

OKLAHOMA STATE SENATE
CONFERENCE
COMMITTEE REPORT

May 20, 2025

Mr President

Mr Speaker.

The Conference Committee, to which was referred

SB1039

By: Alvord of the Senate and Cantrell of the House

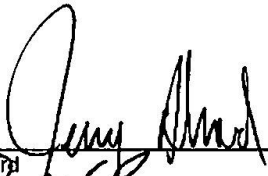


Title Medical marijuana license; modifying grounds for certain denials; notice; fees. Effective date


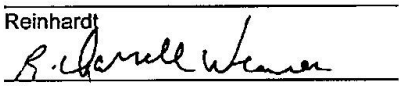
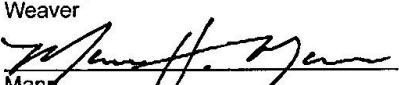
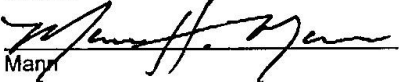
together with Engrossed House Amendments thereto, beg leave to report that we have had the same under consideration and herewith return the same with the following recommendations:

1. That the House recede from all Amendments.
2. That the attached Conference Committee Substitute be adopted.

Respectfully submitted,

SENATE CONFEREES:


Alvord

Coleman

Grellner


Pugh

Reinhardt

Weaver

Mann

HOUSE CONFEREES

Conference Committee on Health and Human Services Oversight

Senate Action _____ Date _____ House Action _____ Date _____

STATE OF OKLAHOMA

1st Session of the 60th Legislature (2025)

CONFERENCE COMMITTEE SUBSTITUTE
FOR ENGROSSED

SENATE BILL NO. 1039

By: Alvord of the Senate

and

Cantrell of the House

CONFERENCE COMMITTEE SUBSTITUTE

An Act relating to medical marijuana; amending 63 O.S. 2021, Section 420, as last amended by Section 1 of Enrolled Senate Bill No. 774 of the 1st Session of the 60th Oklahoma Legislature, and 427.14, as last amended by Section 1, Chapter 342, O.S.L. 2024 (63 O.S. Supp. 2024, Section 427.14), which relate to medical marijuana patient license and medical marijuana business license; establishing certain time limit for resubmission of certain application; requiring certain notification by the Oklahoma Medical Marijuana Authority; requiring certain applicants to remit certain fees within certain time period; establishing grounds for denial of certain application; updating statutory references; and providing an effective date.

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

SECTION 1. AMENDATORY 63 O.S. 2021, Section 420, as last amended by Section 1 of Enrolled Senate Bill No. 774 of the 1st Session of the 60th Oklahoma Legislature, is amended to read as follows:

Section 420. A. A person in possession of a state-issued 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 (2037.6) 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 punishable by a fine not to exceed
21 Four Hundred Dollars (\$400.00) and shall not be subject to
22 imprisonment for the offense. Any law enforcement officer who comes
23 in contact with a person in violation of this subsection and who is
24 satisfied as to the identity of the person, as well as any other

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

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

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

21 E. A short-term medical marijuana patient license application
22 shall also be made available on the website of the Authority. A
23 short-term medical marijuana patient license shall be granted to any
24 applicant who can meet the requirements for a two-year medical

1 marijuana patient license, but whose physician recommendation for
2 medical marijuana is only valid for sixty (60) days. Short-term
3 medical marijuana patient licenses shall be issued for sixty (60)
4 days. The fee for a short-term medical marijuana patient license,
5 reprints of the short-term medical marijuana patient license, and
6 the procedure for extending or renewing the license shall be
7 determined by the Executive Director of the Authority.

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

20 G. Medical marijuana patient license applicants shall submit
21 their applications to the Authority for approval. The applicant
22 shall be a resident of this state and shall prove residency by a
23 valid driver license, utility bills, or other accepted methods.
24

1 H. The Authority shall review the medical marijuana patient
2 license application; approve, reject, or deny the application; and
3 mail the approval, rejection, or denial letter stating any reasons
4 for rejection, to the applicant within fourteen (14) business days
5 of receipt of the application. Approved applicants shall be issued
6 a medical marijuana patient license which shall act as proof of his
7 or her approved status. Applications may only be rejected or denied
8 based on the applicant not meeting stated criteria or improper
9 completion of the application. If an application is rejected for
10 failure to provide required information, the applicant shall have
11 thirty (30) days to submit the required information for
12 reconsideration.

