other laws  
5 pertaining to medical marijuana or any rules promulgated pursuant  
6 thereto;

7       ~~4. Require~~ 7. Requiring any business applicant or licensee to  
8 permit an inspection of licensed premises during business hours or  
9 at any time of apparent operation, marijuana equipment, and  
10 marijuana accessories, or books and records; and to permit the  
11 testing of or examination of medical marijuana, concentrate, or  
12 product;

13       ~~5. Require~~ 8. Requiring applicants and licensees to submit  
14 complete and current applications, information and fees required by  
15 the Oklahoma Medical Marijuana and Patient Protection Act, the  
16 Oklahoma Medical Marijuana Waste Management Act and Sections 420  
17 through 426.1 of this title, and approve material changes made by  
18 the applicant or licensee;

19       ~~6. Require~~ 9. Requiring medical marijuana business licensees  
20 to submit a sample or unit of medical marijuana or medical marijuana  
21 product to the quality assurance laboratory when the ~~Department~~  
22 Authority has reason to believe the medical marijuana or medical  
23 marijuana product may be unsafe for patient consumption or  
24 inhalation or has not been tested in accordance with the provisions

1 of the Oklahoma Medical Marijuana and Patient Protection Act and the  
2 rules and regulations ~~of the Department~~ promulgated by the Executive  
3 Director. The licensee shall provide the samples or units of  
4 medical marijuana or medical marijuana products at its own expense  
5 but shall not be responsible for the costs of testing; and

6 ~~7. Require~~ 10. Requiring medical marijuana business licensees  
7 to periodically submit samples or units of medical marijuana or  
8 medical marijuana products to the quality assurance laboratory for  
9 quality assurance purposes. Licensed growers, processors,  
10 dispensaries and transporters shall not be required to submit  
11 samples or units of medical marijuana or medical marijuana products  
12 more than twice a year. The licensee shall provide the samples or  
13 units of medical marijuana or medical marijuana products at its own  
14 expense but shall not be responsible for the costs of testing.

15 G. All investigators of the Authority shall meet all training  
16 requirements and qualifications for peace officers as required by  
17 Section 3311 et seq. of Title 70 of the Oklahoma Statutes.

18 H. During the course of an investigation, the director of  
19 enforcement or any investigator of the Authority as provided by  
20 subsection F of this section may arrest a violator or suspected  
21 violator of any laws of this state committed in the presence of the  
22 director of enforcement or any investigator of the Authority or upon  
23 the development of probable cause that such crime has been  
24 committed. The director of enforcement or any investigator of the



1 Authority as provided by subsection F of this section may, upon  
2 request of a sheriff or another peace officer of this state, or any  
3 political subdivision thereof, assist in the apprehension and arrest  
4 of a violator or suspected violator of any of the laws of this  
5 state.

6 I. The Executive Director may employ or contract with  
7 attorneys, as needed, to advise the Executive Director and the  
8 Authority on all legal matters and to appear for and represent the  
9 Executive Director and the Authority in all administrative hearings  
10 and all litigation or other proceedings which may arise in the  
11 discharge of their duties. At the request of the Executive  
12 Director, such attorneys shall assist district attorneys in  
13 prosecuting charges of violators of the Oklahoma Medical Marijuana  
14 and Patient Protection Act or any other laws of this state that  
15 carry criminal penalty involving crimes discovered during the  
16 investigation of violations or suspected violations of the Oklahoma  
17 Medical Marijuana and Patient Protection Act or other laws  
18 pertaining to medical marijuana or any rules promulgated pursuant  
19 thereto.

20 SECTION 10. AMENDATORY 63 O.S. 2021, Section 427.6, as  
21 last amended by Section 11, Chapter 553, O.S.L. 2021, is amended to  
22 read as follows:

23 Section 427.6 A. ~~The State Department of Health~~ Oklahoma  
24 Medical Marijuana Authority shall address issues related to the

1 medical marijuana program in ~~Oklahoma~~ this state including, but not  
2 limited to, monitoring and disciplinary actions as they relate to  
3 the medical marijuana program.

4 B. 1. The ~~Department~~ Authority or its designee may perform on-  
5 site inspections or investigations of a licensee or applicant for  
6 any medical marijuana business license, research facility, education  
7 facility or waste disposal facility to determine compliance with  
8 applicable laws, rules and regulations or submissions made pursuant  
9 to this section. The ~~Department~~ Authority may enter the licensed  
10 premises of a medical marijuana business, research facility,  
11 education facility or waste disposal facility licensee or applicant  
12 to assess or monitor compliance or ensure qualifications for  
13 licensure.

14 2. Post-licensure inspections shall be limited to twice per  
15 calendar year. However, investigations and additional inspections  
16 may occur when the ~~Department~~ Authority believes an investigation or  
17 additional inspection is necessary due to a possible violation of  
18 applicable laws, rules or regulations. The ~~State Commissioner of~~  
19 ~~Health~~ Executive Director of the Authority may adopt rules imposing  
20 penalties including, but not limited to, monetary fines and  
21 suspension or revocation of licensure for failure to allow the  
22 Authority reasonable access to the licensed premises for purposes of  
23 conducting an inspection.

24

1           3. The ~~Department~~ Authority may review relevant records of a  
2 licensed medical marijuana business, licensed medical marijuana  
3 research facility, licensed medical marijuana education facility or  
4 licensed medical marijuana waste disposal facility, and may require  
5 and conduct interviews with such persons or entities and persons  
6 affiliated with such entities, for the purpose of determining  
7 compliance with ~~Department~~ requirements of the Executive Director  
8 and applicable laws, rules and regulations.

9           4. The ~~Department~~ Authority may refer complaints alleging  
10 criminal activity that are made against a licensee to appropriate  
11 ~~Oklahoma~~ state or local law enforcement authorities.

12           C. Disciplinary action may be taken against an applicant or  
13 licensee for not adhering to applicable laws pursuant to the terms,  
14 conditions and guidelines set forth in the Oklahoma Medical  
15 Marijuana and Patient Protection Act.

16           D. Disciplinary actions may include revocation, suspension or  
17 denial of an application, license or final authorization and other  
18 action deemed appropriate by the ~~Department~~ Executive Director.

19           E. Disciplinary actions may be imposed upon a medical marijuana  
20 business licensee for:

21           1. Failure to comply with or satisfy any provision of  
22 applicable laws, rules or regulations;

23  
24

- 1        2. Falsification or misrepresentation of any material or  
2 information submitted to the ~~Department~~ Authority or other  
3 licensees;
- 4        3. Failing to allow or impeding entry by authorized  
5 representatives of the ~~Department~~ Authority;
- 6        4. Failure to adhere to any acknowledgement, verification or  
7 other representation made to the ~~Department~~ Authority;
- 8        5. Failure to submit or disclose information required by  
9 applicable laws, rules or regulations or otherwise requested by the  
10 ~~Department~~ Authority;
- 11       6. Failure to correct any violation of this section cited as a  
12 result of a review or audit of financial records or other materials;
- 13       7. Failure to comply with requested access by the ~~Department~~  
14 Authority to the licensed premises or materials;
- 15       8. Failure to pay a required monetary penalty;
- 16       9. Diversion of medical marijuana or any medical marijuana  
17 product, as determined by the ~~Department~~ Authority;
- 18       10. Threatening or harming a medical marijuana patient  
19 licensee, caregiver licensee, a medical practitioner or an employee  
20 of the ~~Department~~ Authority; and
- 21       11. Any other basis indicating a violation of the applicable  
22 laws and regulations as identified by the ~~Department~~ Authority.
- 23       F. Disciplinary actions against a licensee may include the  
24 imposition of monetary penalties, which may be assessed by the

1 ~~Department~~ Authority. The ~~Department~~ Authority may suspend or  
2 revoke a license for failure to pay any monetary penalty lawfully  
3 assessed by the ~~Department~~ Authority against a licensee.

4 G. Penalties for sales or purchases by a medical marijuana  
5 business to persons other than those allowed by law occurring within  
6 any two-year time period may include an initial fine of One Thousand  
7 Dollars (\$1,000.00) for a first violation and a fine of Five  
8 Thousand Dollars (\$5,000.00) for any subsequent violation.

9 Penalties for grossly inaccurate or fraudulent reporting occurring  
10 within any two-year time period may include an initial fine of Five  
11 Thousand Dollars (\$5,000.00) for a first violation and a fine of Ten  
12 Thousand Dollars (\$10,000.00) for any subsequent violation. The  
13 medical marijuana business may be subject to a revocation of any  
14 license granted pursuant to the Oklahoma Medical Marijuana and  
15 Patient Protection Act upon a showing that the violation was willful  
16 or grossly negligent.

