

1 **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2 STATE OF OKLAHOMA

3 1st Session of the 59th Legislature (2023)

4 COMMITTEE SUBSTITUTE
5 FOR
6 HOUSE BILL NO. 1717

By: Marti

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8
9 COMMITTEE SUBSTITUTE

10 An Act relating to marijuana; amending 63 O.S. 2021,
11 Section 421, as amended by Section 1, Chapter 332,
12 O.S.L. 2022 (63 O.S. Supp. 2022, Section 421), which
13 relates to licensing for medical marijuana
14 dispensaries; updating name of agency; providing
15 applications for adult use marijuana dispensary
16 licenses; modifying procedures and guidelines to
17 allow for adult use marijuana dispensary licenses;
18 amending 63 O.S. 2021, Section 422, as amended by
19 Section 2, Chapter 332, O.S.L. 2022 (63 O.S. Supp.
20 2022, Section 422), which relates to licensing for
21 medical marijuana commercial growers; updating name
22 of agency; providing applications for adult use
23 marijuana commercial grower licenses; modifying
24 procedures and guidelines to allow for adult use
 marijuana commercial grower licenses; amending 63
 O.S. 2021, Section 423, as amended by Section 3,
 Chapter 332, O.S.L. 2022 (63 O.S. Supp. 2022, Section
 423), which relates to licensing for medical
 marijuana processors; updating name of agency;
 providing applications for adult use marijuana
 processor licenses; modifying procedures and
 guidelines to allow for adult use marijuana processor
 licenses; amending 63 O.S. 2021, Section 424, which
 relates to marijuana transportation licenses;
 providing for the issuance of adult use marijuana
 transportation licenses; modifying procedures and
 guidelines to allow for adult use marijuana
 transportation licenses; amending 63 O.S. 2021,

1 Section 425, as amended by Section 2, Chapter 317,
2 O.S.L. 2022 (63 O.S. Supp. 2022, Section 425), which
3 relates to license holder protections; updating city
4 and local municipality restrictions to include adult
5 use marijuana dispensaries; prohibiting adult use
6 marijuana dispensaries from being located near public
7 or private schools; deleting references to the State
8 Department of Health; updating name of agency;
9 amending 63 O.S. 2021, Section 426.1, as amended by
10 Section 6, Chapter 251, O.S.L. 2022 (63 O.S. Supp.
11 2022, Section 426.1), which relates to licensure
12 revocation hearings; updating name of agency;
13 directing the Oklahoma Medical Marijuana Authority to
14 provide list of adult use marijuana businesses to
15 state agencies and political subdivisions; requiring
16 adult use marijuana businesses to obtain a
17 certificate of compliance; amending 63 O.S. 2021,
18 Sections 427.2, as amended by Section 1, Chapter 317,
19 O.S.L. 2022, 427.3, as amended by Section 8, Chapter
20 251, O.S.L. 2022, Section 1, Chapter 236, O.S.L.
21 2022, 427.4, as amended by Section 9, Chapter 251,
22 O.S.L. 2022, 427.6, as last amended by Section 1,
23 Chapter 328, O.S.L. 2022, 427.13, as amended by
24 Section 14, Chapter 251, O.S.L. 2022, 427.14, as
amended by Section 4, Chapter 332, O.S.L. 2022,
Section 3, Chapter 328, O.S.L. 2022, 427.15, 427.16,
as amended by Section 16, Chapter 251, O.S.L. 2022,
427.17, as last amended by Section 1, Chapter 353,
O.S.L. 2022, 427.18, as amended by Section 18,
Chapter 251, O.S.L. 2022, 427.19, as amended by
Section 19, Chapter 251, O.S.L. 2022, 427.20, as
amended by Section 20, Chapter 251, O.S.L. 2022,
427.21, as amended by Section 2, Chapter 329, O.S.L.
2022, 427.22, as amended by Section 21, Chapter 251,
O.S.L. 2022, 427.24, as amended by Section 23,
Chapter 251, O.S.L. 2022, and Section 1, Chapter 352,
O.S.L. 2022 (63 O.S. Supp. 2022, Section 427.2,
427.3, 427.3a, 427.4, 427.6, 427.13, 427.14, 427.14b,
427.16, 427.17, 427.18, 427.19, 427.20, 427.21,
427.22, 427.24, and 427.25), which relate to the
Oklahoma Medical Marijuana and Patient Protection
Act; updating name of agency; adding definitions and
modifying certain definitions; modifying scope of
duties and functions of the Authority to include
adult use marijuana business licensees; updating
language; updating references to medical marijuana,
medical marijuana products, and medical marijuana

1 concentrate; modifying duties of the Executive
2 Director of the Authority to include adult use
3 marijuana businesses; expanding monitoring,
4 inspection, and disciplinary actions and penalties to
5 include adult use marijuana businesses; updating
6 inventory tracking system procedures and guidelines
7 to include adult use marijuana businesses; modifying
8 tiered licensing provisions to include adult use
9 marijuana business licensees; requiring adult use
10 marijuana business licensees to comply with general
11 background requirements when seeking licensure or
12 licensure renewal; making adult use marijuana
13 business licensees subject to licensing procedures
14 and guidelines of the Authority; requiring employees
15 of adult use marijuana licensees to apply for and
16 receive certain credentials; directing adult use
17 marijuana businesses to submit attestation regarding
18 foreign financial interests; providing for adult use
19 marijuana transporter licenses; expanding transporter
20 licensing procedures and guidelines to include adult
21 use marijuana transporter licenses; providing for
22 adult use marijuana testing laboratory licenses;
23 expanding testing laboratory licensing procedures and
24 guidelines to include adult use marijuana testing
laboratory licenses; modifying packaging and labeling
requirements and restrictions to include adult use
marijuana businesses; deleting all references to
medical marijuana as it pertains to research
licenses; deleting all references to medical
marijuana as it pertains to education facility
licenses; applying advertising and signage
requirements to adult use marijuana businesses;
making consumer information at dispensaries
confidential and exempt from the Oklahoma Open
Records Act; deleting all references to medical
marijuana as it pertains to the embargoing of
marijuana; authorizing use of secret shoppers at
adult use marijuana dispensaries; modifying
procedures and guidelines for secret shoppers to
include adult use marijuana businesses; amending 63
O.S. 2021, Section 428.1, 429, and 430, as amended by
Section 3, Chapter 317, O.S.L. 2022 (63 O.S. Supp.
2022, Section 430), which relate to the Oklahoma
Medical Marijuana Waste Management Act; updating name
of agency; modifying scope of certain definitions;
deleting all references to medical marijuana as it
pertains to the disposal of marijuana and the

1 licensing of marijuana waste disposal facilities; and
2 providing an effective date.

3
4 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

5 SECTION 1. AMENDATORY 63 O.S. 2021, Section 421, as
6 amended by Section 1, Chapter 332, O.S.L. 2022 (63 O.S. Supp. 2022,
7 Section 421), is amended to read as follows:

8 Section 421. A. The Oklahoma ~~Medical~~ Marijuana Authority shall
9 make available on its website in an easy-to-find location an
10 application for a medical marijuana or adult use marijuana
11 dispensary license. The application fee to be paid by the applicant
12 shall be in the amounts provided for in Section 427.14 of this
13 title. A method of payment for the application fee shall be
14 provided on the website of the Authority. Dispensary applicants
15 must all be residents of Oklahoma. Any entity applying for a
16 dispensary license must be owned by an Oklahoma resident and must be
17 registered to do business in Oklahoma. The Authority shall have
18 ninety (90) business days to review the application; approve, reject
19 or deny the application; and mail the approval, rejection or denial
20 letter stating reasons for the rejection or denial to the applicant.

21 B. The Authority shall approve all applications which meet the
22 following criteria:

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

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

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

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

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

10 6. All applicants must disclose all ownership interests in the
11 dispensary.

12 Applicants with a nonviolent felony conviction in the last two
13 (2) years, any other felony conviction in the last five (5) years,
14 inmates in the custody of the Department of Corrections or any
15 person currently incarcerated shall not qualify for a medical
16 marijuana or adult use marijuana dispensary license.

17 C. Licensed medical marijuana and licensed adult use marijuana
18 dispensaries shall be required to complete a monthly sales report to
19 the Authority. This report shall be due on the fifteenth of each
20 month and provide reporting on the previous month. This report
21 shall detail the weight of marijuana purchased at wholesale and the
22 weight of marijuana sold to licensed medical marijuana patients and,
23 licensed caregivers, and adult use consumers and account for any
24 waste. The report shall show total sales in dollars, tax collected

1 in dollars, and tax due in dollars. The Authority shall have
2 oversight and auditing responsibilities to ensure that all marijuana
3 being grown is accounted for.

4 D. Only a licensed medical marijuana or licensed adult use
5 marijuana dispensary may conduct retail sales of marijuana or
6 marijuana derivatives. Beginning on the effective date of this act,
7 licensed medical marijuana and licensed adult use marijuana
8 dispensaries shall be authorized to package and sell pre-rolled
9 marijuana to licensed medical marijuana patients ~~and~~, licensed
10 caregivers, and adult use consumers. The products described in this
11 subsection shall contain only the ground parts of the marijuana
12 plant and shall not include marijuana concentrates or derivatives.
13 The total net weight of each pre-roll packaged and sold by a medical
14 marijuana or adult use marijuana dispensary shall not exceed one (1)
15 gram. These products shall be tested, packaged and labeled in
16 accordance with Oklahoma law and rules promulgated by the Authority.

17 E. No medical marijuana or adult use marijuana dispensary shall
18 offer or allow a medical marijuana patient licensee, caregiver
19 licensee, adult use customer, or other member of the public to
20 handle or otherwise have physical contact with any ~~medical~~ marijuana
21 not contained in a sealed or separate package. Provided, such
22 prohibition shall not preclude an employee of the medical marijuana
23 or adult use marijuana dispensary from handling loose or nonpackaged
24 ~~medical~~ marijuana to be placed in packaging consistent with the

1 Oklahoma Medical Marijuana and Patient Protection Act and the rules
2 promulgated by the Authority for the packaging of ~~medical~~ marijuana
3 for retail sale. Provided, further, such prohibition shall not
4 prevent a medical marijuana or adult use marijuana dispensary from
5 displaying samples of its ~~medical~~ marijuana in separate display
6 cases, jars or other containers and allowing medical marijuana
7 patient licensees ~~and~~, caregiver licensees, or adult use customer
8 the ability to handle or smell the various samples as long as the
9 sample ~~medical~~ marijuana is used for display purposes only and is
10 not offered for retail sale.

11 SECTION 2. AMENDATORY 63 O.S. 2021, Section 422, as
12 amended by Section 2, Chapter 332, O.S.L. 2022 (63 O.S. Supp. 2022,
13 Section 422), is amended to read as follows:

14 Section 422. A. The Oklahoma ~~Medical~~ Marijuana Authority shall
15 make available on its website in an easy-to-find location an
16 application for a medical marijuana or adult use marijuana
17 commercial grower license. The application fee shall be paid by the
18 applicant in the amounts provided for in Section 427.14 of this
19 title. A method of payment for the application fee shall be
20 provided on the website of the Authority. The Authority shall have
21 ninety (90) days to review the application; approve, reject or deny
22 the application; and mail the approval, rejection or denial letter
23 stating the reasons for the rejection or denial to the applicant.