13 I. The Authority shall make available, both on its website and
14 through a telephone verification system, an easy method to validate
15 the authenticity of the medical marijuana patient license by the
16 unique twelve-character identification number and PDF417 barcode.

17 J. The Authority shall ensure that all medical marijuana
18 patient and caregiver records and information are sealed to protect
19 the privacy of medical marijuana patient license applicants.

20 K. A caregiver license shall be made available for qualified
21 caregivers of a medical marijuana patient license holder who is
22 homebound. As provided in Section 427.11 of this title, the
23 caregiver license shall provide the caregiver the same rights as the
24 medical marijuana patient licensee including the ability to possess

1 marijuana, marijuana products and mature and immature plants or
2 cultivated medical marijuana pursuant to the Oklahoma Medical
3 Marijuana and Patient Protection Act, but excluding the ability to
4 use marijuana or marijuana products unless the caregiver has a
5 medical marijuana patient license. Applicants for a caregiver
6 license shall submit proof of the license status and homebound
7 status of the medical marijuana patient and proof that the applicant
8 is the designee of the medical marijuana patient. The applicant
9 shall also submit proof that he or she is eighteen (18) years of age
10 or older and proof of his or her state residency. This shall be the
11 only criteria for a caregiver license. A licensed caregiver shall
12 not cultivate medical marijuana for more than five medical marijuana
13 patient licensees and shall not charge a medical marijuana patient
14 licensee for cultivating medical marijuana in excess of the actual
15 costs incurred in cultivating the medical marijuana.

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 the State Board of Osteopathic Examiners, or the Board of Podiatric

1 Medical Examiners. There are no qualifying conditions. A medical
2 marijuana patient license shall be recommended according to the
3 accepted standards a reasonable and prudent physician would follow
4 when recommending or approving any medication. No physician may be
5 unduly stigmatized, penalized, subjected to discipline, sanctioned,
6 reprimanded or harassed for signing a medical marijuana patient
7 license application~~7~~, provided~~7~~ the physician acted in accordance
8 with the provisions of this subsection and all other rules governing
9 the medical license of the physician in this state.

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

14 SECTION 2. AMENDATORY 63 O.S. 2021, Section 427.14, as
15 last amended by Section 1, Chapter 342, O.S.L. 2024 (63 O.S. Supp.
16 2024, Section 427.14), is amended to read as follows:

17 Section 427.14. A. There is hereby created the medical
18 marijuana business license, which shall include the following
19 categories:

- 20 1. Medical marijuana commercial grower;
- 21 2. Medical marijuana processor;
- 22 3. Medical marijuana dispensary;
- 23 4. Medical marijuana transporter; and
- 24 5. Medical marijuana testing laboratory.

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

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

7 D. 1. The annual, nonrefundable fee for a medical marijuana
8 transporter license shall be Two Thousand Five Hundred Dollars
9 (\$2,500.00).

10 2. The initial, nonrefundable fee for a medical marijuana
11 commercial grower license shall be calculated based upon the total
12 amount of square feet of canopy or acres the grower estimates will
13 be harvested, transferred, or sold for the year. The annual,
14 nonrefundable license fee shall be based upon the total amount of
15 square feet of canopy or acres harvested, transferred, or sold by
16 the grower during the previous twelve (12) months. The amount of
17 the fees shall be determined as follows:

18 a. For an indoor, greenhouse, or light deprivation
19 medical marijuana grow facility:

20 (1) Tier 1: Up to ten thousand (10,000) square feet
21 of canopy, the fee shall be Two Thousand Five
22 Hundred Dollars (\$2,500.00),

23 (2) Tier 2: Ten thousand one (10,001) square feet of
24 canopy to twenty thousand (20,000) square feet of

canopy, the fee shall be Five Thousand Dollars
(\$5,000.00),

(3) Tier 3: Twenty thousand one (20,001) square feet
of canopy to forty thousand (40,000) square feet
of canopy, the fee shall be Ten Thousand Dollars
(\$10,000.00),