17 H. 1. First offense for intentional and impermissible  
18 diversion of medical marijuana, concentrate, or products by a  
19 patient or caregiver to an unauthorized person shall not be punished  
20 under a criminal statute but may be subject to a fine of Two Hundred  
21 Dollars (\$200.00).

22 2. The second offense for impermissible diversion of medical  
23 marijuana, concentrate, or products by a patient or caregiver to an  
24 unauthorized person shall not be punished under a criminal statute

1 but may be subject to a fine of not to exceed Five Hundred Dollars  
2 (\$500.00) and may result in revocation of the license upon a showing  
3 that the violation was willful or grossly negligent.

4 I. The intentional diversion of medical marijuana, medical  
5 marijuana concentrate or medical marijuana products by a licensed  
6 medical marijuana patient or caregiver, medical marijuana business  
7 or employee of a medical marijuana business to an unauthorized minor  
8 person who the licensed medical marijuana patient or caregiver,  
9 medical marijuana business or employee of a medical marijuana  
10 business knew or reasonably should have known to be a minor person  
11 shall be subject to a cite and release citation and, upon a finding  
12 of guilt or a plea of no contest, a fine of Two Thousand Five  
13 Hundred Dollars (\$2,500.00). For a second or subsequent offense,  
14 the licensed medical marijuana patient or caregiver, medical  
15 marijuana business or employee of a medical marijuana business shall  
16 be subject to a cite and release citation and, upon a finding of  
17 guilt or a plea of no contest, a fine of Five Thousand Dollars  
18 (\$5,000.00) and automatic termination of the medical marijuana  
19 license.

20 J. Nothing in this section shall be construed to prevent the  
21 criminal prosecution, after the presentation of evidence and a  
22 finding beyond a reasonable doubt, of a licensed medical marijuana  
23 patient or caregiver, medical marijuana business or employee of a  
24 medical marijuana business who has diverted medical marijuana,

1 medical marijuana concentrate or medical marijuana products to an  
2 unauthorized person with the intent or knowledge that the  
3 unauthorized person was to engage in the distribution or trafficking  
4 of medical marijuana, medical marijuana concentrate or medical  
5 marijuana products.

6 K. In addition to any other remedies provided for by law, the  
7 ~~Department Authority~~, pursuant to ~~its~~ rules and regulations  
8 promulgated by the Executive Director, may issue a written order to  
9 any licensee the ~~Department Authority~~ has reason to believe has  
10 violated Sections 420 through 426.1 of this title, the Oklahoma  
11 Medical Marijuana and Patient Protection Act, the Oklahoma Medical  
12 Marijuana Waste Management Act, or any rules promulgated by the  
13 ~~State Commissioner of Health~~ Executive Director and to whom the  
14 ~~Department Authority~~ has served, not less than thirty (30) days  
15 previously, a written notice of violation of such statutes or rules.

16 1. The written order shall state with specificity the nature of  
17 the violation. The ~~Department Authority~~ may impose any disciplinary  
18 action authorized under the provisions of this section including,  
19 but not limited to, the assessment of monetary penalties.

20 2. Any order issued pursuant to the provisions of this section  
21 shall become a final order unless, not more than thirty (30) days  
22 after the order is served to the licensee, the licensee requests an  
23 administrative hearing in accordance with the rules and regulations  
24 ~~of the Department~~ promulgated by the Executive Director. Upon such

1 request, the ~~Department~~ Authority shall promptly initiate  
2 administrative proceedings.

3 L. Whenever the ~~Department~~ Executive Director finds that an  
4 emergency exists requiring immediate action in order to protect the  
5 health or welfare of the public, the ~~Department~~ Executive Director  
6 may issue an order, without providing notice or hearing, stating the  
7 existence of ~~said~~ an emergency and requiring that action be taken as  
8 the ~~Department~~ Executive Director deems necessary to meet the  
9 emergency. Such action may include, but is not limited to, ordering  
10 the licensee to immediately cease and desist operations by the  
11 licensee. The order shall be effective immediately upon issuance.  
12 Any person to whom the order is directed shall comply immediately  
13 with the provisions of the order. The ~~Department~~ Authority may  
14 assess a penalty not to exceed Ten Thousand Dollars (\$10,000.00) per  
15 day of noncompliance with the order. In assessing such a penalty,  
16 the ~~Department~~ Authority shall consider the seriousness of the  
17 violation and any efforts to comply with applicable requirements.  
18 Upon application to the ~~Department~~ Authority, the licensee shall be  
19 offered a hearing within ten (10) days of the issuance of the order.

20 M. All hearings held pursuant to this section shall be in  
21 accordance with the ~~Oklahoma~~ Administrative Procedures Act.

22 SECTION 11. AMENDATORY 63 O.S. 2021, Section 427.9, is  
23 amended to read as follows:

24



1 Section 427.9 A. The Oklahoma Medical Marijuana Authority may  
2 contact the recommending physician of an applicant for a medical  
3 marijuana patient license or current holder of a medical marijuana  
4 patient license to verify the need of the applicant or licensee for  
5 the license and the information submitted with the application.

6 B. An applicant for a medical marijuana patient license who can  
7 demonstrate his or her status as a one-hundred-percent-disabled  
8 veteran as determined by the U.S. Department of Veterans Affairs and  
9 codified at 38 C.F.R., Section 3.340(a) (2013) shall pay a reduced  
10 biannual application fee of Twenty Dollars (\$20.00). The methods of  
11 payment, as determined by the Authority, shall be provided on the  
12 website. However, the Authority shall ensure that all applicants  
13 have an option to submit the license application and payment by  
14 means other than solely by submission of the application and fee  
15 online.

16 C. The patient license shall be valid for up to two (2) years  
17 from the date of issuance, unless the recommendation of the  
18 physician is terminated pursuant to the Oklahoma Medical Marijuana  
19 and Patient Protection Act or revoked by the ~~Department~~ Authority.

20 SECTION 12. AMENDATORY 63 O.S. 2021, Section 427.10, is  
21 amended to read as follows:

22 Section 427.10 A. Only licensed Oklahoma allopathic,  
23 osteopathic and podiatric physicians may provide a medical marijuana  
24

1 recommendation for a medical marijuana patient license under the  
2 Oklahoma Medical Marijuana and Patient Protection Act.

3 B. A physician who has not completed his or her first residency  
4 shall not meet the definition of "physician" under this section and  
5 any recommendation for a medical marijuana patient license shall not  
6 be processed by the Authority.

7 C. No physician shall be subject to arrest, prosecution or  
8 penalty in any manner or denied any right or privilege under  
9 ~~Oklahoma~~ state, municipal or county statute, ordinance or  
10 resolution, including without limitation a civil penalty or  
11 disciplinary action by the State Board of Medical Licensure and  
12 Supervision, the State Board of Osteopathic Examiners, the Board of  
13 Podiatric Medical Examiners or by any other business, occupation or  
14 professional licensing board or bureau, solely for providing a  
15 medical marijuana recommendation for a patient or for monitoring,  
16 treating or prescribing scheduled medication to patients who are  
17 medical marijuana licensees. The provisions of this subsection  
18 shall not prevent the relevant professional licensing boards from  
19 sanctioning a physician for failing to properly evaluate the medical  
20 condition of a patient or for otherwise violating the applicable  
21 physician-patient standard of care.

22 D. A physician who recommends use of medical marijuana shall  
23 not be located at the same physical address as a licensed medical  
24 marijuana dispensary.

1 E. If the physician determines the continued use of medical  
2 marijuana by the patient no longer meets the requirements set forth  
3 in the Oklahoma Medical Marijuana and Patient Protection Act, the  
4 physician shall notify the ~~Department~~ Oklahoma Medical Marijuana  
5 Authority and the license shall be immediately voided without right  
6 to an individual proceeding.

7 SECTION 13. AMENDATORY 63 O.S. 2021, Section 427.11, is  
8 amended to read as follows:

9 Section 427.11 A. The caregiver license shall provide the  
10 caregiver the same rights as the medical marijuana patient licensee,  
11 including the ability to possess marijuana, marijuana products, and  
12 mature and immature plants pursuant to the Oklahoma Medical  
13 Marijuana and Patient Protection Act, but excluding the ability to  
14 use marijuana or marijuana products unless the caregiver has a  
15 medical marijuana patient license. Caregivers shall be authorized  
16 to deliver marijuana and products to their authorized patients.  
17 Caregivers shall be authorized to possess medical marijuana and  
18 medical marijuana products up to the sum of the possession limits  
19 for the patients under his or her care pursuant to the Oklahoma  
20 Medical Marijuana and Patient Protection Act.