24

1 B. The Authority shall approve all applications which meet the
2 following criteria:

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

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

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

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

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

14 6. All applicants must disclose all ownership interests in the
15 commercial grower operation.

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

21 C. A licensed medical marijuana or licensed adult use marijuana
22 commercial grower may sell marijuana to a licensed medical marijuana
23 or licensed adult use marijuana dispensary or a licensed medical
24 marijuana or licensed adult use marijuana processor. Further, sales

1 by a licensed medical marijuana or licensed adult use marijuana
2 commercial grower shall be considered wholesale sales and shall not
3 be subject to taxation. Under no circumstances may a licensed
4 medical marijuana or licensed adult use marijuana commercial grower
5 sell marijuana directly to a licensed medical marijuana patient ~~or,~~
6 licensed medical marijuana caregiver, or adult use customer. A
7 licensed medical marijuana or licensed adult use marijuana
8 commercial grower may only sell at the wholesale level to a licensed
9 medical marijuana or licensed adult use marijuana dispensary, a
10 licensed medical marijuana or licensed adult use marijuana
11 commercial grower or a licensed medical marijuana or licensed adult
12 use marijuana processor. If the federal government lifts
13 restrictions on buying and selling marijuana between states, then a
14 licensed medical marijuana and licensed adult use marijuana
15 commercial grower would be allowed to sell and buy marijuana
16 wholesale from, or to, an out-of-state wholesale provider. A
17 licensed medical marijuana and licensed adult use marijuana
18 commercial grower shall be required to complete a monthly yield and
19 sales report to the Authority. This report shall be due on the
20 fifteenth of each month and provide reporting on the previous month.
21 This report shall detail the amount of marijuana harvested in
22 pounds, the amount of drying or dried marijuana on hand, the amount
23 of marijuana sold to licensed processors in pounds, the amount of
24 waste in pounds, and the amount of marijuana sold to licensed

1 medical marijuana and license adult use marijuana dispensaries in
2 pounds. Additionally, this report shall show total wholesale sales
3 in dollars. The Authority shall have oversight and auditing
4 responsibilities to ensure that all marijuana being grown by
5 licensed medical marijuana or licensed adult use marijuana
6 commercial growers is accounted for.

7 D. There shall be no limits on how much marijuana a licensed
8 medical marijuana or licensed adult use commercial grower can grow.

9 E. Beginning on the effective date of this act, licensed
10 medical marijuana and licensed adult use marijuana commercial
11 growers shall be authorized to package and sell pre-rolled marijuana
12 to licensed medical marijuana and licensed adult use marijuana
13 dispensaries. The products described in this subsection shall
14 contain only the ground parts of the marijuana plant and shall not
15 include marijuana concentrates or derivatives. The total net weight
16 of each pre-roll packaged and sold by licensed medical marijuana
17 commercial growers shall not exceed one (1) gram. These products
18 must be tested, packaged and labeled in accordance with Oklahoma law
19 and rules promulgated by the Authority.

20 SECTION 3. AMENDATORY 63 O.S. 2021, Section 423, as
21 amended by Section 3, Chapter 332, O.S.L. 2022 (63 O.S. Supp. 2022,
22 Section 423), is amended to read as follows:

23 Section 423. A. The Oklahoma ~~Medical~~ Marijuana Authority shall
24 make available on its website in an easy-to-find location an

1 application for a medical marijuana or adult use marijuana
2 processing license. The Authority shall be authorized to issue two
3 types of medical marijuana or adult use marijuana processor licenses
4 based on the level of risk posed by the type of processing
5 conducted:

6 1. Nonhazardous medical marijuana adult use marijuana processor
7 license; and

8 2. Hazardous medical marijuana adult use marijuana processor
9 license.

10 The application fee for a nonhazardous or hazardous medical
11 marijuana processor or adult use marijuana license shall be paid by
12 the applicant in the amounts provided for in Section 427.14 of this
13 title. A method of payment shall be provided on the website of the
14 Authority. The Authority shall have ninety (90) days to review the
15 application; approve, reject or deny the application; and mail the
16 approval, rejection or denial letter stating the reasons for the
17 rejection or denial to the applicant.

18 B. The Authority shall approve all applications which meet the
19 following criteria:

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

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

24

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

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

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

8 6. All applicants must disclose all ownership interests in the
9 processing operation.

10 Applicants with a nonviolent felony conviction in the last two
11 (2) years, any other felony conviction in the last five (5) years,
12 inmates in the custody of the Department of Corrections or any
13 person currently incarcerated shall not qualify for a medical
14 marijuana or adult use marijuana processing license.

15 C. 1. A licensed processor may take marijuana plants and
16 distill or process these plants into concentrates, edibles, and
17 other forms for consumption.

18 2. As required by subsection D of this section, the Authority
19 shall make available a set of standards which shall be used by
20 licensed processors in the preparation of edible marijuana products.
21 The standards should be in line with current food preparation
22 guidelines. No excessive or punitive rules may be established by
23 the Authority.

24

1 3. Up to two times a year, the Authority may inspect a
2 processing operation and determine its compliance with the
3 preparation standards. If deficiencies are found, a written report
4 of the deficiency shall be issued to the licensed processor. The
5 licensed processor shall have one (1) month to correct the
6 deficiency or be subject to a fine of Five Hundred Dollars (\$500.00)
7 for each deficiency.

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

12 5. Under no circumstances may a licensed processor sell
13 marijuana or any marijuana product directly to a licensed medical
14 marijuana patient ~~or~~, licensed medical marijuana caregiver, or adult
15 use customer. However, a licensed processor may process cannabis
16 into a concentrated form for a licensed medical marijuana patient
17 for a fee.

18 6. Licensed processors shall be required to complete a monthly
19 yield and sales report to the Authority. This report shall be due
20 on the fifteenth of each month and shall provide reporting on the
21 previous month. This report shall detail the amount of marijuana
22 and ~~medical~~ marijuana products purchased in pounds, the amount of
23 marijuana cooked or processed in pounds, and the amount of waste in
24 pounds. Additionally, this report shall show total wholesale sales

1 in dollars. The Authority shall have oversight and auditing
2 responsibilities to ensure that all marijuana being processed is
3 accounted for.

4 D. The Authority shall oversee the inspection and compliance of
5 licensed processors producing products with marijuana as an
6 additive. The Authority shall be compelled to, within thirty (30)
7 days of passage of this initiative, appoint twelve (12) Oklahoma
8 residents to the Medical Marijuana Advisory Council, who are
9 marijuana industry experts, to create a list of food safety
10 standards for processing and handling ~~medical~~ marijuana in Oklahoma.
11 These standards shall be adopted by the Authority and the Authority
12 may enforce these standards for licensed processors. The Authority
13 shall develop a standards review procedure and these standards can
14 be altered by calling another council of twelve (12) Oklahoma
15 marijuana industry experts. A signed letter of twenty operating,
16 licensed processors shall constitute a need for a new council and
17 standards review.

18 E. If it becomes permissible under federal law, marijuana may
19 be moved across state lines.

20 F. Any device used for the processing or consumption of ~~medical~~
21 marijuana shall be considered legal to be sold, manufactured,
22 distributed and possessed. No merchant, wholesaler, manufacturer or
23 individual may be unduly harassed or prosecuted for selling,
24 manufacturing or possessing marijuana paraphernalia.

1 SECTION 4. AMENDATORY 63 O.S. 2021, Section 424, is
2 amended to read as follows:

3 Section 424. A. A marijuana transportation license ~~will~~ shall
4 be issued to qualifying applicants for a marijuana ~~retail~~
5 dispensary, growing commercial grower, or processing processor
6 license. The transportation license ~~will~~ shall be issued at the
7 time of approval of a ~~retail, growing, or processing~~ dispensary,
8 commercial grower, or processor license.

9 B. A transportation license ~~will~~ shall allow the holder to
10 transport marijuana from an Oklahoma licensed medical marijuana
11 ~~retailer~~ or adult use dispensary, licensed ~~growing~~ commercial grower
12 facility, or licensed processor facility to an Oklahoma licensed
13 medical marijuana ~~retailer~~ or adult use dispensary, licensed ~~growing~~
14 commercial grower facility, or licensed ~~processing~~ processor
15 facility.

16 C. All marijuana or marijuana products shall be transported in
17 a locked container and clearly labeled "~~Medical Marijuana or~~
18 ~~Derivative~~" "Marijuana or Derivative".

19 SECTION 5. AMENDATORY 63 O.S. 2021, Section 425, as
20 amended by Section 2, Chapter 317, O.S.L. 2022 (63 O.S. Supp. 2022,
21 Section 425), is amended to read as follows:

22 Section 425. A. No school or landlord may refuse to enroll or
23 lease to and may not otherwise penalize a person solely for his or
24 her status as a medical marijuana patient licensee, unless failing

1 to do so would cause the school or landlord the potential to lose a
2 monetary or licensing-related benefit under federal law or
3 regulations.

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

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

23 D. No medical marijuana patient licensee may be denied custody
24 of or visitation or parenting time with a minor child, and there is

1 no presumption of neglect or child endangerment for conduct allowed
2 under this law unless the behavior of the medical marijuana patient
3 licensee creates an unreasonable danger to the safety of the minor
4 child.

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

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

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

22 3. A medical marijuana or adult use marijuana dispensary does
23 not include those other entities licensed by the Oklahoma ~~Medical~~
24 Marijuana Authority as marijuana-licensed premises, medical

1 marijuana businesses or other facilities or locations where
2 marijuana or any product containing marijuana or its by-products are
3 cultivated, grown, processed, stored or manufactured.

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

1 of this paragraph, a property owned, used or operated by a public
2 school or by a private school that is not used for classroom
3 instruction on core curriculum, such as an administrative building,
4 athletic facility, ballpark, field or stadium, shall not constitute
5 a public school or private school unless such property is located on
6 the same campus as a building used for classroom instruction on core
7 curriculum.