(4) Tier 4: Forty thousand one (40,001) square feet
of canopy to sixty thousand (60,000) square feet
of canopy, the fee shall be Twenty Thousand
Dollars (\$20,000.00),

(5) Tier 5: Sixty thousand one (60,001) square feet
of canopy to eighty thousand (80,000) square feet
of canopy, the fee shall be Thirty Thousand
Dollars (\$30,000.00),

(6) Tier 6: Eighty thousand one (80,001) square feet
of canopy to ninety-nine thousand nine hundred
ninety-nine (99,999) square feet of canopy, the
fee shall be Forty Thousand Dollars (\$40,000.00),
and

(7) Tier 7: One hundred thousand (100,000) square
feet of canopy and beyond, the fee shall be Fifty
Thousand Dollars (\$50,000.00), plus an additional
twenty-five cents (\$0.25) per square foot of

1 canopy over one hundred thousand (100,000) square
2 feet.

3 b. For an outdoor medical marijuana grow facility:

- 4 (1) Tier 1: Less than two and one-half (2 1/2)
5 acres, the fee shall be Two Thousand Five Hundred
6 Dollars (\$2,500.00),
- 7 (2) Tier 2: More than two and one-half (2 1/2) acres
8 up to five (5) acres, the fee shall be Five
9 Thousand Dollars (\$5,000.00),
- 10 (3) Tier 3: More than five (5) acres up to ten (10)
11 acres, the fee shall be Ten Thousand Dollars
12 (\$10,000.00),
- 13 (4) Tier 4: More than ten (10) acres up to twenty
14 (20) acres, the fee shall be Twenty Thousand
15 Dollars (\$20,000.00),
- 16 (5) Tier 5: More than twenty (20) acres up to thirty
17 (30) acres, the fee shall be Thirty Thousand
18 Dollars (\$30,000.00),
- 19 (6) Tier 6: More than thirty (30) acres up to forty
20 (40) acres, the fee shall be Forty Thousand
21 Dollars (\$40,000.00),
- 22 (7) Tier 7: More than forty (40) acres up to fifty
23 (50) acres, the fee shall be Fifty Thousand
24 Dollars (\$50,000.00), and

1 (8) Tier 8: If the amount of acreage exceeds fifty
2 (50) acres, the fee shall be Fifty Thousand
3 Dollars (\$50,000.00) plus an additional Two
4 Hundred Fifty Dollars (\$250.00) per acre.

5 c. For a medical marijuana commercial grower that has a
6 combination of both indoor and outdoor growing
7 facilities at one location, the medical marijuana
8 commercial grower shall be required to obtain a
9 separate license from the Authority for each type of
10 grow operation and shall be subject to the licensing
11 fees provided for in subparagraphs a and b of this
12 paragraph.

13 d. As used in this paragraph:

14 (1) "canopy" means the total surface area within a
15 cultivation area that is dedicated to the
16 cultivation of flowering marijuana plants. The
17 surface area of the plant canopy must be
18 calculated in square feet and measured and must
19 include all of the area within the boundaries
20 where the cultivation of the flowering marijuana
21 plants occurs. If the surface of the plant
22 canopy consists of noncontiguous areas, each
23 component area must be separated by identifiable
24 boundaries. If a tiered or shelving system is

1 used in the cultivation area, the surface area of
2 each tier or shelf must be included in
3 calculating the area of the plant canopy.
4 Calculation of the area of the plant canopy may
5 not include the areas within the cultivation area
6 that are used to cultivate immature marijuana
7 plants and seedlings, prior to flowering, and
8 that are not used at any time to cultivate mature
9 marijuana plants. If the flowering plants are
10 vertically grown in cylinders, the square footage
11 of the canopy shall be measured by the
12 circumference of the cylinder multiplied by the
13 total length of the cylinder,

14 (2) "greenhouse" means a structure located outdoors
15 that is completely covered by a material that
16 allows a controlled level of light transmission,
17 and

18 (3) "light deprivation" means a structure that has
19 concrete floors and the ability to manipulate
20 natural light.