21 B. An individual caregiver shall be limited to exercising the  
22 marijuana cultivation rights of no more than five licensed patients  
23 as prescribed by the Oklahoma Medical Marijuana and Patient  
24 Protection Act.

1 C. The license of a caregiver shall not extend beyond the  
2 expiration date of the underlying patient license regardless of the  
3 issue date.

4 D. A medical marijuana patient license holder may request, at  
5 any time, to withdraw the license of his or her caregiver. In the  
6 event that such a request is made or upon the expiration of the  
7 medical marijuana license of the patient, the license of the  
8 caregiver shall be immediately withdrawn by the ~~Department~~ Oklahoma  
9 Medical Marijuana Authority without the right to a hearing.

10 SECTION 14. AMENDATORY 63 O.S. 2021, Section 427.13, as  
11 last amended by Section 16, Chapter 553, O.S.L. 2021, is amended to  
12 read as follows:

13 Section 427.13 A. All medical marijuana and medical marijuana  
14 products shall be purchased solely from ~~an Oklahoma-licensed~~ a  
15 state-licensed medical marijuana business, and shall not be  
16 purchased from any out-of-state providers.

17 B. 1. The Authority shall have oversight and auditing  
18 responsibilities to ensure that all marijuana being grown in  
19 ~~Oklahoma~~ this state is accounted for and shall implement an  
20 inventory tracking system. Pursuant to these duties, the Authority  
21 shall require that each medical marijuana business, medical  
22 marijuana research facility, medical marijuana education facility  
23 and medical marijuana waste disposal facility keep records for every  
24 transaction with another medical marijuana business, patient or

1 caregiver. Inventory shall be tracked and updated after each  
2 individual sale and reported to the Authority.

3 2. The inventory tracking system licensees use shall allow for  
4 integration of other seed-to-sale systems and, at a minimum, shall  
5 include the following:

6 a. notification of when marijuana seeds and clones are  
7 planted,

8 b. notification of when marijuana plants are harvested  
9 and destroyed,

10 c. notification of when marijuana is transported, sold,  
11 stolen, diverted or lost,

12 d. a complete inventory of all marijuana, seeds, plant  
13 tissue, clones, plants, usable marijuana or trim,  
14 leaves and other plant matter, batches of extract, and  
15 marijuana concentrates,

16 e. all samples sent to a testing laboratory, an unused  
17 portion of a sample returned to a licensee, all  
18 samples utilized by licensee for purposes of  
19 negotiating a sale, and

20 f. all samples used for quality testing by a licensee.

21 3. Each medical marijuana business, medical marijuana research  
22 facility, medical marijuana education facility and medical marijuana  
23 waste disposal facility shall use a seed-to-sale tracking system or  
24

1 integrate its own seed-to-sale tracking system with the seed-to-sale  
2 tracking system established by the Authority.

3 4. These records shall include, but not be limited to, the  
4 following:

5 a. the name and license number of the medical marijuana  
6 business that cultivated, manufactured or sold the  
7 medical marijuana or medical marijuana product,

8 b. the address and phone number of the medical marijuana  
9 business that cultivated, manufactured or sold the  
10 medical marijuana or medical marijuana product,

11 c. the type of product received during the transaction,

12 d. the batch number of the marijuana plant used,

13 e. the date of the transaction,

14 f. the total spent in dollars,

15 g. all point-of-sale records,

16 h. marijuana excise tax records, and

17 i. any additional information as may be reasonably  
18 required by the ~~Department~~ Executive Director of the  
19 Oklahoma Medical Marijuana Authority.

20 5. All inventory tracking records retained by a medical  
21 marijuana business, medical marijuana research facility, medical  
22 marijuana education facility or medical marijuana waste disposal  
23 facility containing medical marijuana patient or caregiver  
24 information shall comply with all relevant state and federal laws

1 including, but not limited to, the Health Insurance Portability and  
2 Accountability Act of 1996 (HIPAA).

3 SECTION 15. AMENDATORY 63 O.S. 2021, Section 427.14, as  
4 last amended by Section 17, Chapter 553, O.S.L. 2021, is amended to  
5 read as follows:

6 Section 427.14 A. There is hereby created the medical  
7 marijuana business license, which shall include the following  
8 categories:

- 9 1. Medical marijuana commercial grower;
- 10 2. Medical marijuana processor;
- 11 3. Medical marijuana dispensary;
- 12 4. Medical marijuana transporter; and
- 13 5. Medical marijuana testing laboratory.

14 B. The Oklahoma Medical Marijuana Authority, with the aid of  
15 the Office of Management and Enterprise Services, shall develop a  
16 website for medical marijuana business applications.

17 C. The Authority shall make available on its website in an  
18 easy-to-find location, applications for a medical marijuana  
19 business.

20 D. The annual, nonrefundable application fee for a medical  
21 marijuana business license shall be Two Thousand Five Hundred  
22 Dollars (\$2,500.00).

23  
24

1 E. All applicants seeking licensure or licensure renewal as a  
2 medical marijuana business shall comply with the following general  
3 requirements:

4 1. All applications for licenses and registrations authorized  
5 pursuant to this section shall be made upon forms prescribed by the  
6 Authority;

7 2. Each application shall identify the city or county in which  
8 the applicant seeks to obtain licensure as a medical marijuana  
9 business;

10 3. Applicants shall submit a complete application to the  
11 ~~Department~~ Authority before the application may be accepted or  
12 considered;

13 4. All applications shall be complete and accurate in every  
14 detail;

15 5. All applications shall include all attachments or  
16 supplemental information required by the forms supplied by the  
17 Authority;

18 6. All applications shall be accompanied by a full remittance  
19 for the whole amount of the application fees. Application fees are  
20 nonrefundable;

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

23 a. twenty-five (25) years of age or older,  
24



- 1           b.    if applying as an individual, proof that the applicant  
2                    is ~~an Oklahoma resident~~ a resident of this state  
3                    pursuant to paragraph 11 of this subsection,
- 4           c.    if applying as an entity, proof that seventy-five  
5                    percent (75%) of all members, managers, executive  
6                    officers, partners, board members or any other form of  
7                    business ownership are ~~Oklahoma residents~~ of this  
8                    state pursuant to paragraph 11 of this subsection,
- 9           d.    if applying as an individual or entity, proof that the  
10                   individual or entity is registered to conduct business  
11                   in ~~the State of Oklahoma~~ this state,
- 12           e.    disclosure of all ownership interests pursuant to the  
13                   Oklahoma Medical Marijuana and Patient Protection Act,  
14                   and
- 15           f.    proof that the medical marijuana business, medical  
16                   marijuana research facility, medical marijuana  
17                   education facility and medical marijuana waste  
18                   disposal facility applicant or licensee has not been  
19                   convicted of a nonviolent felony in the last two (2)  
20                   years, or any other felony conviction within the last  
21                   five (5) years, is not a current inmate in the custody  
22                   of the Department of Corrections, or currently  
23                   incarcerated in a jail or corrections facility;
- 24

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

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

- 16 a. individual applicants applying on their own behalf,
- 17 b. individuals applying on behalf of an entity,
- 18 c. all principal officers of an entity, and
- 19 d. all owners of an entity as defined by the Oklahoma  
20 Medical Marijuana and Patient Protection Act;

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

24

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

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

20 Applicants that were issued a medical marijuana business license  
21 prior to August 30, 2019, are hereby exempt from the two-year or  
22 five-year ~~Oklahoma~~ state residence requirement mentioned above;

23 12. All license applicants shall be required to submit a  
24 registration with the Oklahoma State Bureau of Narcotics and

1 Dangerous Drugs Control as provided in Sections 2-302 through 2-304  
2 of this title;

3 13. All applicants shall establish their identity through  
4 submission of a color copy or digital image of one of the following  
5 unexpired documents:

- 6 a. front of ~~an Oklahoma~~ a state-issued driver license,
- 7 b. front of ~~an Oklahoma~~ a state-issued identification  
8 card,
- 9 c. a United States passport or other photo identification  
10 issued by the United States government, or
- 11 d. a tribal identification card approved for  
12 identification purposes by the ~~Oklahoma~~ Department of  
13 Public Safety; and

14 14. All applicants shall submit an applicant photograph.

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

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

22 2. Approved applicants shall be issued a medical marijuana  
23 business license for the specific category applied under, which  
24 shall act as proof of their approved status. Rejection and denial

1 letters shall provide a reason for the rejection or denial.  
2 Applications may only be rejected or denied based on the applicant  
3 not meeting the standards set forth in the provisions of the  
4 Oklahoma Medical Marijuana and Patient Protection Act and Sections  
5 420 through 426.1 of this title, improper completion of the  
6 application, or for a reason provided for in the Oklahoma Medical  
7 Marijuana and Patient Protection Act and Sections 420 through 426.1  
8 of this title. If an application is rejected for failure to provide  
9 required information, the applicant shall have thirty (30) days to  
10 submit the required information for reconsideration. No additional  
11 application fee shall be charged for such reconsideration. Unless  
12 the ~~Department~~ Authority determines otherwise, an application that  
13 has been resubmitted but is still incomplete or contains errors that  
14 are not clerical or typographical in nature shall be denied.

