

1 STATE OF OKLAHOMA

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

3 HOUSE BILL 3827

By: Newton

4  
5  
6 AS INTRODUCED

7 An Act relating to medical marijuana; amending 63  
8 O.S. 2021, Section 422, which relates to medical  
9 marijuana commercial grower licenses; requiring all  
10 medical marijuana commercial grower licensees to  
11 register as an environmentally sensitive crop owner;  
12 directing medical marijuana commercial grower  
13 licensees to provide certain information when  
14 registering; and providing an effective date.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

11 F. Beginning November 1, 2022, all medical marijuana commercial  
12 grower licensees who operate an outdoor medical marijuana production  
13 facility shall be required to register with the Oklahoma Department  
14 of Agriculture, Food, and Forestry as an environmentally sensitive  
15 crop owner. Registration shall provide notice to commercial and  
16 private pesticide applicators of the locations of medical marijuana  
17 crops and help minimize the potential for damaging pesticide drift.  
18 Medical marijuana commercial grower licensees shall provide their  
19 business name, address, Global Positioning System (GPS) coordinates  
20 for all outdoor medical marijuana production facilities, and any  
21 other information required by the Department when registering with  
22 the Environmentally Sensitive Area Registry.

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

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