21 3. The initial, nonrefundable fee for a medical marijuana
22 processor license shall be Two Thousand Five Hundred Dollars
23 (\$2,500.00). The annual, nonrefundable license fee for a medical
24

marijuana processor license shall be determined based on the previous twelve (12) months as follows:

- a. Tier 1: The transfer or sale of zero (0) to ten thousand (10,000) pounds of biomass or the production, transfer, or sale of up to one hundred (100) liters of cannabis concentrate, whichever is greater, the annual fee shall be Two Thousand Five Hundred Dollars (\$2,500.00),
- b. Tier 2: The transfer or sale of ten thousand one (10,001) pounds to fifty thousand (50,000) pounds of biomass or the production, transfer, or sale of one hundred one (101) to three hundred fifty (350) liters of cannabis concentrate, whichever is greater, the annual fee shall be Five Thousand Dollars (\$5,000.00),
- c. Tier 3: The transfer or sale of fifty thousand one (50,001) pounds to one hundred fifty thousand (150,000) pounds of biomass or the production, transfer, or sale of three hundred fifty-one (351) to six hundred fifty (650) liters of cannabis concentrate, whichever is greater, the annual fee shall be Ten Thousand Dollars (\$10,000.00),
- d. Tier 4: The transfer or sale of one hundred fifty thousand one (150,001) pounds to three hundred thousand (300,000) pounds of biomass or the

production, transfer, or sale of six hundred fifty-one (651) to one thousand (1,000) liters of cannabis concentrate, whichever is greater, the annual fee shall be Fifteen Thousand Dollars (\$15,000.00), and

e. Tier 5: The transfer or sale of more than three hundred thousand one (300,001) pounds of biomass or the production, transfer, or sale in excess of one thousand one (1,001) liters of cannabis concentrate, the annual fee shall be Twenty Thousand Dollars (\$20,000.00).

For purposes of this paragraph only, if the cannabis concentrate is in nonliquid form, every one thousand (1,000) grams of concentrated marijuana shall be calculated as one (1) liter of cannabis concentrate.

4. The initial, nonrefundable fee for a medical marijuana dispensary license shall be Two Thousand Five Hundred Dollars (\$2,500.00). The annual, nonrefundable license fee for a medical marijuana dispensary license shall be calculated at ten percent (10%) of the sum of twelve (12) calendar months of the combined annual state sales tax and state excise tax of the dispensary during the previous twelve (12) months. The minimum fee shall be not less than Two Thousand Five Hundred Dollars (\$2,500.00) and the maximum fee shall not exceed Ten Thousand Dollars (\$10,000.00).

1 5. The annual, nonrefundable license fee for a medical
2 marijuana testing laboratory shall be Twenty Thousand Dollars
3 (\$20,000.00).

4 E. All applicants seeking licensure or licensure renewal as a
5 medical marijuana business shall comply with the following general
6 requirements:

7 1. All applications for licenses and registrations authorized
8 pursuant to this section shall be made upon forms prescribed by the
9 Authority;

10 2. Each application shall identify the city or county in which
11 the applicant seeks to obtain licensure as a medical marijuana
12 business;

13 3. Applicants shall submit a complete application to the
14 Authority before the application may be accepted or considered;

15 4. All applications shall be complete and accurate in every
16 detail;

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

20 6. All applications for a transporter license, initial
21 dispensary license, initial processor license, or laboratory license
22 shall be accompanied by a full remittance for the whole amount of
23 the license fee as set forth in subsection D of this section. All
24 submissions of grower applications, renewal processor applications,

1 and renewal dispensary applications shall be accompanied by a
2 remittance of a fee of Two Thousand Five Hundred Dollars
3 (\$2,500.00). The Authority shall invoice license applicants, if
4 applicable, and notify applicants in the same method and manner as
5 the application was submitted to the Authority for any additional
6 licensing fees owed pursuant to subsection D of this section prior
7 to approval of a license application. Applicants and licensees
8 shall remit all required license and application fees, including any
9 additional licensing fees, if applicable, in full within forty-five
10 (45) days of notification by the Authority. Failure to remit such
11 fees shall result in the denial of the application. License fees
12 are nonrefundable;