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

19 4. Approval, rejection, denial or status-update letters shall  
20 be sent to the applicant in the same method the application was  
21 submitted to the ~~Department~~ Authority.

22 H. A license for a medical marijuana business, medical  
23 marijuana research facility, medical marijuana education facility or  
24

1 medical marijuana waste disposal facility shall not be issued to or  
2 held by:

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

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

7 3. A corporation, if the criminal history of any of its  
8 officers, directors or stockholders indicates that the officer,  
9 director or stockholder 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 4. A person under twenty-five (25) years of age;

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

16 a. file taxes, interest or penalties due related to a  
17 medical marijuana business, or

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

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

22 7. A person whose authority to be a caregiver, as defined in  
23 Section 427.2 of this title, has been revoked by the ~~Department~~  
24 Authority; or

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

- 8 a. unlawful sales or purchases,
- 9 b. any fraudulent acts, falsification of records or  
10 misrepresentation to the Authority, medical marijuana  
11 patient licensees, caregiver licensees or medical  
12 marijuana business licensees,
- 13 c. any grossly inaccurate or fraudulent reporting,
- 14 d. threatening or harming any medical marijuana patient,  
15 caregiver, medical practitioner or employee of the  
16 ~~Department~~ Authority,
- 17 e. knowingly or intentionally refusing to permit the  
18 ~~Department~~ Authority access to premises or records,
- 19 f. using a prohibited, hazardous substance for processing  
20 in a residential area,
- 21 g. criminal acts relating to the operation of a medical  
22 marijuana business, or
- 23 h. any violations that endanger public health and safety  
24 or product safety.

1 I. In investigating the qualifications of an applicant or a  
2 licensee, the ~~Department~~, Authority and municipalities may have  
3 access to criminal history record information furnished by a  
4 criminal justice agency subject to any restrictions imposed by such  
5 an agency.

6 J. The failure of an applicant or licensee to provide the  
7 requested information by the Authority deadline may be grounds for  
8 denial of the application.

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

18 L. A licensed medical marijuana business premises shall be  
19 subject to and responsible for compliance with applicable provisions  
20 consistent with the zoning where such business is located as  
21 described in the most recent versions of the Oklahoma Uniform  
22 Building Code, the International Building Code and the International  
23 Fire Code, unless granted an exemption by a municipality or  
24 appropriate code enforcement entity.



1 M. All medical marijuana business, medical marijuana research  
2 facility, medical marijuana education facility and medical marijuana  
3 waste disposal facility licensees shall pay the relevant licensure  
4 fees prior to receiving licensure to operate.

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

13 O. No medical marijuana business, medical marijuana research  
14 facility, medical marijuana education facility or medical marijuana  
15 waste disposal facility shall possess, sell or transfer medical  
16 marijuana or medical marijuana products without a valid, unexpired  
17 license issued by the ~~Department~~ Authority.

18 SECTION 16. AMENDATORY 63 O.S. 2021, Section 427.16, as  
19 last amended by Section 18, Chapter 553, O.S.L. 2021 is amended to  
20 read as follows:

21 Section 427.16 A. There is hereby created a medical marijuana  
22 transporter license as a category of the medical marijuana business  
23 license.

24

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

9 C. A medical marijuana transporter license may also be issued  
10 to qualifying applicants who are registered with the ~~Oklahoma~~  
11 Secretary of State and otherwise meet the requirements for a medical  
12 marijuana business license set forth in the Oklahoma Medical  
13 Marijuana and Patient Protection Act and the requirements set forth  
14 in this section to provide logistics, distribution and storage of  
15 medical marijuana, medical marijuana concentrate and medical  
16 marijuana products.

17 D. A medical marijuana transporter license shall be valid for  
18 one (1) year and shall not be transferred with a change of  
19 ownership. A licensed medical marijuana transporter shall be  
20 responsible for all medical marijuana, medical marijuana concentrate  
21 and medical marijuana products once the transporter takes control of  
22 the product.

23 E. A transporter license shall be required for any person or  
24 entity to transport or transfer medical marijuana, medical marijuana

1 concentrate or medical marijuana products from a licensed medical  
2 marijuana business to another medical marijuana business, or from a  
3 medical marijuana business to a medical marijuana research facility  
4 or medical marijuana education facility.

5 F. A medical marijuana transporter licensee may contract with  
6 multiple licensed medical marijuana businesses.

7 G. A medical marijuana transporter may maintain a licensed  
8 premises to temporarily store medical marijuana, medical marijuana  
9 concentrate and medical marijuana products and to use as a  
10 centralized distribution point. A medical marijuana transporter may  
11 store and distribute medical marijuana, medical marijuana  
12 concentrate and medical marijuana products from the licensed  
13 premises. The licensed premises shall meet all security  
14 requirements applicable to a medical marijuana business.

15 H. A medical marijuana transporter licensee shall use the seed-  
16 to-sale tracking system developed pursuant to the Oklahoma Medical  
17 Marijuana and Patient Protection Act to create shipping manifests  
18 documenting the transport of medical marijuana, medical marijuana  
19 concentrate and medical marijuana products throughout the state.

20 I. A licensed medical marijuana transporter may maintain and  
21 operate one or more warehouses in the state to handle medical  
22 marijuana, medical marijuana concentrate and medical marijuana  
23 products. Each location shall be registered and inspected by the  
24 Authority prior to its use.

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

5 1. In vehicles equipped with Global Positioning System (GPS)  
6 trackers;

7 2. In a locked container and clearly labeled "Medical Marijuana  
8 or Derivative"; and

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

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

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

22 M. The annual fee for a transporter agent license shall be  
23 Twenty-five Dollars (\$25.00) and shall be paid by the transporter  
24

1 license holder or the individual applicant. Transporter license  
2 reprints shall be Twenty Dollars (\$20.00).

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

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

14 O. If the transporter agent application is denied, the  
15 ~~Department~~ Authority shall notify the transporter in writing of the  
16 reason for denying the registry identification card.

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

21 Q. The ~~Department~~ Authority may revoke the registry  
22 identification card of a transporter agent who knowingly violates  
23 any provision of this section, and the transporter is subject to any  
24 other penalties established by law for the violation.

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

6 S. Vehicles used in the transport of medical marijuana or  
7 medical marijuana product shall be:

8 1. Insured at or above the legal requirements in ~~Oklahoma~~ this  
9 state;

10 2. Capable of securing medical marijuana during transport; and

11 3. In possession of a shipping container as defined in Section  
12 427.2 of this title capable of securing all transported products.

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

18 1. For the origination point of the medical marijuana:

19 a. the licensee number for the commercial grower,  
20 processor or dispensary,

21 b. address of origination of transport, and

22 c. name and contact information for the originating  
23 licensee;

24

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 17. AMENDATORY 63 O.S. 2021, Section 427.17, is  
8 amended to read as follows:

9 Section 427.17 A. There is hereby created a medical marijuana  
10 testing laboratory license as a category of the medical marijuana  
11 business license. The Oklahoma Medical Marijuana Authority is  
12 hereby enabled to monitor, inspect and audit a licensed testing  
13 laboratory under the Oklahoma Medical Marijuana and Patient  
14 Protection Act.

15 B. The Authority is hereby authorized to contract with a  
16 private laboratory for the purpose of conducting compliance testing  
17 of medical marijuana testing laboratories licensed in this state.  
18 Any such laboratory under contract for compliance testing shall be  
19 prohibited from conducting any other commercial medical marijuana  
20 testing in this state. The laboratory the Authority contracts with  
21 for compliance testing shall not employ, or be owned by, the  
22 following:

23 1. Any individual that has a direct or indirect interest in a  
24 licensed medical marijuana business; or



1           2. Any individual or his or her spouse, parent, child, spouse  
2 of a child, sibling or spouse of a sibling that has an application  
3 for a medical marijuana business license pending before the  
4 ~~Department~~ Authority or is a member of the board of directors of a  
5 medical marijuana business, or is an individual financially  
6 interested in any licensee or medical marijuana business located  
7 within this state.

8           C. The Authority shall develop acceptable testing practices  
9 including, but not limited to, testing, standards, quality control  
10 analysis, equipment certification and calibration, and chemical  
11 identification and substances used.