8 2. The location of any medical marijuana or adult use marijuana
9 commercial grower shall not be within one thousand (1,000) feet of
10 any public school or private school as measured from the nearest
11 property line of such public school or private school to the nearest
12 property line of the licensed premises of such medical marijuana or
13 adult use marijuana commercial grower. Additionally, the location
14 of the medical marijuana or adult use marijuana commercial grower
15 shall not adjoin to any public school or private school or be
16 located at the same physical address as the public school or private
17 school. If a medical marijuana or adult use marijuana commercial
18 grower met the requirements of this paragraph at the time of its
19 initial licensure, the medical marijuana or adult use marijuana
20 commercial grower licensee shall be permitted to continue operating
21 at the licensed premises in the same manner and not be subject to
22 nonrenewal or revocation due to subsequent events or changes in
23 regulations occurring after licensure that would render the medical
24 marijuana or adult use marijuana commercial grower in violation of

1 this paragraph. If any public school or private school is
2 established within one thousand (1,000) feet of any medical
3 marijuana or adult use marijuana commercial grower after such
4 medical marijuana or adult use marijuana commercial grower has been
5 licensed, or if any public school or private school is established
6 adjoining to or at the same physical address as any medical
7 marijuana or adult use marijuana commercial grower after such
8 medical marijuana or adult use marijuana commercial grower has been
9 licensed, the provisions of this paragraph shall not be a deterrent
10 to the renewal of such license or warrant revocation of the license.
11 For purposes of this paragraph, a property owned, used, or operated
12 by a public school or by a private school that is not used for
13 classroom instruction on core curriculum, such as an administrative
14 building, athletic facility, ballpark, field, or stadium, shall not
15 constitute a public school or private school unless such property is
16 located on the same campus as a building used for classroom
17 instruction on core curriculum.

18 H. Research shall be provided for under this law. A researcher
19 may apply to the ~~State Department of Health~~ Oklahoma Marijuana
20 Authority for a special research license. The research license
21 shall be granted, provided the applicant meets the criteria listed
22 in the Oklahoma Medical Marijuana and Patient Protection Act.
23 Research licensees shall be required to file monthly consumption
24 reports to the ~~State Department of Health~~ Authority with amounts of

1 marijuana used for research. Biomedical and clinical research which
2 is subject to federal regulations and institutional oversight shall
3 not be subject to oversight by the ~~State Department of Health~~
4 Authority.

5 SECTION 6. AMENDATORY 63 O.S. 2021, Section 426.1, as
6 amended by Section 6, Chapter 251, O.S.L. 2022 (63 O.S. Supp. 2022,
7 Section 426.1), is amended to read as follows:

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

13 B. The Oklahoma ~~Medical~~ Marijuana Authority shall assist any
14 law enforcement officer in the performance of his or her duties upon
15 such request by the law enforcement officer or the request of other
16 local officials having jurisdiction. Except for license information
17 concerning licensed patients, as defined in Section 427.2 of this
18 title, the Authority shall share information with law enforcement
19 agencies upon request without a subpoena or search warrant.

20 C. The Authority shall make available all information on
21 whether or not a medical marijuana patient or medical marijuana
22 caregiver license is valid to law enforcement electronically through
23 an online verification system.

24

1 D. The Authority shall make available to state agencies and
2 political subdivisions a list of marijuana-licensed premises,
3 medical marijuana or adult use marijuana businesses or any other
4 premises where marijuana or its by-products are licensed to be
5 cultivated, grown, processed, stored or manufactured to aid state
6 agencies and county and municipal governments in identifying
7 locations within their jurisdiction and ensuring compliance with
8 applicable laws, rules and regulations.

9 E. Any marijuana-licensed premises, medical marijuana or adult
10 use marijuana business or any other premises where marijuana or its
11 by-products are licensed to be cultivated, grown, processed, stored
12 or manufactured shall submit with its application or request to
13 change location, after notifying the political subdivision of its
14 intent, a certificate of compliance from the political subdivision
15 where the facility of the applicant or licensee is to be located
16 certifying compliance with zoning classifications, applicable
17 municipal ordinances and all applicable safety, electrical, fire,
18 plumbing, waste, construction and building specification codes.

19 Once a certificate of compliance has been submitted to the
20 Oklahoma ~~Medical~~ Marijuana Authority showing full compliance as
21 outlined in this subsection, no additional certificate of compliance
22 shall be required for license renewal unless a change of use or
23 occupancy occurs, or there is any change concerning the facility or
24

1 location that would, by law, require additional inspection,
2 licensure or permitting by the state or municipality.

3 SECTION 7. AMENDATORY 63 O.S. 2021, Section 427.2, as
4 amended by Section 1, Chapter 317, O.S.L. 2022 (63 O.S. Supp. 2022,
5 Section 427.2), is amended to read as follows:

6 Section 427.2 As used in the Oklahoma Medical Marijuana and
7 Patient Protection Act:

8 1. "Adult use" means a consumer of marijuana or marijuana
9 products by a person twenty-one (21) years of age or older;

10 2. "Advertising" means the act of providing consideration for
11 the publication, dissemination, solicitation or circulation, of
12 visual, oral or written communication to induce directly or
13 indirectly any person to patronize a particular medical marijuana or
14 adult use marijuana business, or to purchase particular ~~medical~~
15 marijuana or a ~~medical~~ marijuana product. Advertising includes
16 marketing, but does not include packaging and labeling;

17 ~~2.~~ 3. "Authority" means the Oklahoma ~~Medical~~ Marijuana
18 Authority;

19 ~~3.~~ 4. "Batch number" means a unique numeric or alphanumeric
20 identifier assigned prior to testing to allow for inventory tracking
21 and traceability;

22 ~~4.~~ 5. "Cannabinoid" means any of the chemical compounds that
23 are active principles of marijuana;

24

1 ~~5.~~ 6. "Caregiver" means a family member or assistant who
2 regularly looks after a medical marijuana license holder whom a
3 physician attests needs assistance;

4 ~~6.~~ 7. "Child-resistant" means special packaging that is:

5 a. designed or constructed to be significantly difficult
6 for children under five (5) years of age to open and
7 not difficult for normal adults to use properly as
8 defined by 16 C.F.R. 1700.15 (1995) and 16 C.F.R.
9 1700.20 (1995),

10 b. opaque so that the outermost packaging does not allow
11 the product to be seen without opening the packaging
12 material, and

13 c. resealable to maintain its child-resistant
14 effectiveness for multiple openings for any product
15 intended for more than a single use or containing
16 multiple servings;

17 ~~7.~~ 8. "Clone" means a nonflowering plant cut from a mother
18 plant that is capable of developing into a new plant and has shown
19 no signs of flowering;

20 ~~8.~~ 9. "Commissioner" means the State Commissioner of Health;

21 ~~9.~~ 10. "Complete application" means a document prepared in
22 accordance with the provisions set forth in the Oklahoma Medical
23 Marijuana and Patient Protection Act, rules promulgated pursuant
24 thereto, and the forms and instructions provided by the Department

1 including any supporting documentation required and the applicable
2 license application fee;

3 ~~10.~~ 11. "Department" means the State Department of Health;

4 ~~11.~~ 12. "Director" means the Executive Director of the Oklahoma
5 ~~Medical~~ Marijuana Authority;

6 ~~12.~~ 13. "Dispense" means the selling of ~~medical~~ marijuana or a
7 ~~medical~~ marijuana product to a qualified patient or the designated
8 caregiver of the patient that is packaged in a suitable container
9 appropriately labeled for subsequent administration to or use by a
10 qualifying patient;

11 ~~13.~~ 14. "Dispensary" means a ~~medical~~ marijuana dispensary, an
12 entity that has been licensed by the Department pursuant to the
13 Oklahoma Medical Marijuana and Patient Protection Act to purchase
14 ~~medical~~ marijuana or ~~medical~~ marijuana products from a licensed
15 medical marijuana or adult use marijuana commercial grower or
16 medical marijuana or adult use marijuana processor, sell ~~medical~~
17 marijuana or ~~medical~~ marijuana products to patients and, caregivers,
18 and adult consumers, as defined under the Oklahoma Medical Marijuana
19 and Patient Protection Act, or sell or transfer products to another
20 dispensary;

21 ~~14.~~ 15. "Edible ~~medical~~ marijuana product" means any ~~medical-~~
22 ~~marijuana-infused~~ marijuana-infused product for which the intended
23 use is oral consumption including, but not limited to, any type of
24 food, drink or pill;

1 ~~15.~~ 16. "Entity" means an individual, general partnership,
2 limited partnership, limited liability company, trust, estate,
3 association, corporation, cooperative or any other legal or
4 commercial entity;

5 ~~16.~~ 17. "Flower" means the reproductive organs of the marijuana
6 or cannabis plant referred to as the bud or parts of the plant that
7 are harvested and used to consume in a variety of ~~medical~~ marijuana
8 products;

9 ~~17.~~ 18. "Flowering" means the reproductive state of the
10 marijuana or cannabis plant in which there are physical signs of
11 flower or budding out of the nodes of the stem;

12 ~~18.~~ 19. "Food-based ~~medical~~ marijuana concentrate" means a
13 ~~medical~~ marijuana concentrate that was produced by extracting
14 cannabinoids from ~~medical~~ marijuana through the use of propylene
15 glycol, glycerin, butter, olive oil, coconut oil or other typical
16 food-safe cooking fats;

17 ~~19.~~ 20. "Good cause" for purposes of an initial, renewal or
18 reinstatement license application, or for purposes of discipline of
19 a licensee, means:

- 20 a. the licensee or applicant has violated, does not meet,
21 or has failed to comply with any of the terms,
22 conditions or provisions of the act, any rules
23 promulgated pursuant thereto, or any supplemental
24 relevant state or local law, rule or regulation,

1 b. the licensee or applicant has failed to comply with
2 any special terms or conditions that were placed upon
3 the license pursuant to an order of the State
4 Department of Health, Oklahoma ~~Medical~~ Marijuana
5 Authority or the municipality, or

6 c. the licensed premises of a medical marijuana or adult
7 use marijuana business or applicant have been operated
8 in a manner that adversely affects the public health
9 or welfare or the safety of the immediate vicinity in
10 which the establishment is located;

11 ~~20.~~ 21. "Harvest batch" means a specifically identified
12 quantity of ~~medical~~ marijuana that is uniform in strain, cultivated
13 utilizing the same cultivation practices, harvested at the same time
14 from the same location and cured under uniform conditions;

15 ~~21.~~ 22. "Harvested marijuana" means post-flowering ~~medical~~
16 marijuana not including trim, concentrate or waste;

17 ~~22.~~ 23. "Heat- or pressure-based ~~medical~~ marijuana concentrate"
18 means a ~~medical~~ marijuana concentrate that was produced by
19 extracting cannabinoids from ~~medical~~ marijuana through the use of
20 heat or pressure;

21 ~~23.~~ 24. "Immature plant" means a nonflowering marijuana plant
22 that has not demonstrated signs of flowering;

23 ~~24.~~ 25. "Inventory tracking system" means the required tracking
24 system that accounts for ~~medical~~ marijuana from either the seed or

1 immature plant stage until the ~~medical~~ marijuana or ~~medical~~
2 marijuana product is sold to a patient at a medical marijuana or
3 adult use marijuana dispensary, transferred to a ~~medical~~ marijuana
4 research facility, destroyed by a ~~medical~~ marijuana business or used
5 in a research project by a ~~medical~~ marijuana research facility;

6 ~~25.~~ 26. "Licensed patient" or "patient" means a person who has
7 been issued a medical marijuana patient license by the ~~State~~
8 ~~Department of Health or Oklahoma Medical Marijuana Authority~~;