13 7. All applicants shall be approved for licensing review that,
14 at a minimum, meet the following criteria:

- 15 a. twenty-five (25) years of age or older,
- 16 b. if applying as an individual, proof that the applicant
17 is a resident of this state pursuant to paragraph ~~11~~
18 12 of this subsection,
- 19 c. if applying as an entity, proof that seventy-five
20 percent (75%) of all members, managers, executive
21 officers, partners, board members or any other form of
22 business ownership are residents of this state
23 pursuant to paragraph ~~11~~ 12 of this subsection,

24

- d. if applying as an individual or entity, proof that the individual or entity is registered to conduct business in this state,
- e. disclosure of all ownership interests pursuant to the Oklahoma Medical Marijuana and Patient Protection Act, and
- f. proof that the medical marijuana business, medical marijuana research facility, medical marijuana education facility and medical marijuana waste disposal facility applicant or licensee has not been convicted of a nonviolent felony in the last two (2) years, or any other felony conviction within the last five (5) years, is not a current inmate in the custody of the Department of Corrections, or currently incarcerated in a jail or corrections facility.

Upon reasonable suspicion that a medical marijuana business licensee is illegally growing, processing, transferring, selling, disposing, or diverting marijuana, the Authority, the Oklahoma State Bureau of Narcotics and Dangerous Drugs Control, the Oklahoma State Bureau of Investigation (OSBI), or the Attorney General may subpoena documents necessary to establish the personal identifying information of all owners and individuals with any ownership interest in the business;

8. There shall be no limit to the number of medical marijuana business licenses or categories that an individual or entity can

1 apply for or receive, although each application and each category
2 shall require a separate application, application fee, or license
3 fee. A commercial grower, processor and dispensary, or any
4 combination thereof, are authorized to share the same address or
5 physical location, subject to the restrictions set forth in the
6 Oklahoma Medical Marijuana and Patient Protection Act;

7 9. No medical marijuana business premises is permitted to have
8 multiple licenses of the same type pursuant to the licensing
9 requirements of this section, excluding the following:

- 10 a. a commercial grower with a combination of an indoor or
11 outdoor growing facility on one parcel of land,
- 12 b. a licensed medical marijuana processor used by
13 multiple licensees, and
- 14 c. a licensed medical marijuana business that has an
15 approved application by the Authority while the new
16 business seeks registration from the Oklahoma State
17 Bureau of Narcotics and Dangerous Drugs Control
18 pursuant to Section ~~2~~ 427.14c of this ~~act~~ title;

19 10. All applicants for a medical marijuana business license,
20 research facility license or education facility license authorized
21 by the Oklahoma Medical Marijuana and Patient Protection Act, or for
22 a renewal of such license, shall undergo a national fingerprint-
23 based background check conducted by the Oklahoma State Bureau of
24

1 Investigation within thirty (30) days prior to the application for
2 the license, including:

- 3 a. individual applicants applying on their own behalf,
- 4 b. individuals applying on behalf of an entity,
- 5 c. all principal officers of an entity, and
- 6 d. all owners of an entity as defined by the Oklahoma
7 Medical Marijuana and Patient Protection Act;

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

11 12. In order to be considered a resident of this state for
12 purposes of a medical marijuana business application, all applicants
13 shall provide proof of state residency for at least two (2) years
14 immediately preceding the date of application or five (5) years of
15 continuous state residency during the preceding twenty-five (25)
16 years immediately preceding the date of application. Sufficient
17 documentation of proof of residency shall include a combination of
18 the following:

- 19 a. an unexpired state-issued driver license,
- 20 b. a state-issued identification card,
- 21 c. a utility bill preceding the date of application,
22 excluding cellular telephone and Internet bills,
- 23 d. a residential property deed to property in this state,
24 and

1 e. a rental agreement preceding the date of application
2 for residential property located in this state.