12           D. A person who is a direct beneficial owner of a medical  
13 marijuana dispensary, medical marijuana commercial grower or medical  
14 marijuana processor shall not be an owner of a laboratory.

15           E. A laboratory and a laboratory applicant shall comply with  
16 all applicable local ordinances including, but not limited to,  
17 zoning, occupancy, licensing and building codes.

18           F. A separate license shall be required for each specific  
19 laboratory.

20           G. A medical marijuana testing laboratory license may be issued  
21 to a person who performs testing on medical marijuana and medical  
22 marijuana products for medical marijuana businesses, medical  
23 marijuana research facilities, medical marijuana education  
24 facilities, and testing on marijuana and marijuana products grown or

1 produced by a patient or caregiver on behalf of a patient, upon  
2 verification of registration. A medical marijuana testing  
3 laboratory may also conduct research related to the development and  
4 improvement of its testing practices and procedures. No state-  
5 approved medical marijuana testing facility shall operate unless a  
6 medical laboratory director is on site during operational hours.

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

12 I. A medical marijuana testing laboratory may accept samples of  
13 medical marijuana, medical marijuana concentrate or medical  
14 marijuana product from a medical marijuana business, medical  
15 marijuana research facility or medical marijuana education facility  
16 for testing purposes only, which purposes may include the provision  
17 of testing services for samples submitted by a medical marijuana  
18 business for product development. The ~~Department~~ Authority may  
19 require a medical marijuana business to submit a sample of medical  
20 marijuana, medical marijuana concentrate or medical marijuana  
21 product to a medical marijuana testing or quality assurance  
22 laboratory upon demand.

23 J. A medical marijuana testing laboratory may accept samples of  
24 medical marijuana, medical marijuana concentrate or medical

1 marijuana product from an individual person for testing only under  
2 the following conditions:

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

7 2. The medical marijuana testing laboratory shall require the  
8 patient or caregiver to produce a valid patient license and current  
9 and valid photo identification.

10 K. A medical marijuana testing laboratory may transfer samples  
11 to another medical marijuana testing laboratory for testing. All  
12 laboratory reports provided to or by a medical marijuana business or  
13 to a patient or caregiver shall identify the medical marijuana  
14 testing laboratory that actually conducted the test.

15 L. A medical marijuana testing laboratory may utilize a  
16 licensed medical marijuana transporter to transport samples of  
17 medical marijuana, medical marijuana concentrate and medical  
18 marijuana product for testing, in accordance with the Oklahoma  
19 Medical Marijuana and Patient Protection Act and the rules adopted  
20 pursuant thereto, between the originating medical marijuana business  
21 requesting testing services and the destination laboratory  
22 performing testing services.

23 M. The medical marijuana testing laboratory shall establish  
24 policies to prevent the existence of or appearance of undue

1 commercial, financial or other influences that may diminish the  
2 competency, impartiality and integrity of the testing processes or  
3 results of the laboratory, or that may diminish public confidence in  
4 the competency, impartiality and integrity of the testing processes  
5 or results of the laboratory. At a minimum, employees, owners or  
6 agents of a medical marijuana testing laboratory who participate in  
7 any aspect of the analysis and results of a sample are prohibited  
8 from improperly influencing the testing process, improperly  
9 manipulating data or improperly benefiting from any ongoing  
10 financial, employment, personal or business relationship with the  
11 medical marijuana business that provided the sample. A medical  
12 marijuana testing laboratory shall not test samples for any medical  
13 marijuana business in which an owner, employee or agent of the  
14 medical marijuana testing laboratory has any form of ownership or  
15 financial interest in the medical marijuana business.

16 N. The ~~Department~~ Authority, pursuant to rules promulgated by  
17 the ~~State Commissioner of Health~~ Executive Director of the  
18 Authority, shall develop standards, policies and procedures as  
19 necessary for:

20 1. The cleanliness and orderliness of a laboratory premises and  
21 the location of the laboratory in a secure location, and inspection,  
22 cleaning and maintenance of any equipment or utensils used for the  
23 analysis of test samples;

24

1           2. Testing procedures, testing standards for cannabinoid and  
2 terpenoid potency and safe levels of contaminants, and remediation  
3 procedures;

4           3. Controlled access areas for storage of medical marijuana and  
5 medical marijuana product test samples, waste and reference  
6 standards;

7           4. Records to be retained and computer systems to be utilized  
8 by the laboratory;

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

11           6. A certificate of analysis (COA) for each lot of reference  
12 standard;

13           7. The transport and disposal of unused marijuana, marijuana  
14 products and waste;

15           8. The mandatory use by a laboratory of an inventory tracking  
16 system to ensure all harvest and production batches or samples  
17 containing medical marijuana, medical marijuana concentrate or  
18 medical marijuana products are identified and tracked from the point  
19 they are transferred from a medical marijuana business, a patient or  
20 a caregiver through the point of transfer, destruction or disposal.  
21 The inventory tracking system reporting shall include the results of  
22 any tests that are conducted on medical marijuana, medical marijuana  
23 concentrate or medical marijuana product;

24           9. Standards of performance;

- 1           10. The employment of laboratory personnel;
- 2           11. A written standard operating procedure manual to be  
3 maintained and updated by the laboratory;
- 4           12. The successful participation in a ~~Department~~-approved  
5 proficiency testing program approved by the Executive Director for  
6 each testing category listed in this section, in order to obtain and  
7 maintain certification;
- 8           13. The establishment of and adherence to a quality assurance  
9 and quality control program to ensure sufficient monitoring of  
10 laboratory processes and quality of results reported;
- 11           14. The immediate recall of medical marijuana or medical  
12 marijuana products that test above allowable thresholds or are  
13 otherwise determined to be unsafe;
- 14           15. The establishment by the laboratory of a system to document  
15 the complete chain of custody for samples from receipt through  
16 disposal;
- 17           16. The establishment by the laboratory of a system to retain  
18 and maintain all required records, including business records, and  
19 processes to ensure results are reported in a timely and accurate  
20 manner; and
- 21           17. Any other aspect of laboratory testing of medical marijuana  
22 or medical marijuana product deemed necessary by the ~~Department~~  
23 Executive Director.
- 24

1 O. A medical marijuana testing laboratory shall promptly  
2 provide the ~~Department~~ Authority or designee of the ~~Department~~  
3 Authority access to a report of a test and any underlying data that  
4 is conducted on a sample at the request of a medical marijuana  
5 business or qualified patient. A medical marijuana testing  
6 laboratory shall also provide access to the ~~Department~~ Authority or  
7 designee of the ~~Department~~ Authority to laboratory premises and to  
8 any material or information requested by the ~~Department~~ Authority to  
9 determine compliance with the requirements of this section.

10 P. A medical marijuana testing laboratory shall retain all  
11 results of laboratory tests conducted on marijuana or products for a  
12 period of at least seven (7) years and shall make them available to  
13 the ~~Department~~ Authority upon request.

14 Q. A medical marijuana testing laboratory shall test samples  
15 from each harvest batch or product batch, as appropriate, of medical  
16 marijuana, medical marijuana concentrate and medical marijuana  
17 product for each of the following categories of testing, consistent  
18 with standards developed by the ~~Commissioner~~ Executive Director:

- 19 1. Microbials;
- 20 2. Mycotoxins;
- 21 3. Residual solvents;
- 22 4. Pesticides;
- 23 5. Tetrahydrocannabinol (THC) and other cannabinoid potency;
- 24 6. Terpenoid type and concentration; and

1 7. Heavy metals.

2 R. A licensed medical marijuana testing laboratory shall test  
3 each individual harvest batch. A grower shall separate each harvest  
4 lot of usable marijuana into harvest batches containing no more than  
5 fifteen (15) pounds, with the exception of any plant material to be  
6 sold to a licensed processor for the purposes of turning the plant  
7 material into concentrate which may be separated into harvest  
8 batches of no more than fifty (50) pounds. A processor shall  
9 separate each medical marijuana production lot into production  
10 batches containing no more than four (4) liters of concentrate or  
11 nine (9) pounds for nonliquid products, and for final products, the  
12 Oklahoma Medical Marijuana Authority shall be authorized to  
13 promulgate rules on final products as necessary. Provided, however,  
14 the Authority shall not require testing of final products less often  
15 than every one thousand (1,000) grams of THC. As used in this  
16 subsection, "final products" shall include, but not be limited to,  
17 cookies, brownies, candies, gummies, beverages and chocolates.

18 S. Medical marijuana testing laboratory licensure shall be  
19 contingent upon successful on-site inspection, successful  
20 participation in proficiency testing and ongoing compliance with the  
21 applicable requirements in this section.