9 ~~26.~~ 27. "Licensed premises" means the premises specified in an
10 application for a ~~medical~~ marijuana business license, ~~medical~~
11 marijuana research facility license or ~~medical~~ marijuana education
12 facility license pursuant to the Oklahoma Medical Marijuana and
13 Patient Protection Act that are owned or in possession of the
14 licensee and within which the licensee is authorized to cultivate,
15 manufacture, distribute, sell, store, transport, test or research
16 ~~medical~~ marijuana or ~~medical~~ marijuana products in accordance with
17 the provisions of the Oklahoma Medical Marijuana and Patient
18 Protection Act and rules promulgated pursuant thereto;

19 ~~27.~~ 28. "Manufacture" means the production, propagation,
20 compounding or processing of a ~~medical~~ marijuana product, excluding
21 marijuana plants, either directly or indirectly by extraction from
22 substances of natural or synthetic origin, or independently by means
23 of chemical synthesis, or by a combination of extraction and
24 chemical synthesis;

1 ~~28.~~ 29. "Marijuana" shall have the same meaning as such term is
2 defined in Section 2-101 of this title and shall not include any
3 plant or material containing delta-8 or delta-10
4 tetrahydrocannabinol which is grown, processed or sold pursuant to
5 the provisions of the Oklahoma Industrial Hemp Program;

6 ~~29.~~ 30. "Material change" means any change that would require a
7 substantive revision to the standard operating procedures of a
8 licensee for the cultivation or production of ~~medical~~ marijuana,
9 ~~medical~~ marijuana concentrate or ~~medical~~ marijuana products;

10 ~~30.~~ 31. "Mature plant" means a harvestable female marijuana
11 plant that is flowering;

12 ~~31.~~ 32. "Medical marijuana or adult use marijuana business
13 ~~(MMB)~~" means a licensed medical marijuana or adult use marijuana
14 dispensary, medical marijuana or adult use marijuana processor,
15 medical marijuana or adult use marijuana commercial grower, ~~medical~~
16 marijuana laboratory, medical marijuana or adult use marijuana
17 business operator or a ~~medical~~ marijuana transporter;

18 ~~32.~~ 33. "~~Medical marijuana~~ Marijuana concentrate" or
19 "concentrate" means a specific subset of ~~medical~~ marijuana that was
20 produced by extracting cannabinoids from ~~medical~~ marijuana.
21 Categories of ~~medical~~ marijuana concentrate include water-based
22 ~~medical~~ marijuana concentrate, food-based ~~medical~~ marijuana
23 concentrate, solvent-based ~~medical~~ marijuana concentrate, and heat-
24 or pressure-based ~~medical~~ marijuana concentrate;

1 ~~33.~~ 34. "Medical marijuana or adult use marijuana commercial
2 grower" or "commercial grower" means an entity licensed to
3 cultivate, prepare and package ~~medical~~ marijuana and transfer or
4 contract for transfer ~~medical~~ marijuana to a medical marijuana or
5 adult use marijuana dispensary, medical marijuana or adult use
6 marijuana processor, any other medical marijuana or adult use
7 marijuana commercial grower, ~~medical~~ marijuana research facility,
8 ~~medical~~ marijuana education facility and pesticide manufacturers. A
9 commercial grower may sell seeds, flower or clones to commercial
10 growers pursuant to the Oklahoma Medical Marijuana and Patient
11 Protection Act;

12 ~~34.~~ 35. "~~Medical marijuana~~ Marijuana education facility" or
13 "education facility" means a person or entity approved pursuant to
14 the Oklahoma Medical Marijuana and Patient Protection Act to operate
15 a facility providing training and education to individuals involving
16 the cultivation, growing, harvesting, curing, preparing, packaging
17 or testing of ~~medical~~ marijuana, or the production, manufacture,
18 extraction, processing, packaging or creation of ~~medical marijuana-~~
19 ~~infused~~ marijuana-infused products or ~~medical~~ marijuana products as
20 described in the Oklahoma Medical Marijuana and Patient Protection
21 Act;

22 ~~35.~~ 36. "~~Medical marijuana-infused~~ Marijuana-infused product"
23 means a product infused with ~~medical~~ marijuana including, but not
24 limited to, edible products, ointments and tinctures;

1 ~~36.~~ 37. "Medical ~~marijuana~~ Marijuana product" or "product"
2 means a product that contains cannabinoids that have been extracted
3 from plant material or the resin therefrom by physical or chemical
4 means and is intended for administration to a qualified patient
5 including, but not limited to, oils, tinctures, edibles, pills,
6 topical forms, gels, creams, vapors, patches, liquids and forms
7 administered by a nebulizer, excluding live plant forms which are
8 considered ~~medical~~ marijuana;

9 ~~37.~~ 38. "Medical marijuana or adult use marijuana processor"
10 means a person or entity licensed pursuant to the Oklahoma Medical
11 Marijuana and Patient Protection Act to operate a business including
12 the production, manufacture, extraction, processing, packaging or
13 creation of concentrate, ~~medical-marijuana-infused~~ marijuana-infused
14 products or ~~medical~~ marijuana products as described in the Oklahoma
15 Medical Marijuana and Patient Protection Act;

16 ~~38.~~ 39. "Medical ~~marijuana~~ Marijuana research facility" or
17 "research facility" means a person or entity approved pursuant to
18 the Oklahoma Medical Marijuana and Patient Protection Act to conduct
19 ~~medical~~ marijuana research. A ~~medical~~ marijuana research facility
20 is not a ~~medical~~ marijuana business;

21 ~~39.~~ 40. "Medical marijuana or adult use marijuana testing
22 laboratory" or "laboratory" means a public or private laboratory
23 licensed pursuant to the Oklahoma Medical Marijuana and Patient
24

1 Protection Act, to conduct testing and research on ~~medical~~ marijuana
2 and ~~medical~~ marijuana products;

3 ~~40.~~ 41. "Medical marijuana or adult use marijuana transporter"
4 or "transporter" means a person or entity that is licensed pursuant
5 to the Oklahoma Medical Marijuana and Patient Protection Act. A
6 medical marijuana or adult use marijuana transporter does not
7 include a ~~medical~~ marijuana business that transports its own ~~medical~~
8 marijuana, ~~medical~~ marijuana concentrate or ~~medical~~ marijuana
9 products to a property or facility adjacent to or connected to the
10 licensed premises if the property is another licensed premises of
11 the same ~~medical~~ marijuana business;

12 ~~41.~~ 42. "~~Medical marijuana~~ Marijuana waste" or "waste" means
13 unused, surplus, returned or out-of-date marijuana, plant debris of
14 the plant of the genus Cannabis including dead plants and all unused
15 plant parts and roots, except the term shall not include roots,
16 stems, stalks and fan leaves;

17 ~~42.~~ 43. "Medical use" means the acquisition, possession, use,
18 delivery, transfer or transportation of ~~medical~~ marijuana, ~~medical~~
19 marijuana products, ~~medical~~ marijuana devices or paraphernalia
20 relating to the administration of ~~medical~~ marijuana to treat a
21 licensed patient;

22 ~~43.~~ 44. "Mother plant" means a marijuana plant that is grown or
23 maintained for the purpose of generating clones, and that will not
24 be used to produce plant material for sale to a medical marijuana or

1 adult use marijuana processor or medical marijuana or adult use
2 marijuana dispensary;

3 ~~44.~~ 45. "Oklahoma physician" or "physician" means a physician
4 licensed by and in good standing with the State Board of Medical
5 Licensure and Supervision, the State Board of Osteopathic Examiners
6 or the Board of Podiatric Medical Examiners;

7 ~~45.~~ 46. "Oklahoma resident" means an individual who can provide
8 proof of residency as required by the Oklahoma Medical Marijuana and
9 Patient Protection Act;

10 ~~46.~~ 47. "Owner" means, except where the context otherwise
11 requires, a direct beneficial owner including, but not limited to,
12 all persons or entities as follows:

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

24

1 g. all persons or entities that own an interest in an
2 association,

3 h. the owners of any other type of legal entity, and

4 i. any other person holding an interest or convertible
5 note in any entity which owns, operates or manages a
6 licensed facility;

7 ~~47.~~ 48. "Package" or "packaging" means any container or wrapper
8 that may be used by a ~~medical~~ marijuana business to enclose or
9 contain ~~medical~~ marijuana;

10 ~~48.~~ 49. "Person" means a natural person, partnership,
11 association, business trust, company, corporation, estate, limited
12 liability company, trust or any other legal entity or organization,
13 or a manager, agent, owner, director, servant, officer or employee
14 thereof, except that person does not include any governmental
15 organization;

16 ~~49.~~ 50. "Pesticide" means any substance or mixture of
17 substances intended for preventing, destroying, repelling or
18 mitigating any pest or any substance or mixture of substances
19 intended for use as a plant regulator, defoliant or desiccant,
20 except that the term pesticide shall not include any article that is
21 a "new animal drug" as designated by the United States Food and Drug
22 Administration;

23 ~~50.~~ 51. "Production batch" means:
24

- 1 a. any amount of ~~medical~~ marijuana concentrate of the
2 same category and produced using the same extraction
3 methods, standard operating procedures and an
4 identical group of harvest batch of ~~medical~~ marijuana,
5 or
6 b. any amount of ~~medical~~ marijuana product of the same
7 exact type, produced using the same ingredients,
8 standard operating procedures and the same production
9 batch of ~~medical~~ marijuana concentrate;

10 ~~51.~~ 52. "Public institution" means any entity established or
11 controlled by the federal government, state government, or a local
12 government or municipality including, but not limited to,
13 institutions of higher education or related research institutions;

14 ~~52.~~ 53. "Public money" means any funds or money obtained by the
15 holder from any governmental entity including, but not limited to,
16 research grants;

17 ~~53.~~ 54. "Recommendation" means a document that is signed or
18 electronically submitted by a physician on behalf of a patient for
19 the use of ~~medical~~ marijuana pursuant to the Oklahoma Medical
20 Marijuana and Patient Protection Act;

21 ~~54.~~ 55. "Registered to conduct business" means a person that
22 has provided proof that the business applicant is in good standing
23 with the Secretary of State and Oklahoma Tax Commission;

1 ~~55.~~ 56. "Remediation" means the process by which the ~~medical~~
2 marijuana flower or trim, which has failed microbial testing, is
3 processed into solvent-based ~~medical~~ marijuana concentrate and
4 retested as required by the Oklahoma Medical Marijuana and Patient
5 Protection Act;

6 ~~56.~~ 57. "Research project" means a discrete scientific endeavor
7 to answer a research question or a set of research questions related
8 to ~~medical~~ marijuana and is required for a ~~medical~~ marijuana
9 research license. A research project shall include a description of
10 a defined protocol, clearly articulated goals, defined methods and
11 outputs, and a defined start and end date. The description shall
12 demonstrate that the research project will comply with all
13 requirements in the Oklahoma Medical Marijuana and Patient
14 Protection Act and rules promulgated pursuant thereto. All research
15 and development conducted by a ~~medical~~ marijuana research facility
16 shall be conducted in furtherance of an approved research project;