3 Applicants that were issued a medical marijuana business license
4 prior to August 30, 2019, are hereby exempt from the two-year or
5 five-year Oklahoma residence requirement mentioned above;

6 13. All license applicants shall be required to submit a
7 registration with the Oklahoma State Bureau of Narcotics and
8 Dangerous Drugs Control as provided in Sections ~~2-302~~ 2-301 through
9 ~~2-304~~ 2-309 of this title;

10 14. All applicants shall establish their identity through
11 submission of a color copy or digital image of one of the following
12 unexpired documents:

- 13 a. front of a state-issued driver license,
- 14 b. front of a state-issued identification card,
- 15 c. a United States passport or other photo identification
16 issued by the United States government, or
- 17 d. a tribal identification card approved for
18 identification purposes by the Department of Public
19 Safety;

20 15. All applicants shall submit an applicant photograph; and

21 16. All applicants for a medical marijuana business license
22 seeking to operate a commercial growing operation shall file along
23 with their application a bond as prescribed in Section 427.26 of
24 this title.

1 F. The Authority shall review the medical marijuana business
2 application; approve, reject, or deny the application; and send the
3 approval, rejection, denial, or status-update letter to the
4 applicant in the same method the application was submitted to the
5 Authority within ninety (90) business days of receipt of the
6 application.

7 G. 1. The Authority shall review the medical marijuana
8 business applications, conduct all investigations, inspections, and
9 interviews, and collect all license and application fees before
10 approving the application.

11 2. Approved applicants shall be issued a medical marijuana
12 business license for the specific category applied under, which
13 shall act as proof of their approved status. Rejection and denial
14 letters shall provide a reason for the rejection or denial.
15 Applications may only be rejected or denied based on the applicant
16 not meeting the standards set forth in the provisions of the
17 Oklahoma Medical Marijuana and Patient Protection Act and Sections
18 420 through ~~426.1~~ 427.28 of this title, improper completion of the
19 application, unpaid license or application fees, or for a reason
20 provided for in the Oklahoma Medical Marijuana and Patient
21 Protection Act and Sections 420 through ~~426.1~~ 427.28 of this title.
22 If an application is rejected for failure to provide required
23 information, the applicant shall have thirty (30) days to submit the
24 required information for reconsideration. Unless the Authority

1 determines otherwise, an application that has been resubmitted but
2 is still incomplete or contains errors that are not clerical or
3 typographical in nature shall be denied.

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

8 4. Approval, rejection, denial or status-update letters shall
9 be sent to the applicant in the same method the application was
10 submitted to the Authority.

11 H. A license for a medical marijuana business, medical
12 marijuana research facility, medical marijuana education facility or
13 medical marijuana waste disposal facility shall not be issued to or
14 held by:

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

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

19 3. A corporation, if the criminal history of any of its
20 officers, directors or stockholders indicates that the officer,
21 director or stockholder has been convicted of a nonviolent felony
22 within two (2) years of the date of application, or within five (5)
23 years for any other felony;

24 4. A person under twenty-five (25) years of age;

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

4 a. file taxes, interest or penalties due related to a
5 medical marijuana business, or

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

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

10 7. A person whose authority to be a caregiver, as defined in
11 Section 427.2 of this title, has been revoked by the Authority; or

12 8. A person who was involved in the management or operations of
13 any medical marijuana business, medical marijuana research facility,
14 medical marijuana education facility or medical marijuana waste
15 disposal facility that, after the initiation of a disciplinary
16 action, has had a medical marijuana license revoked, not renewed, or
17 surrendered during the five (5) years preceding submission of the
18 application and for the following violations:

19 a. unlawful sales or purchases,

20 b. any fraudulent acts, falsification of records or
21 misrepresentation to the Authority, medical marijuana
22 patient licensees, caregiver licensees or medical
23 marijuana business licensees,

24 c. any grossly inaccurate or fraudulent reporting,

- d. threatening or harming any medical marijuana patient, caregiver, medical practitioner or employee of the Authority,
- e. knowingly or intentionally refusing to permit the Authority access to premises or records,
- f. using a prohibited, hazardous substance for processing in a residential area,
- g. criminal acts relating to the operation of a medical marijuana business, or
- h. any violations that endanger public health and safety or product safety.