22 T. A medical marijuana testing laboratory shall be inspected  
23 prior to initial licensure and up to two (2) times per year  
24 thereafter by an inspector approved by the Authority. The Authority



1 may enter the licensed premises of a testing laboratory to conduct  
2 investigations and additional inspections when the Authority  
3 believes an investigation or additional inspection is necessary due  
4 to a possible violation of applicable laws, rules or regulations.

5 U. Medical marijuana testing laboratories shall obtain  
6 accreditation by an accrediting body approved by the ~~Commissioner~~  
7 Executive Director within one (1) year of the date the initial  
8 license is issued. Renewal of any medical marijuana testing  
9 laboratory license shall be contingent upon accreditation in  
10 accordance with this subsection. All medical marijuana testing  
11 laboratories shall obtain accreditation prior to applying for and  
12 receiving a medical marijuana testing laboratory license.

13 V. Unless authorized by the provisions of this section, a  
14 commercial grower shall not transfer or sell medical marijuana and a  
15 processor shall not transfer, sell or process into a concentrate or  
16 product any medical marijuana, medical marijuana concentrate or  
17 medical marijuana product unless samples from each harvest batch or  
18 production batch from which that medical marijuana, medical  
19 marijuana concentrate or medical marijuana product was derived has  
20 been tested by a medical marijuana testing laboratory and passed all  
21 contaminant tests required by the Oklahoma Medical Marijuana and  
22 Patient Protection Act and applicable laws, rules and regulations.  
23 A licensed commercial grower may transfer medical marijuana that has  
24 failed testing to a licensed processor only for the purposes of

1 decontamination or remediation and only in accordance with the  
2 provisions of the Oklahoma Medical Marijuana and Patient Protection  
3 Act and the rules and regulations ~~of the Department~~ promulgated by  
4 the Executive Director. Remediated and decontaminated medical  
5 marijuana may be returned only to the originating licensed  
6 commercial grower.

7 W. Kief shall not be transferred or sold except as authorized  
8 in the rules and regulations ~~of the Department~~ promulgated by the  
9 Executive Director.

10 SECTION 18. AMENDATORY 63 O.S. 2021, Section 427.18, is  
11 amended to read as follows:

12 Section 427.18 A. ~~An Oklahoma~~ A medical marijuana business  
13 shall not sell, transfer or otherwise distribute medical marijuana  
14 or medical marijuana product that has not been packaged and labeled  
15 in accordance with this section and rules promulgated by the ~~State~~  
16 ~~Commissioner of Health~~ Executive Director of the Oklahoma Medical  
17 Marijuana Authority.

18 B. A medical marijuana dispensary shall return medical  
19 marijuana and medical marijuana product that does not meet packaging  
20 or labeling requirements in this section or rules promulgated  
21 pursuant thereto to the entity who transferred it to the dispensary.  
22 The medical marijuana dispensary shall document to whom the item was  
23 returned, what was returned and the date of the return or dispose of  
24 any usable marijuana that does not meet these requirements in

1 accordance with the Oklahoma Medical Marijuana and Patient  
2 Protection Act.

3 C. 1. Medical marijuana packaging shall be packaged to  
4 minimize its appeal to children and shall not depict images other  
5 than the business name logo of the medical marijuana producer and  
6 image of the product.

7 2. A medical marijuana business shall not place any content on  
8 a container in a manner that reasonably appears to target  
9 individuals under the age of twenty-one (21) including, but not  
10 limited to, cartoon characters or similar images.

11 3. Labels on a container shall not include any false or  
12 misleading statements.

13 4. No container shall be intentionally or knowingly labeled so  
14 as to cause a reasonable patient confusion as to whether the medical  
15 marijuana, medical marijuana concentrate or medical marijuana  
16 product is a trademarked product or labeled in a manner that  
17 violates any federal trademark law or regulation.

18 5. The label on the container shall not make any claims  
19 regarding health or physical benefits to the patient.

20 6. All medical marijuana, medical marijuana concentrate and  
21 medical marijuana products shall be in a child-resistant container  
22 at the point of transfer to the patient or caregiver.

23 D. The ~~State Department of Health~~ Executive Director shall  
24 develop minimum standards for packaging and labeling of medical

1 marijuana and medical marijuana products. Such standards shall  
2 include, but not be limited to, the required contents of labels to  
3 be affixed to all medical marijuana and medical marijuana products  
4 prior to transfer to a licensed patient or caregiver, which shall  
5 include, at a minimum:

- 6 1. THC and other cannabinoid potency, and terpenoid potency;
- 7 2. A statement indicating that the product has been tested for  
8 contaminants;
- 9 3. One or more product warnings to be determined by the  
10 ~~Department~~ Executive Director; and
- 11 4. Any other information the ~~Department~~ Executive Director  
12 deems necessary.

13 SECTION 19. AMENDATORY 63 O.S. 2021, Section 427.19, is  
14 amended to read as follows:

15 Section 427.19 A. A medical marijuana research license may be  
16 issued to a person to grow, cultivate, possess and transfer, by sale  
17 or donation, marijuana pursuant to the Oklahoma Medical Marijuana  
18 and Patient Protection Act for the limited research purposes  
19 identified in this section.

20 B. The annual fee for a medical marijuana research license  
21 shall be Five Hundred Dollars (\$500.00) and shall be payable by an  
22 applicant for a medical marijuana research license upon submission  
23 of his or her application to the Oklahoma Medical Marijuana  
24 Authority.

1 C. A medical marijuana research license may be issued for the  
2 following research purposes:

3 1. To test chemical potency and composition levels;

4 2. To conduct clinical investigations of marijuana-derived  
5 medicinal products;

6 3. To conduct research on the efficacy and safety of  
7 administering marijuana as part of medical treatment;

8 4. To conduct genomic, horticultural or agricultural research;  
9 and

10 5. To conduct research on marijuana-affiliated products or  
11 systems.

12 D. 1. As part of the application process for a medical  
13 marijuana research license, an applicant shall submit to the  
14 Authority a description of the research that the applicant intends  
15 to conduct and whether the research will be conducted with a public  
16 institution or using public money. If the research will not be  
17 conducted with a public institution or with public money, the  
18 Authority shall grant the application if it determines that the  
19 applicant meets the criteria in this section.

20 2. If the research will be conducted with a public institution  
21 or public money, the ~~Department~~ Authority shall review the research  
22 project of the applicant to determine if it meets the requirements  
23 of this section and to assess the following:

- 1 a. the quality, study design, value or impact of the  
2 project,
- 3 b. whether the applicant has the appropriate personnel,  
4 expertise, facilities, infrastructure, funding and  
5 human, animal or other approvals in place to  
6 successfully conduct the project, and
- 7 c. whether the amount of marijuana to be grown by the  
8 applicant is consistent with the scope and goals of  
9 the project.

10 3. If the Authority determines that the research project does  
11 not meet the requirements of this section or assesses the criteria  
12 to be inadequate, the application shall be denied.

13 E. A medical marijuana research licensee may only transfer, by  
14 sale or donation, marijuana grown within its operation to other  
15 medical marijuana research licensees. The ~~Department~~ Authority may  
16 revoke a medical marijuana research license for violations of this  
17 section and any other violation of the Oklahoma Medical Marijuana  
18 and Patient Protection Act.

19 F. A medical marijuana research licensee may contract to  
20 perform research in conjunction with a public higher education  
21 research institution or another medical marijuana research licensee.

22 G. The growing, cultivating, possessing or transferring, by  
23 sale or donation, of marijuana in accordance with this section and  
24 the rules promulgated pursuant thereto, by a medical marijuana

1 research licensee shall not be a criminal or civil offense under  
2 state law. A medical marijuana research license shall be issued in  
3 the name of the applicant and shall specify the location in ~~Oklahoma~~  
4 this state at which the medical marijuana research licensee intends  
5 to operate. A medical marijuana research licensee shall not allow  
6 any other person to exercise the privilege of the license.

7 H. If the research conducted includes a public institution or  
8 public money, the Authority shall review any reports made by medical  
9 marijuana research licensees under state licensing authority rule  
10 and provide the Authority with its determination on whether the  
11 research project continues to meet research qualifications pursuant  
12 to this section.

13 SECTION 20. AMENDATORY 63 O.S. 2021, Section 427.20, is  
14 amended to read as follows:

15 Section 427.20 A. There is hereby created a medical marijuana  
16 education facility license.

17 B. A medical marijuana education facility license may be issued  
18 to a person to possess or cultivate marijuana for the limited  
19 education and research purposes identified in this section.

20 C. A medical marijuana education facility license may only be  
21 granted to a not-for-profit organization structured under Section  
22 501(c) (3) of the Internal Revenue Code, operating as ~~an Oklahoma a~~  
23 not-for-profit organization in this state registered ~~organization~~  
24 with the Office of the Secretary of State.