17 ~~57.~~ 58. "Revocation" means the final decision by the Department
18 that any license issued pursuant to the Oklahoma Medical Marijuana
19 and Patient Protection Act is rescinded because the individual or
20 entity does not comply with the applicable requirements set forth in
21 the Oklahoma Medical Marijuana and Patient Protection Act or rules
22 promulgated pursuant thereto;

23 ~~58.~~ 59. "School" means a public or private preschool, a public
24 or private elementary or secondary school, or a technology center

1 school which is primarily used for classroom instruction. A
2 homeschool, daycare or child-care facility shall not be considered a
3 "school" as used in the Oklahoma Medical Marijuana and Patient
4 Protection Act;

5 ~~59.~~ 60. "Shipping container" means a hard-sided container with
6 a lid or other enclosure that can be secured in place. A shipping
7 container is used solely for the transport of ~~medical~~ marijuana,
8 ~~medical~~ marijuana concentrate, or ~~medical~~ marijuana products between
9 ~~medical~~ marijuana businesses, a ~~medical~~ marijuana research facility,
10 or a ~~medical~~ marijuana education facility;

11 ~~60.~~ 61. "Solvent-based ~~medical~~ marijuana concentrate" means a
12 ~~medical~~ marijuana concentrate that was produced by extracting
13 cannabinoids from ~~medical~~ marijuana through the use of a solvent
14 approved by the Department;

15 ~~61.~~ 62. "State Question" means Oklahoma State Question No. 788,
16 Initiative Petition No. 412, approved by a majority vote of the
17 citizens of Oklahoma on June 26, 2018;

18 ~~62.~~ 63. "Strain" means the classification of marijuana or
19 cannabis plants in either pure sativa, indica, afghanica, ruderalis
20 or hybrid varieties;

21 ~~63.~~ 64. "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 ~~64.~~ 65. "Test batch" means with regard to usable marijuana, a
2 homogenous, identified quantity of usable marijuana by strain, no
3 greater than ten (10) pounds, that is harvested during a seven-day
4 period from a specified cultivation area, and with regard to oils,
5 vapors and waxes derived from usable marijuana, means an identified
6 quantity that is uniform, that is intended to meet specifications
7 for identity, strength and composition, and that is manufactured,
8 packaged and labeled during a specified time period according to a
9 single manufacturing, packaging and labeling protocol;

10 ~~65.~~ 66. "Transporter agent" means a person who transports
11 ~~medical~~ marijuana or ~~medical~~ marijuana products for a licensed
12 transporter and holds a transporter agent license pursuant to the
13 Oklahoma Medical Marijuana and Patient Protection Act;

14 ~~66.~~ 67. "Universal symbol" means the image established by the
15 ~~State Department of Health or Oklahoma Medical~~ Marijuana Authority
16 and made available to licensees through its website indicating that
17 the ~~medical~~ marijuana or the ~~medical~~ marijuana product contains THC;

18 ~~67.~~ 68. "Usable marijuana" means the dried leaves, flowers,
19 oils, vapors, waxes and other portions of the marijuana plant and
20 any mixture or preparation thereof, excluding seeds, roots, stems,
21 stalks and fan leaves; and

22 ~~68.~~ 69. "Water-based ~~medical~~ marijuana concentrate" means a
23 concentrate that was produced by extracting cannabinoids from
24 ~~medical~~ marijuana through the use of only water, ice or dry ice.

1 SECTION 8. AMENDATORY 63 O.S. 2021, Section 427.3, as
2 amended by Section 8, Chapter 251, O.S.L. 2022 (63 O.S. Supp. 2022,
3 Section 427.3), is amended to read as follows:

4 Section 427.3 A. There is hereby created the Oklahoma ~~Medical~~
5 Marijuana Authority which shall address issues related to the
6 ~~medical~~ marijuana program in this state including, but not limited
7 to, the issuance of patient licenses and medical marijuana or adult
8 use marijuana business licenses, and the dispensing, cultivating,
9 processing, testing, transporting, storage, research, and the use of
10 and sale of ~~medical~~ marijuana pursuant to the Oklahoma Medical
11 Marijuana and Patient Protection Act.

12 B. 1. Beginning ~~on the effective date of this act~~ November 1,
13 2022, the Authority shall cease to be part of or a division of the
14 State Department of Health and shall be deemed to be a separate and
15 distinct agency, to be known as the Oklahoma ~~Medical~~ Marijuana
16 Authority. The Authority and the Executive Director of the
17 Authority shall continue to exercise their statutory powers, duties,
18 and contractual responsibilities. All records, property, equipment,
19 assets, monies, financial interests, liabilities, matters pending,
20 and funds of the division shall be transferred to the Authority.

21 2. All licenses granted by the Department pertaining to ~~medical~~
22 marijuana shall maintain rights and privileges under the authority
23 of the Authority; provided, however, that all licenses shall be
24 subject to revocation, suspension, or disciplinary action for

1 violation of any of the provisions of the Oklahoma Medical Marijuana
2 and Patient Protection Act and rules promulgated by the Executive
3 Director.

4 3. The Authority shall succeed to any contractual rights or
5 responsibilities incurred by the Department pertaining to ~~medical~~
6 marijuana.

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

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

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

1 7. The division within the Department known as the Oklahoma
2 ~~Medical~~ Marijuana Authority shall be abolished by the Department
3 after the transfer has been completed.

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

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

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

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

- 22 a. public health policy and public safety policy,
- 23 b. agronomic and horticultural best practices, and
- 24 c. medical and pharmacopoeia best practices;

1 2. Contract with third-party vendors and other governmental
2 entities in order to carry out the respective duties and functions
3 as specified in the Oklahoma Medical Marijuana and Patient
4 Protection Act;

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

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

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

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

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

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

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

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

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

16 a. the square footage of the licensed premises,

17 b. a diagram of the licensed premises,

18 c. the number and type of lights at the licensed medical
19 marijuana or adult use marijuana commercial grower
20 business,

21 d. the number, type and production capacity of equipment
22 located at the medical marijuana or adult use
23 marijuana processing facility,

24

- 1 e. the names, addresses and telephone numbers of
2 employees or agents of a medical marijuana or adult
3 use marijuana business,
4 f. employment manuals and standard operating procedures
5 for the medical marijuana or adult use marijuana
6 business, and
7 g. any other information as the Authority reasonably
8 deems necessary.

9 SECTION 9. AMENDATORY Section 1, Chapter 236, O.S.L.
10 2022 (63 O.S. Supp. 2022, Section 427.3a), is amended to read as
11 follows:

12 Section 427.3a There is hereby created in the State Treasury a
13 revolving fund for the Oklahoma ~~Medical~~ Marijuana Authority to be
14 designated the "County Sheriff Public Safety Grant Revolving Fund".
15 The fund shall be a continuing fund, not subject to fiscal year
16 limitations, and shall consist of all monies received by the
17 Oklahoma ~~Medical~~ Marijuana Authority that are appropriated or
18 apportioned to this fund, and any federal funds, grants, and
19 donations from any public or private source for the purpose of
20 supporting county sheriffs. All monies accruing to the credit of
21 the fund are hereby appropriated and may be budgeted and expended by
22 the Oklahoma ~~Medical~~ Marijuana Authority for the purpose of
23 establishing programs and providing funding to support county
24 sheriffs to enforce the requirements of state law with respect to

1 the commercial growth of ~~medical~~ marijuana or other related business
2 activity for which a license is required pursuant to the provisions
3 of law governing the production, cultivation, transportation,
4 distribution, sale, or other actions related to ~~medical~~ marijuana.
5 Expenditures from the fund shall be made upon warrants issued by the
6 State Treasurer against claims filed as prescribed by law with the
7 Director of the Office of Management and Enterprise Services for
8 approval and payment.

9 SECTION 10. AMENDATORY 63 O.S. 2021, Section 427.4, as
10 amended by Section 9, Chapter 251, O.S.L. 2022 (63 O.S. Supp. 2022,
11 Section 427.4), is amended to read as follows:

12 Section 427.4 A. The Oklahoma ~~Medical~~ Marijuana Authority
13 shall employ an Executive Director and other personnel as necessary
14 to assist the Authority in carrying out its duties. The Executive
15 Director shall be appointed by the Governor, with the advice and
16 consent of the Senate. The Executive Director shall serve at the
17 pleasure of the Governor and may be removed or replaced without
18 cause. Compensation for the Executive Director shall be determined
19 pursuant to Section 3601.2 of Title 74 of the Oklahoma Statutes.

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

22 1. The individual has a direct or indirect interest in a
23 licensed medical marijuana or adult use marijuana business; or
24

1 2. The individual or his or her spouse, parent, child, spouse
2 of a child, sibling, or spouse of a sibling has an application for a
3 medical marijuana or adult use marijuana business license pending
4 before the Authority or is a member of the board of directors of a
5 medical marijuana or adult use marijuana business, or is an
6 individual financially interested in any licensee or medical
7 marijuana or adult use marijuana business.

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

11 D. The Executive Director may delegate to any officer or
12 employee of the Authority any of the powers of the Executive
13 Director and may designate any officer or employee of the Authority
14 to perform any of the duties of the Executive Director.

15 E. The Executive Director may promulgate rules governing the
16 oversight and implementation of the Oklahoma Medical Marijuana and
17 Patient Protection Act.

18 F. The Authority is hereby authorized to create employment
19 positions necessary for the implementation of its obligations
20 pursuant to the Oklahoma Medical Marijuana and Patient Protection
21 Act including, but not limited to, investigators of the Authority
22 and a director of enforcement. The Authority, the director of
23 enforcement, the Executive Director, and investigators of the
24 Authority shall have all the powers and authority of a peace officer

1 of this state for the purpose of enforcing the provisions of the
2 Oklahoma Medical Marijuana and Patient Protection Act and other laws
3 pertaining to medical marijuana, rules promulgated by the Executive
4 Director, or criminal laws of this state. These powers shall
5 include but not be limited to:

6 1. Investigating violations or suspected violations of the
7 Oklahoma Medical Marijuana and Patient Protection Act or other laws
8 pertaining to ~~medical~~ marijuana, any rules promulgated pursuant
9 thereto, and any violations of criminal laws of this state
10 discovered through the course of such investigations;

11 2. Serving all warrants, summonses, subpoenas, administrative
12 citations, notices or other processes relating to the enforcement of
13 laws regulating marijuana, concentrate, and marijuana product;

14 3. Seizing any marijuana or marijuana product illegally held in
15 violation of the Oklahoma Medical Marijuana and Patient Protection
16 Act, any other laws of this state, or any rules promulgated by the
17 Executive Director;

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

21 5. Referring any evidence, reports, or charges regarding
22 violations of any provision of the Oklahoma Medical Marijuana and
23 Patient Protection Act that carries criminal penalty, or of any
24

1 other criminal laws of this state, to the appropriate law
2 enforcement authority and prosecutorial authority for action;