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

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

K. All applicants and licensees shall submit information to the Authority in a full, faithful, truthful and fair manner. The Authority may recommend denial of an application where the applicant or licensee made misstatements, omissions, misrepresentations or untruths in the application or in connection with the background investigation of the applicant. This type of conduct may be grounds

1 for administrative action against the applicant or licensee. Typos
2 and scrivener errors shall not be grounds for denial.

3 L. A licensed medical marijuana business premises shall be
4 subject to and responsible for compliance with applicable provisions
5 consistent with the zoning where such business is located as
6 described in the most recent versions of the Oklahoma Uniform
7 Building Code, the International Building Code and the International
8 Fire Code, unless granted an exemption by a municipality or
9 appropriate code enforcement entity.

10 M. All medical marijuana business, medical marijuana research
11 facility, medical marijuana education facility and medical marijuana
12 waste disposal facility licensees shall pay the relevant licensure
13 fees prior to receiving licensure to operate. Applicants and
14 licensees shall remit all required license and application fees,
15 including any additional licensing fees, if applicable, in full
16 within forty-five (45) days of notification by the Authority.
17 Failure to remit such fees shall result in the denial of the
18 application.

19 N. A medical marijuana business, medical marijuana research
20 facility, medical marijuana education facility or medical marijuana
21 waste disposal facility that attempts to renew its license after the
22 expiration date of the license shall pay a late renewal fee of Five
23 Hundred Dollars (\$500.00) per week that the license is expired.
24 Late renewal fees are nonrefundable. A license that has been

1 expired for more than sixty (60) calendar days shall not be renewed.
2 Only license renewal applications submitted at least sixty (60)
3 calendar days prior to the expiration date shall be considered
4 timely submitted and subject to the provisions of subsection F of
5 this section. A medical marijuana business license shall remain
6 unexpired during the pendency of the application for renewal
7 provided that such application was timely submitted. The Authority
8 shall allow renewal applications to be submitted at least one
9 hundred twenty (120) calendar days prior to the expiration date of a
10 medical marijuana business license.

11 O. Except as provided by this section, immediately upon
12 expiration of a license, any medical marijuana business, medical
13 marijuana research facility, medical marijuana education facility,
14 or medical marijuana waste disposal facility shall cease all
15 possession, transfer, or sale of medical marijuana or medical
16 marijuana products. Any continued possession, sale, or transfer
17 shall subject the business owners and operators to felony
18 prosecution pursuant to the Uniform Controlled Dangerous Substances
19 Act.

20 P. A medical marijuana business license holder shall require
21 all individuals employed under his or her license to be issued a
22 credential pursuant to the provisions of Section 427.14b of this
23 title prior to employment.
24

1 Q. An original medical marijuana business license issued on or
2 after June 26, 2018, by the Authority, for a medical marijuana
3 commercial grower, a medical marijuana processor or a medical
4 marijuana dispensary shall be deemed to have been grandfathered into
5 the location on the date the original license was first issued for
6 purposes of determining the authority of the business to conduct and
7 continue the same type of business at that location under a license
8 issued by the Authority, except as may be provided in Sections 425
9 and 426.1 of this title. Any change in ownership after the original
10 medical marijuana business license has been issued by the Authority
11 shall be construed by the Authority to be a continuation of the same
12 type of business originally licensed at that location. Nothing
13 shall authorize the Authority to deny issuance or renewal of a
14 license or transfer of license due to a change in ownership for the
15 same business location previously licensed, except when a revocation
16 is otherwise authorized by law or a protest is made under the
17 municipal compliance provisions of Section 426.1 of this title.

18 R. A medical marijuana business license holder shall require
19 all individuals employed under their license to be issued a
20 credential pursuant to the provisions of Section 427.14b of this
21 title prior to employment.

22 S. The Executive Director of the Authority may promulgate rules
23 to implement the provisions of this section including, but not
24 limited to, required application materials to be submitted by the

1 applicant and utilized by the Authority to determine medical
2 marijuana business licensing fees pursuant to this section.

3 SECTION 3. This act shall become effective November 1, 2025.

4
5 60-1-2160 CAD 5/22/2025 11:18:59 AM

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24