1 D. A medical marijuana education facility license may only be  
2 granted upon the submission of an annual fee of Five Hundred Dollars  
3 (\$500.00) to the Oklahoma Medical Marijuana Authority.

4 E. A medical marijuana education facility license may be issued  
5 for the following education and research purposes:

6 1. To test cultivation techniques, strategies, infrastructure,  
7 mediums, lighting and other related technology;

8 2. To demonstrate cultivation techniques, strategies,  
9 infrastructure, mediums, lighting and other related technology;

10 3. To demonstrate the application and use of product  
11 manufacturing technologies;

12 4. To conduct genomic, horticultural or agricultural research;  
13 and

14 5. To conduct research on marijuana-affiliated products or  
15 systems.

16 F. As part of the application process for a medical marijuana  
17 education facility license, an applicant shall submit to the  
18 Authority a description of the project and curriculum that the  
19 applicant intends to conduct and whether the project and curriculum  
20 will be conducted with a public institution or using public money.  
21 If the project and curriculum will not be conducted with a public  
22 institution or with public money, the Authority shall grant the  
23 application. If the research will be conducted with a public  
24 institution or public money, the Authority shall review the research



1 project of the applicant to determine if it meets the requirements  
2 of this section and to assess the following:

3 1. The quality, study design, value or impact of the project;

4 2. Whether the applicant has the appropriate personnel,  
5 expertise, facilities, infrastructure, funding and human, animal or  
6 other approvals in place to successfully conduct the project; and

7 3. Whether the amount of marijuana to be grown by the applicant  
8 is consistent with the scope and goals of the project.

9 If the Authority determines that the education project does not meet  
10 the requirements of this section or assesses the criteria to be  
11 inadequate, the application shall be denied.

12 G. A medical marijuana education facility licensee may only  
13 transfer, by sale or donation, marijuana grown within its operation  
14 to medical marijuana research licensees. The ~~Department~~ Authority  
15 may revoke a medical marijuana education facility license for  
16 violations of this section and any other violation of applicable  
17 laws, rules and regulations.

18 H. A medical marijuana education facility licensee may contract  
19 to perform research in conjunction with a public higher education  
20 research institution or another research licensee.

21 I. The growing, cultivating, possessing or transferring, by  
22 sale or donation, of marijuana in accordance with this section and  
23 the rules promulgated pursuant thereto, by a medical marijuana  
24 education facility licensee shall not be a criminal or civil offense

1 under state law. A medical marijuana education facility license  
2 shall be issued in the name of the applicant and shall specify the  
3 location in ~~Oklahoma~~ this state at which the medical marijuana  
4 education facility licensee intends to operate. A medical marijuana  
5 education facility licensee shall not allow any other person to  
6 exercise the privilege of the license.

7 SECTION 21. AMENDATORY 63 O.S. 2021, Section 427.22, is  
8 amended to read as follows:

9 Section 427.22 A. All medical marijuana patient and caregiver  
10 records and information including, but not limited to, any  
11 application or renewal and supporting information submitted by a  
12 qualifying patient or designated caregiver under the provisions of  
13 the Oklahoma Medical Marijuana and Patient Protection Act and  
14 information regarding the physician of the qualifying patient shall  
15 be considered confidential medical records that are exempt from the  
16 Oklahoma Open Records Act.

17 B. The dispensary records with patient information shall be  
18 treated as confidential records that are exempt from the Oklahoma  
19 Open Records Act.

20 C. All financial information provided by an applicant or a  
21 licensee in an application to the Authority shall be treated as  
22 confidential records that are exempt from the Oklahoma Open Records  
23 Act.

24

1 D. All information provided by an applicant or a licensee that  
2 constitutes private business information shall be treated as  
3 confidential records that are exempt from the Oklahoma Open Records  
4 Act.

5 E. As used in this section, "private business information"  
6 means information that, if disclosed, would give advantage to  
7 competitors or bidders including, but not limited to, information  
8 related to the planning, site location, operations, strategy or  
9 product development and marketing of an applicant, unless approval  
10 for release of those records is granted by the business.

11 F. All monthly report, inventory tracking and seed-to-sale  
12 information, data and records submitted to the ~~Department~~ Authority  
13 shall be treated as confidential records and are exempt from the  
14 Oklahoma Open Records Act.

15 G. Except for license information concerning licensed patients,  
16 the ~~Department~~ Authority may share confidential information with  
17 other ~~Oklahoma~~ state agencies to assist those agencies in ensuring  
18 compliance with applicable laws, rules and regulations.

19 SECTION 22. AMENDATORY 63 O.S. 2021, Section 427.23, is  
20 amended to read as follows:

21 Section 427.23 ~~A.~~ The State Commissioner of Health Executive  
22 Director of the Oklahoma Medical Marijuana Authority, the Oklahoma  
23 Tax Commission, the State Treasurer, the Secretary of State and the  
24 Director of the Office of Management and Enterprise Services shall

1 promulgate rules to implement the provisions of the Oklahoma Medical  
2 Marijuana and Patient Protection Act.

3 ~~B. The Medical Marijuana Advisory Council, in addition to the~~  
4 ~~powers and duties granted in Section 423 of this title, may~~  
5 ~~recommend to the State Commissioner of Health rules relating to all~~  
6 ~~aspects regarding the safe cultivation and manufacturing of medical~~  
7 ~~marijuana products. In addition to the twelve (12) members required~~  
8 ~~in Section 423 of this title, the State Department of Health may~~  
9 ~~appoint up to eight additional members. The makeup of the Council~~  
10 ~~shall include medical marijuana industry representation.~~

11 SECTION 23. AMENDATORY 63 O.S. 2021, Section 427.24, is  
12 amended to read as follows:

13 Section 427.24 A. Whenever an authorized agent of the State  
14 ~~Department of Health~~ Oklahoma Medical Marijuana Authority finds, in  
15 whole or in part, that the medical marijuana or medical marijuana  
16 product fails to meet the requirements of Sections 420 through 426.1  
17 of ~~Title 63 of the Oklahoma Statutes~~ this title or the Oklahoma  
18 Medical Marijuana and Patient Protection Act as it relates to health  
19 and safety, the medical marijuana or medical marijuana product is  
20 handled in violation of applicable laws or rules and regulations ~~of~~  
21 ~~the Department~~ promulgated by the Executive Director of the  
22 Authority, or the medical marijuana or medical marijuana product may  
23 be poisonous, deleterious to health or is otherwise unsafe, an  
24 electronic or physical tag or other appropriate marking or hold

1 shall be affixed to the medical marijuana or medical marijuana  
2 product which shall give notice that the medical marijuana or  
3 medical marijuana product is or is suspected of being manufactured,  
4 produced, transferred, sold or offered for sale in violation of  
5 applicable laws or rules and regulations ~~of the Department~~  
6 promulgated by the Executive Director and is embargoed. The notice  
7 shall further provide a warning to all persons not to remove or  
8 dispose of the medical marijuana or medical marijuana product until  
9 permission for removal or disposal is given by the ~~Department~~  
10 Executive Director. It shall be unlawful for any person to remove  
11 or dispose of the medical marijuana or medical marijuana product  
12 embargoed without permission by the ~~Department~~ Executive Director.

13 B. If the ~~State Commissioner of Health~~ Executive Director finds  
14 that medical marijuana or medical marijuana product embargoed  
15 pursuant to subsection A of this section does not meet the  
16 requirements of applicable laws or rules and regulations ~~of the~~  
17 ~~Department~~ promulgated by the Executive Director, or is poisonous,  
18 deleterious to health or otherwise unsafe, the ~~Commissioner~~  
19 Executive Director may institute an action in the district court in  
20 whose jurisdiction the medical marijuana or medical marijuana  
21 product is embargoed for the condemnation and destruction of the  
22 medical marijuana or medical marijuana product. If the ~~Commissioner~~  
23 Executive Director finds that the medical marijuana or medical  
24 marijuana product embargoed does meet the requirements of applicable

1 laws and the rules and regulations ~~of the Department~~ promulgated by  
2 the Executive Director and is not poisonous, deleterious to health  
3 or otherwise unsafe, the ~~Commissioner~~ Executive Director shall  
4 remove the embargo. In any court proceeding regarding an embargo,  
5 neither the ~~State Department of Health, the Oklahoma Medical~~  
6 ~~Marijuana Authority~~ or the ~~Commissioner~~ Executive Director shall be  
7 held liable if the court finds reasonable belief for the embargo.