3 6. Aiding the enforcement authorities of this state or any
4 county or municipality of the state, or the federal government, in
5 prosecutions of violations of the Oklahoma Medical Marijuana and
6 Patient Protection Act or any other laws of this state that carry
7 criminal penalty involving crimes discovered during the
8 investigation of violations or suspected violations of the Oklahoma
9 Medical Marijuana and Patient Protection Act or other laws
10 pertaining to ~~medical~~ marijuana or any rules promulgated pursuant
11 thereto;

12 7. Requiring any business applicant or licensee to permit an
13 inspection of licensed premises during business hours or at any time
14 of apparent operation, marijuana equipment, and marijuana
15 accessories, or books and records; and to permit the testing of or
16 examination of ~~medical~~ marijuana, concentrate, or product;

17 8. Requiring applicants and licensees to submit complete and
18 current applications, information and fees required by the Oklahoma
19 Medical Marijuana and Patient Protection Act, the Oklahoma Medical
20 Marijuana Waste Management Act and Sections 420 through 426.1 of
21 this title, and approve material changes made by the applicant or
22 licensee;

23 9. Requiring medical marijuana or adult use marijuana business
24 licensees to submit a sample or unit of ~~medical~~ marijuana or ~~medical~~

1 marijuana product to the quality assurance laboratory when the
2 Authority has reason to believe the ~~medical~~ marijuana or ~~medical~~
3 marijuana product may be unsafe for patient consumption or
4 inhalation or has not been tested in accordance with the provisions
5 of the Oklahoma Medical Marijuana and Patient Protection Act and the
6 rules and regulations promulgated by the Executive Director. The
7 licensee shall provide the samples or units of ~~medical~~ marijuana or
8 ~~medical~~ marijuana products at its own expense but shall not be
9 responsible for the costs of testing; and

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

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

23 H. During the course of an investigation, the director of
24 enforcement or any investigator of the Authority as provided by

1 subsection F of this section may arrest a violator or suspected
2 violator of any laws of this state committed in the presence of the
3 director of enforcement or any investigator of the Authority or upon
4 the development of probable cause that such crime has been
5 committed. The director of enforcement or any investigator of the
6 Authority as provided by subsection F of this section may, upon
7 request of a sheriff or another peace officer of this state, or any
8 political subdivision thereof, assist in the apprehension and arrest
9 of a violator or suspected violator of any of the laws of this
10 state.

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

1 SECTION 11. AMENDATORY 63 O.S. 2021, Section 427.6, as
2 last amended by Section 1, Chapter 328, O.S.L. 2022 (63 O.S. Supp.
3 2022, Section 427.6), is amended to read as follows:

4 Section 427.6 A. The Oklahoma ~~Medical~~ Marijuana Authority
5 shall address issues related to the medical marijuana and adult use
6 marijuana program in this state including, but not limited to,
7 monitoring and disciplinary actions as they relate to the medical
8 marijuana and adult use marijuana program.

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

19 2. Post-licensure inspections shall be limited to twice per
20 calendar year. However, investigations and additional inspections
21 may occur when the Authority believes an investigation or additional
22 inspection is necessary due to a possible violation of applicable
23 laws, rules or regulations. The ~~State Commissioner of Health~~
24 Executive Director of the Authority may adopt rules imposing

1 penalties including, but not limited to, monetary fines and
2 suspension or revocation of licensure for failure to allow the
3 Authority reasonable access to the licensed premises for purposes of
4 conducting an inspection.

5 3. The Authority may review relevant records of a licensed
6 medical marijuana or adult use marijuana business, licensed ~~medical~~
7 marijuana research facility, licensed ~~medical~~ marijuana education
8 facility or licensed ~~medical~~ marijuana waste disposal facility, and
9 may require and conduct interviews with such persons or entities and
10 persons affiliated with such entities, for the purpose of
11 determining compliance with Authority requirements and applicable
12 laws, rules and regulations.

13 4. The Authority may refer complaints alleging criminal
14 activity that are made against a licensee to appropriate state or
15 local law enforcement authorities.

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

20 D. Disciplinary actions may include revocation, suspension or
21 denial of an application, license or final authorization and other
22 action deemed appropriate by the Authority.

23 E. Disciplinary actions may be imposed upon a medical marijuana
24 or adult use marijuana business licensee for:

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

24

1 F. Disciplinary actions against a licensee may include the
2 imposition of monetary penalties, which may be assessed by the
3 Authority. The Authority may suspend or revoke a license for
4 failure to pay any monetary penalty lawfully assessed by the
5 Authority against a licensee.

6 G. 1. In addition to any other penalties prescribed by law,
7 penalties for sales, purchases or transfers for value of ~~medical~~
8 marijuana by a medical marijuana or adult use marijuana business or
9 employees or agents of the medical marijuana or adult use marijuana
10 business to persons other than those allowed by law occurring within
11 any one-year time period may include an initial fine of Five
12 Thousand Dollars (\$5,000.00) for a first violation and a fine of
13 Fifteen Thousand Dollars (\$15,000.00) for any subsequent violation.

14 2. Penalties for grossly inaccurate or fraudulent reporting
15 occurring within any two-year time period may include an initial
16 administrative fine of Five Thousand Dollars (\$5,000.00) for a first
17 violation and an administrative fine of Ten Thousand Dollars
18 (\$10,000.00) for any subsequent violation. The medical marijuana
19 business or adult use marijuana shall be subject to a revocation of
20 any license granted pursuant to the Oklahoma Medical Marijuana and
21 Patient Protection Act upon a second incident of grossly inaccurate
22 or fraudulent reporting in a ten-year period by the medical
23 marijuana or adult use marijuana business or any employee or agent
24 thereof.

1 3. After investigation by the Authority, the Authority may
2 revoke the license of any person directly involved with the
3 diversion of marijuana.

4 4. If the Authority, after investigation, is able to establish,
5 by a preponderance of evidence, a pattern of diversion or negligence
6 leading to diversion, the Authority may revoke any business licenses
7 associated with the diversion and any entity with common ownership.

8 H. 1. In addition to any other penalties prescribed by law, a
9 first offense for intentional and impermissible diversion of ~~medical~~
10 marijuana, ~~medical~~ marijuana concentrate, or ~~medical~~ marijuana
11 products for value by a patient or caregiver to an unauthorized
12 person shall be subject to an administrative fine of Four Hundred
13 Dollars (\$400.00). The Authority shall have the authority to
14 enforce the provisions of this subsection.

15 2. In addition to any other penalties prescribed by law, an
16 additional incident resulting in a second offense for impermissible
17 diversion of ~~medical~~ marijuana, ~~medical~~ marijuana concentrate, or
18 ~~medical~~ marijuana products by a patient or caregiver to an
19 unauthorized person for value shall be subject to an administrative
20 fine of One Thousand Dollars (\$1,000.00), and shall result in
21 revocation of the license or licenses of the person.

22 3. Any person who shares less than three (3) grams of ~~medical~~
23 marijuana with an unauthorized person, without the transfer being
24 for value or other consideration, shall not be subject to criminal

1 prosecution but shall be subject to an administrative fine of Four
2 Hundred Dollars (\$400.00).

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

20 J. In addition to any other remedies provided for by law, the
21 Authority, pursuant to its rules and regulations, may issue a
22 written order to any licensee the Authority has reason to believe
23 has violated Sections 420 through 426.1 of this title, the Oklahoma
24 Medical Marijuana and Patient Protection Act, the Oklahoma Medical

1 Marijuana Waste Management Act, or any rules promulgated by the
2 ~~State Commissioner of Health~~ Executive Director of the Authority and
3 to whom the Authority has served, not less than thirty (30) days
4 previously, a written notice of violation of such statutes or rules.

5 1. The written order shall state with specificity the nature of
6 the violation. The Authority may impose any disciplinary action
7 authorized under the provisions of this section including, but not
8 limited to, the assessment of monetary penalties.

9 2. Any order issued pursuant to the provisions of this section
10 shall become a final order unless, not more than thirty (30) days
11 after the order is served to the licensee, the licensee requests an
12 administrative hearing in accordance with the rules and regulations
13 of the Authority. Upon such request, the Authority shall promptly
14 initiate administrative proceedings.

15 K. Whenever the Authority finds that an emergency exists
16 requiring immediate action in order to protect the health or welfare
17 of the public, the Authority may issue an order, without providing
18 notice or hearing, stating the existence of said emergency and
19 requiring that action be taken as the Authority deems necessary to
20 meet the emergency. Such action may include, but is not limited to,
21 ordering the licensee to immediately cease and desist operations by
22 the licensee. The order shall be effective immediately upon
23 issuance. Any person to whom the order is directed shall comply
24 immediately with the provisions of the order. The Authority may

1 assess a penalty not to exceed Ten Thousand Dollars (\$10,000.00) per
2 day of noncompliance with the order. In assessing such a penalty,
3 the Authority shall consider the seriousness of the violation and
4 any efforts to comply with applicable requirements. Upon
5 application to the Authority, the licensee shall be offered a
6 hearing within ten (10) days of the issuance of the order.

7 L. All hearings held pursuant to this section shall be in
8 accordance with the Oklahoma Administrative Procedures Act.

9 SECTION 12. AMENDATORY 63 O.S. 2021, Section 427.13, as
10 amended by Section 14, Chapter 251, O.S.L. 2022 (63 O.S. Supp. 2022,
11 Section 427.13), is amended to read as follows:

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

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

1 business, patient or caregiver. Inventory shall be tracked and
2 updated after each 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 or adult use marijuana business,
22 ~~medical~~ marijuana research facility, ~~medical~~ marijuana education
23 facility and ~~medical~~ marijuana waste disposal facility shall use a
24 seed-to-sale tracking system or integrate its own seed-to-sale

1 tracking system with the seed-to-sale tracking system established by
2 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 or adult use marijuana business that cultivated,
7 manufactured or sold the ~~medical~~ marijuana or ~~medical~~
8 marijuana product,

9 b. the address and phone number of the medical marijuana
10 or adult use marijuana business that cultivated,
11 manufactured or sold the ~~medical~~ marijuana or ~~medical~~
12 marijuana product,

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

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

15 e. the date of the transaction,

16 f. the total spent in dollars,

17 g. all point-of-sale records,

18 h. marijuana excise tax records, and

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

22 5. All inventory tracking records retained by a medical
23 marijuana or adult use marijuana business, ~~medical~~ marijuana
24 research facility, ~~medical~~ marijuana education facility or ~~medical~~

1 marijuana waste disposal facility containing medical marijuana
2 patient or caregiver information shall comply with all relevant
3 state and federal laws including, but not limited to, the Health
4 Insurance Portability and Accountability Act of 1996 (HIPAA).

5 SECTION 13. AMENDATORY 63 O.S. 2021, Section 427.14, as
6 amended by Section 4, Chapter 332, O.S.L. 2022 (63 O.S. Supp. 2022,
7 Section 427.14), is amended to read as follows:

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

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

16 B. The Oklahoma ~~Medical~~ Marijuana Authority, with the aid of
17 the Office of Management and Enterprise Services, shall develop a
18 website for medical marijuana and adult use marijuana business
19 applications.

20 C. The Authority shall make available on its website in an
21 easy-to-find location, applications for a medical marijuana and
22 adult use marijuana business.

23
24

1 D. 1. The annual, nonrefundable fee for a medical marijuana or
2 adult use marijuana transporter license shall be Two Thousand Five
3 Hundred Dollars (\$2,500.00).

4 2. The initial fee for a medical marijuana or adult use
5 marijuana commercial grower license shall be calculated based upon
6 the total amount of square feet of canopy or acres the grower
7 estimates will be harvested for the year. The annual, nonrefundable
8 license fee shall be based upon the total amount of square feet of
9 canopy harvested by the grower during the previous twelve (12)
10 months. The amount of the fees shall be determined as follows:

11 a. For an indoor, greenhouse, or light deprivation
12 medical marijuana or adult use marijuana grow
13 facility:

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

17 (2) Tier 2: Ten thousand one (10,001) square feet of
18 canopy to twenty thousand (20,000) square feet of
19 canopy, the fee shall be Five Thousand Dollars
20 (\$5,000.00),

21 (3) Tier 3: Twenty thousand one (20,001) square feet
22 of canopy to forty thousand (40,000) square feet
23 of canopy, the fee shall be Ten Thousand Dollars
24 (\$10,000.00),

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

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

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

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

20 b. For an outdoor medical marijuana or adult use
21 marijuana grow facility:

22 (1) Tier 1: Up to two and one-half (2 1/2) acres,
23 the fee shall be Two Thousand Five Hundred
24 Dollars (\$2,500.00),

- 1 (2) Tier 2: Two and one-half (2 1/2) acres up to
2 five (5) acres, the fee shall be Five Thousand
3 Dollars (\$5,000.00),
4 (3) Tier 3: Five (5) acres up to ten (10) acres, the
5 fee shall be Ten Thousand Dollars (\$10,000.00),
6 (4) Tier 4: Ten (10) acres up to twenty (20) acres,
7 the fee shall be Twenty Thousand Dollars
8 (\$20,000.00),
9 (5) Tier 5: Twenty (20) acres up to thirty (30)
10 acres, the fee shall be Thirty Thousand Dollars
11 (\$30,000.00),
12 (6) Tier 6: Thirty (30) acres up to forty (40)
13 acres, the fee shall be Forty Thousand Dollars
14 (\$40,000.00),
15 (7) Tier 7: Forty (40) acres up to fifty (50) acres,
16 the fee shall be Fifty Thousand Dollars
17 (\$50,000.00), and
18 (8) Tier 8: If the amount of acreage exceeds fifty
19 (50) acres, the fee shall be Fifty Thousand
20 Dollars (\$50,000.00) plus an additional Two
21 Hundred Fifty Dollars (\$250.00) per acre.

22 c. For a medical marijuana or adult use marijuana
23 commercial grower that has a combination of both
24 indoor and outdoor growing facilities at one location,

1 the medical marijuana or adult use marijuana
2 commercial grower shall be required to obtain a
3 separate license from the Authority for each type of
4 grow operation and shall be subject to the licensing
5 fees provided for in subparagraphs a and b of this
6 paragraph.

7 d. As used in this paragraph:

8 (1) "canopy" means the total surface area within a
9 cultivation area that is dedicated to the
10 cultivation of flowering marijuana plants. The
11 surface area of the plant canopy must be
12 calculated in square feet and measured and must
13 include all of the area within the boundaries
14 where the cultivation of the flowering marijuana
15 plants occurs. If the surface of the plant
16 canopy consists of noncontiguous areas, each
17 component area must be separated by identifiable
18 boundaries. If a tiered or shelving system is
19 used in the cultivation area, the surface area of
20 each tier or shelf must be included in
21 calculating the area of the plant canopy.
22 Calculation of the area of the plant canopy may
23 not include the areas within the cultivation area
24 that are used to cultivate immature marijuana

1 plants and seedlings, prior to flowering, and
2 that are not used at any time to cultivate mature
3 marijuana plants. If the flowering plants are
4 vertically grown in cylinders, the square footage
5 of the canopy shall be measured by the
6 circumference of the cylinder multiplied by the
7 total length of the cylinder,

8 (2) "greenhouse" means a structure located outdoors
9 that is completely covered by a material that
10 allows a controlled level of light transmission,
11 and

12 (3) "light deprivation" means a structure that has
13 concrete floors and the ability to manipulate
14 natural light.

15 3. The annual, nonrefundable license fee for a medical
16 marijuana or adult use marijuana processor license shall be
17 determined as follows:

18 a. Tier 1: Zero (0) to ten thousand (10,000) pounds of
19 biomass or production or use of up to one hundred
20 (100) liters of cannabis concentrate, the annual fee
21 shall be Two Thousand Five Hundred Dollars
22 (\$2,500.00),

23 b. Tier 2: Ten thousand one (10,001) pounds to fifty
24 thousand (50,000) pounds of biomass or production or

1 use from one hundred one (101) to three hundred fifty
2 (350) liters of cannabis concentrate, the annual fee
3 shall be Five Thousand Dollars (\$5,000.00),

4 c. Tier 3: Fifty thousand one (50,001) pounds to one
5 hundred fifty thousand (150,000) pounds of biomass or
6 production or use from three hundred fifty-one (351)
7 to six hundred fifty (650) liters of cannabis
8 concentrate, the annual fee shall be Ten Thousand
9 Dollars (\$10,000.00),

10 d. Tier 4: One hundred fifty thousand one (150,001)
11 pounds to three hundred thousand (300,000) pounds of
12 biomass or production or use from six hundred fifty-
13 one (651) to one thousand (1,000) liters of cannabis
14 concentrate, the annual fee shall be Fifteen Thousand
15 Dollars (\$15,000.00), and

16 e. Tier 5: More than three hundred thousand one
17 (300,001) pounds of biomass or production or use in
18 excess of one thousand one (1,001) liters of cannabis
19 concentrate, the annual fee shall be Twenty Thousand
20 Dollars (\$20,000.00).

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

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

10 5. The annual, nonrefundable license fee for a medical
11 marijuana testing laboratory shall be Twenty Thousand Dollars
12 (\$20,000.00).

13 E. All applicants seeking licensure or licensure renewal as a
14 medical marijuana or adult use marijuana business shall comply with
15 the following general requirements:

16 1. All applications for licenses and registrations authorized
17 pursuant to this section shall be made upon forms prescribed by the
18 Authority;

19 2. Each application shall identify the city or county in which
20 the applicant seeks to obtain licensure as a medical marijuana or
21 adult use marijuana business;

22 3. Applicants shall submit a complete application to the
23 Authority before the application may be accepted or considered;
24

1 4. All applications shall be complete and accurate in every
2 detail;

3 5. All applications shall include all attachments or
4 supplemental information required by the forms supplied by the
5 Authority;

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

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

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

23
24

- 1 e. disclosure of all ownership interests pursuant to the
2 Oklahoma Medical Marijuana and Patient Protection Act,
3 and
4 f. proof that the medical marijuana or adult use
5 marijuana business, ~~medical~~ marijuana research
6 facility, ~~medical~~ marijuana education facility and
7 ~~medical~~ marijuana waste disposal facility applicant or
8 licensee has not been convicted of a nonviolent felony
9 in the last two (2) years, or any other felony
10 conviction within the last five (5) years, is not a
11 current inmate in the custody of the Department of
12 Corrections, or currently incarcerated in a jail or
13 corrections facility;

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

22 9. All applicants for a medical marijuana or adult use
23 marijuana business license, research facility license or education
24 facility license authorized by the Oklahoma Medical Marijuana and

1 Patient Protection Act, or for a renewal of such license, shall
2 undergo an Oklahoma criminal history background check conducted by
3 the Oklahoma State Bureau of Investigation (OSBI) within thirty (30)
4 days prior to the application for the license, including:

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

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

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

- 21 a. an unexpired Oklahoma-issued driver license,
- 22 b. an Oklahoma identification card,
- 23 c. a utility bill preceding the date of application,
24 excluding cellular telephone and Internet bills,

- 1 d. a residential property deed to property in the State
2 of Oklahoma, and
3 e. a rental agreement preceding the date of application
4 for residential property located in the State of
5 Oklahoma.

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

9 12. All license applicants shall be required to submit a
10 registration with the Oklahoma State Bureau of Narcotics and
11 Dangerous Drugs Control as provided in Sections 2-302 through 2-304
12 of this title;

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

- 16 a. front of an Oklahoma driver license,
17 b. front of an Oklahoma identification card,
18 c. a United States passport or other photo identification
19 issued by the United States government, or
20 d. a tribal identification card approved for
21 identification purposes by the Oklahoma Department of
22 Public Safety; and

23 14. All applicants shall submit an applicant photograph.
24

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

6 G. 1. The Authority shall review the medical marijuana or
7 adult use marijuana business applications and conduct all
8 investigations, inspections and interviews before approving the
9 application.

10 2. Approved applicants shall be issued a medical marijuana or
11 adult use marijuana business license for the specific category
12 applied under, which shall act as proof of their approved status.
13 Rejection and denial letters shall provide a reason for the
14 rejection or denial. Applications may only be rejected or denied
15 based on the applicant not meeting the standards set forth in the
16 provisions of the Oklahoma Medical Marijuana and Patient Protection
17 Act and Sections 420 through 426.1 of this title, improper
18 completion of the application, or for a reason provided for in the
19 Oklahoma Medical Marijuana and Patient Protection Act and Sections
20 420 through 426.1 of this title. If an application is rejected for
21 failure to provide required information, the applicant shall have
22 thirty (30) days to submit the required information for
23 reconsideration. No additional application fee shall be charged for
24 such reconsideration. Unless the Authority determines otherwise, an

1 application that has been resubmitted but is still incomplete or
2 contains errors that are not clerical or typographical in nature
3 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 or adult use marijuana
12 business, ~~medical~~ marijuana research facility, ~~medical~~ marijuana
13 education facility or ~~medical~~ marijuana waste disposal facility
14 shall not be issued to or 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 or adult use marijuana business, or

6 b. pay taxes, interest or penalties due related to a
7 medical marijuana or adult use 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 or adult use marijuana business, ~~medical~~
14 marijuana research facility, ~~medical~~ marijuana education facility or
15 ~~medical~~ marijuana waste disposal facility that, after the initiation
16 of a disciplinary action, has had a medical marijuana or adult use
17 marijuana license revoked, not renewed, or surrendered during the
18 five (5) years preceding submission of the application and for the
19 following violations:

20 a. unlawful sales or purchases,

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

- 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 or adult use 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

1 investigation of the applicant. This type of conduct may be grounds
2 for administrative action against the applicant or licensee. Typos
3 and scrivener errors shall not be grounds for denial.

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

11 M. All medical marijuana or adult use marijuana business,
12 ~~medical~~ marijuana research facility, ~~medical~~ marijuana education
13 facility and ~~medical~~ marijuana waste disposal facility licensees
14 shall pay the relevant licensure fees prior to receiving licensure
15 to operate.