8 C. Except as otherwise provided in subsection D of this  
9 section, if the court finds that the embargoed medical marijuana or  
10 medical marijuana product, in whole or in part, is in violation of  
11 any applicable laws or rules and regulations ~~of the Department~~  
12 promulgated by the Executive Director or is poisonous, deleterious  
13 to health or otherwise unsafe, the medical marijuana or medical  
14 marijuana product shall be destroyed at the expense of the defendant  
15 under the supervision of the ~~Commissioner~~ Executive Director. All  
16 court costs, fees, costs of storage and disposal and other proper  
17 expenses shall be paid by the defendant of the medical marijuana or  
18 medical marijuana product.

19 D. The court may order that the medical marijuana or medical  
20 marijuana product be delivered to the defendant for appropriate  
21 labeling or processing under the supervision of the ~~Commissioner~~  
22 Executive Director only if:

23 1. The violation can be corrected by proper processing of  
24 medical marijuana or medical marijuana product;

1 2. All costs, fees and expenses have been paid; and

2 3. A sufficient bond is executed and conditioned for  
3 appropriate labeling or processing as the court may require.

4 The expense of supervision shall be paid to the ~~Commissioner~~  
5 Executive Director by the person obtaining release of the medical  
6 marijuana or medical marijuana product under bond.

7 SECTION 24. AMENDATORY 63 O.S. 2021, Section 430, as  
8 last amended by Section 28, Chapter 553, O.S.L. 2021, is amended to  
9 read as follows:

10 Section 430. A. There is hereby created and authorized a  
11 medical marijuana waste disposal license. A person or entity in  
12 possession of a medical marijuana waste disposal license shall be  
13 entitled to possess, transport and dispose of medical marijuana  
14 waste. No person or entity shall dispose of medical marijuana waste  
15 without a valid medical marijuana waste disposal license. The  
16 Oklahoma Medical Marijuana Authority shall issue licenses upon  
17 proper application by a licensee and determination by the Authority  
18 that the proposed site and facility are physically and technically  
19 suitable. Upon a finding that a proposed medical marijuana waste  
20 disposal facility is not physically or technically suitable, the  
21 Authority shall deny the license. The Authority may, upon  
22 determining that public health or safety requires emergency action,  
23 issue a temporary license for treatment or storage of medical  
24 marijuana waste for a period not to exceed ninety (90) days. The

1 Authority shall not, for the first year of the licensure program,  
2 issue more than ten medical marijuana waste disposal licenses. Upon  
3 the conclusion of the first year, the Authority shall assess the  
4 need for additional medical marijuana waste disposal licenses and  
5 shall, if demonstrated, increase the number of licenses as deemed  
6 necessary by the Authority.

7 B. Entities applying for a medical marijuana waste disposal  
8 license shall undergo the following screening process:

9 1. Complete an application form, as prescribed by the  
10 Authority, which shall include:

11 a. an attestation that the applicant is authorized to  
12 make application on behalf of the entity,

13 b. full name of the organization,

14 c. trade name, if applicable,

15 d. type of business organization,

16 e. complete mailing address,

17 f. an attestation that the commercial entity will not be  
18 located on tribal land,

19 g. telephone number and email address of the entity, and

20 h. name, residential address and date of birth of each  
21 owner and each member, manager and board member, if  
22 applicable;

23 2. The application for a medical marijuana waste disposal  
24 license made by an individual on his or her own behalf shall be on



1 the form prescribed by the Authority and shall include, but not be  
2 limited to:

- 3 a. the first, middle and last name of the applicant and  
4 suffix, if applicable,
- 5 b. the residence address and mailing address of the  
6 applicant,
- 7 c. the date of birth of the applicant,
- 8 d. the preferred telephone number and email address of  
9 the applicant,
- 10 e. an attestation that the information provided by the  
11 applicant is true and correct, and
- 12 f. a statement signed by the applicant pledging not to  
13 divert marijuana to any individual or entity that is  
14 not lawfully entitled to possess marijuana; and

15 3. Each application shall be accompanied by the following  
16 documentation:

- 17 a. a list of all persons or entities that have an  
18 ownership interest in the entity,
- 19 b. a certificate of good standing from the ~~Oklahoma~~  
20 Secretary of State, if applicable,
- 21 c. an Affidavit of Lawful Presence for each owner,
- 22 d. proof that the proposed location of the disposal  
23 facility is at least one thousand (1,000) feet from a  
24 public or private school. The distance indicated in

1 this subparagraph shall be measured from the nearest  
2 property line of such public or private school to the  
3 nearest perimeter wall of the premises of such  
4 disposal facility. If any public or private school is  
5 established within one thousand (1,000) feet of any  
6 disposal facility after such disposal facility has  
7 been licensed, the provisions of this subparagraph  
8 shall not be a deterrent to the renewal of such  
9 license or warrant revocation of the license, and  
10 e. documents establishing the applicant, the members,  
11 managers and board members, if applicable, and  
12 seventy-five percent (75%) of the ownership interests  
13 are ~~Oklahoma~~ residents of this state as established in  
14 Section 420 et seq. of this title, as it relates to  
15 proof of state residency.

16 C. No license shall be issued except upon proof of sufficient  
17 liability insurance and financial responsibility. Liability  
18 insurance shall be provided by the applicant and shall apply to  
19 sudden and nonsudden bodily injury or property damage on, below or  
20 above the surface, as required by the rules ~~of the Authority~~  
21 promulgated by the Executive Director. Such insurance shall be  
22 maintained for the period of operation of the facility and shall  
23 provide coverage for damages resulting from operation of the  
24 facility during operation and after closing.

1 D. Submission of an application for a medical marijuana waste  
2 disposal license shall constitute permission for entry to and  
3 inspection of the facility of the licensee during hours of operation  
4 and other reasonable times. Refusal to permit such entry of  
5 inspection shall constitute grounds for the nonrenewal, suspension  
6 or revocation of a license. The Authority may perform an annual  
7 unannounced on-site inspection of the operations and any facility of  
8 the licensee. If the Authority receives a complaint concerning  
9 noncompliance by a licensee with the provisions of the Oklahoma  
10 Medical Marijuana Waste Management Act, the Authority may conduct  
11 additional unannounced, on-site inspections beyond an annual  
12 inspection. The Authority may refer all complaints alleging  
13 criminal activity that are made against a licensed facility to  
14 appropriate state or local law enforcement authorities.

15 E. The Authority shall issue an annual permit for each medical  
16 marijuana waste disposal facility operated by a licensee. A permit  
17 shall be issued only upon proper application by a licensee and  
18 determination by the Authority that the proposed site and facility  
19 are physically and technically suitable. Upon a finding that a  
20 proposed medical marijuana waste disposal facility is not physically  
21 or technically suitable, the Authority shall deny the permit. The  
22 Authority shall have the authority to revoke a permit upon a finding  
23 that the site and facility are not physically and technically  
24 suitable for processing. The Authority may, upon determining that

1 public health or safety requires emergency action, issue a temporary  
2 permit for treatment or storage of medical marijuana waste for a  
3 period not to exceed ninety (90) days.

4 F. The cost of a medical marijuana waste disposal license shall  
5 be Five Thousand Dollars (\$5,000.00) for the initial license. The  
6 cost of a medical marijuana waste disposal facility permit shall be  
7 Five Hundred Dollars (\$500.00). A medical marijuana waste disposal  
8 facility permit that has been revoked shall be reinstated upon  
9 remittance of a reinstatement fee of Five Hundred Dollars (\$500.00)  
10 to restore the facility permit. All license and permit fees shall  
11 be deposited into the Oklahoma Medical Marijuana Authority Revolving  
12 Fund as provided in Section 427.5 of this title.

13 G. The holder of a medical marijuana waste disposal license  
14 shall not be required to obtain a medical marijuana transporter  
15 license provided for in the Oklahoma Medical Marijuana and Patient  
16 Protection Act for purposes of transporting medical marijuana waste.

17 H. All commercial licensees, as defined in Section 428.1 of  
18 this title, shall utilize a licensed medical marijuana waste  
19 disposal service to process all medical marijuana waste generated by  
20 the licensee.

21 I. ~~The State Commissioner of Health~~ Executive Director of the  
22 Authority shall promulgate rules for the implementation of the  
23 Oklahoma Medical Marijuana Waste Management Act. Promulgated rules  
24 shall address disposal process standards, site security and any

1 other subject matter deemed necessary by the ~~Authority~~ Executive  
2 Director.

3 SECTION 25. This act shall become effective November 1, 2022.  
4

5 COMMITTEE REPORT BY: COMMITTEE ON ALCOHOL, TOBACCO AND CONTROLLED  
6 SUBSTANCES, dated 04/14/2022 - DO PASS, As Amended and Coauthored.  
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