16 N. A medical marijuana or adult use marijuana business, ~~medical~~
17 marijuana research facility, ~~medical~~ marijuana education facility or
18 ~~medical~~ marijuana waste disposal facility that attempts to renew its
19 license after the expiration date of the license shall pay a late
20 renewal fee in an amount to be determined by the Authority to
21 reinstate the license. Late renewal fees are nonrefundable. A
22 license that has been expired for more than ninety (90) days shall
23 not be renewed.

24

1 O. No medical marijuana or adult use marijuana business,
2 ~~medical~~ marijuana research facility, ~~medical~~ marijuana education
3 facility or ~~medical~~ marijuana waste disposal facility shall possess,
4 sell or transfer ~~medical~~ marijuana or ~~medical~~ marijuana products
5 without a valid, unexpired license issued by the Authority.

6 SECTION 14. AMENDATORY Section 3, Chapter 328, O.S.L.
7 2022 (63 O.S. Supp. 2022, Section 427.14b), is amended to read as
8 follows:

9 Section 427.14b A. Beginning January 1, 2024, the Oklahoma
10 ~~Medical~~ Marijuana Authority shall require employees of a medical
11 marijuana or adult use marijuana business licensee to apply for and
12 receive a credential authorizing the employee to work in a licensed
13 medical marijuana or adult use marijuana business.

14 B. The Authority may contract with one or more third-party
15 vendors to provide the credentialing services necessary to carry out
16 the provisions of this section.

17 C. The Authority shall determine the services to be provided by
18 such third-party vendor and shall establish costs and prices. If
19 contracted for credentialing services, a third-party vendor shall on
20 behalf of the Authority conduct the background checks and verify
21 eligibility and suitability for any employees of a medical marijuana
22 or adult use marijuana business license holder to obtain a
23 credential.

24

1 D. Upon successful completion by the third-party vendor of the
2 statutorily required background checks and verification of
3 eligibility and suitability for an employee, the third-party vendor
4 shall issue a credential to the employee. The results of background
5 checks and verifications shall be provided to the Authority by the
6 third-party vendor.

7 E. If the third-party vendor determines that an employee of a
8 medical marijuana or adult use marijuana business holder does not
9 meet the minimum statutory requirements for a credential, the
10 applicant or employee shall have no recourse against the third-party
11 vendor but may appeal such adverse determination to the Authority.

12 F. The third-party vendor shall not be civilly liable to an
13 applicant, licensee, or employee of a licensee for any acts taken in
14 good-faith compliance with the provisions of Section 420 et seq. of
15 Title 63 of the Oklahoma Statutes and the Oklahoma Medical Marijuana
16 and Patient Protection Act and the rules promulgated by the Oklahoma
17 ~~Medical~~ Marijuana Authority.

18 G. The Executive Director of the Authority may promulgate rules
19 to implement the provisions of this section.

20 SECTION 15. AMENDATORY 63 O.S. 2021, Section 427.15, is
21 amended to read as follows:

22 Section 427.15 A. The Oklahoma ~~Medical~~ Marijuana Authority is
23 hereby authorized to develop policies and procedures for disclosure
24

1 by a medical marijuana or adult use marijuana business of financial
2 interest and ownership.

3 B. Upon the effective date of this act, current medical
4 marijuana or adult use marijuana business licensees and applicants
5 seeking licensure as a medical marijuana or adult use marijuana
6 business shall be required to submit under penalty of perjury an
7 attestation confirming or denying the existence of any foreign
8 financial interests in the medical marijuana or adult use marijuana
9 business operation and shall disclose the identity of such
10 ownership, if applicable. Medical marijuana or adult use marijuana
11 business licensees shall, within sixty (60) days after the effective
12 date of this act, submit such attestation to the Oklahoma State
13 Bureau of Narcotics and Dangerous Drugs Control. Applicants for a
14 medical marijuana or adult use marijuana business license shall,
15 within sixty (60) days after the approval of a medical marijuana or
16 adult use marijuana business license application by the Oklahoma
17 ~~Medical~~ Marijuana Authority, submit such attestation to the Bureau.
18 Failure to submit the attestation or accompanying information to the
19 Bureau within the specified sixty-day time period shall result in
20 the immediate revocation of the medical marijuana or adult use
21 marijuana business license. The Bureau shall prescribe the form of
22 the attestation required under the provisions of this subsection and
23 shall make the form available on its publicly accessible Internet
24 website.

1 SECTION 16. AMENDATORY 63 O.S. 2021, Section 427.16, as
2 amended by Section 16, Chapter 251, O.S.L. 2022 (63 O.S. Supp. 2022,
3 Section 427.16), is amended to read as follows:

4 Section 427.16 A. There is hereby created a medical marijuana
5 and adult use marijuana transporter license as a category of the
6 ~~medical~~ marijuana business license.

7 B. Pursuant to Section 424 of this title, the Oklahoma ~~Medical~~
8 Marijuana Authority shall issue a medical marijuana or adult use
9 marijuana transporter license to licensed medical marijuana or adult
10 use marijuana commercial growers, processors and dispensaries upon
11 issuance of such licenses and upon each renewal. Medical marijuana
12 or adult use marijuana transporter licenses shall also be issued to
13 licensed ~~medical~~ marijuana research facilities, ~~medical~~ marijuana
14 education facilities and medical marijuana or adult use marijuana
15 testing laboratories upon issuance of such licenses and upon each
16 renewal.

17 C. A medical marijuana or adult use marijuana transporter
18 license may also be issued to qualifying applicants who are
19 registered with the Secretary of State and otherwise meet the
20 requirements for a medical marijuana or adult use marijuana business
21 license set forth in the Oklahoma Medical Marijuana and Patient
22 Protection Act and the requirements set forth in this section to
23 provide logistics, distribution and storage of ~~medical~~ marijuana,
24 ~~medical~~ marijuana concentrate and ~~medical~~ marijuana products.

1 D. A medical marijuana or adult use marijuana transporter
2 license shall be valid for one (1) year and shall not be transferred
3 with a change of ownership. A licensed medical marijuana or adult
4 use marijuana transporter shall be responsible for all ~~medical~~
5 marijuana, ~~medical~~ marijuana concentrate and ~~medical~~ marijuana
6 products once the transporter takes control of the product.

7 E. A transporter license shall be required for any person or
8 entity to transport or transfer ~~medical~~ marijuana, ~~medical~~ marijuana
9 concentrate or ~~medical~~ marijuana products from a licensed medical
10 marijuana or adult use marijuana business to another medical
11 marijuana or adult use marijuana business, or from a medical
12 marijuana or adult use marijuana business to a ~~medical~~ marijuana
13 research facility or ~~medical~~ marijuana education facility.

14 F. A medical marijuana or adult use marijuana transporter
15 licensee may contract with multiple licensed medical marijuana or
16 adult use marijuana businesses.

17 G. A medical marijuana or adult use marijuana transporter may
18 maintain a licensed premises to temporarily store ~~medical~~ marijuana,
19 ~~medical~~ marijuana concentrate and ~~medical~~ marijuana products and to
20 use as a centralized distribution point. A medical marijuana or
21 adult use marijuana transporter may store and distribute ~~medical~~
22 marijuana, ~~medical~~ marijuana concentrate and ~~medical~~ marijuana
23 products from the licensed premises. The licensed premises shall
24

1 meet all security requirements applicable to a medical marijuana or
2 adult use marijuana business.

3 H. A medical marijuana or adult use marijuana transporter
4 licensee shall use the seed-to-sale tracking system developed
5 pursuant to the Oklahoma Medical Marijuana and Patient Protection
6 Act to create shipping manifests documenting the transport of
7 ~~medical~~ marijuana, ~~medical~~ marijuana concentrate and ~~medical~~
8 marijuana products throughout the state.

9 I. A licensed medical marijuana or adult use marijuana
10 transporter may maintain and operate one or more warehouses in the
11 state to handle ~~medical~~ marijuana, ~~medical~~ marijuana concentrate and
12 ~~medical~~ marijuana products. Each location shall be registered and
13 inspected by the Authority prior to its use.

14 J. With the exception of a lawful transfer between medical
15 marijuana or adult use marijuana businesses who are licensed to
16 operate at the same physical address, all ~~medical~~ marijuana, ~~medical~~
17 marijuana concentrate and ~~medical~~ marijuana products shall be
18 transported:

19 1. In vehicles equipped with Global Positioning System (GPS)
20 trackers;

21 2. In a locked container and clearly labeled "~~Medical Marijuana~~
22 ~~or Derivative~~" "Marijuana or Derivative"; and

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

1 K. A transporter agent may possess marijuana at any location
2 while the transporter agent is transferring marijuana to or from a
3 licensed medical marijuana or adult use marijuana business, licensed
4 ~~medical~~ marijuana research facility or licensed ~~medical~~ marijuana
5 education facility. The Authority shall administer and enforce the
6 provisions of this section concerning transportation.

7 L. The Authority shall issue a transporter agent license to
8 individual agents, employees, officers or owners of a transporter
9 license in order for the individual to qualify to transport ~~medical~~
10 marijuana, ~~medical~~ marijuana concentrate or ~~medical~~ marijuana
11 products.

12 M. The annual fee for a transporter agent license shall be
13 Twenty-five Dollars (\$25.00) and shall be paid by the transporter
14 license holder or the individual applicant. Transporter license
15 reprints shall be Twenty Dollars (\$20.00).

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

- 18 1. The name, address and date of birth of the person;
- 19 2. Proof of current state residency;
- 20 3. Proof of identity as required for a medical marijuana or
21 adult use marijuana business license;
- 22 4. Possession of a valid state-issued driver license;
- 23 5. Verification of employment with a licensed transporter;
- 24 6. The application and affiliated fee; and

1 7. A copy of the criminal background check conducted by the
2 Oklahoma State Bureau of Investigation, paid for by the applicant.

3 O. If the transporter agent application is denied, the
4 Authority shall notify the transporter in writing of the reason for
5 denying the registry identification card.

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

10 Q. The Authority may revoke the registry identification card of
11 a transporter agent who knowingly violates any provision of this
12 section, and the transporter is subject to any other penalties
13 established by law for the violation.

14 R. The Authority may revoke or suspend the transporter license
15 of a transporter that the Authority determines knowingly aided or
16 facilitated a violation of any provision of this section, and the
17 license holder is subject to any other penalties established in law
18 for the violation.

19 S. Vehicles used in the transport of ~~medical~~ marijuana or
20 ~~medical~~ marijuana product shall be:

- 21 1. Insured at or above the legal requirements in this state;
- 22 2. Capable of securing ~~medical~~ marijuana during transport; and
- 23 3. In possession of a shipping container as defined in Section
24 427.2 of this title capable of securing all transported products.

1 T. Prior to the transport of any ~~medical~~ marijuana, ~~medical~~
2 marijuana concentrate or ~~medical~~ marijuana products, an inventory
3 manifest shall be prepared at the origination point of the ~~medical~~
4 marijuana. The inventory manifest shall include the following
5 information:

6 1. For the origination point of the ~~medical~~ marijuana:

- 7 a. the licensee number for the commercial grower,
8 processor or dispensary,
- 9 b. address of origination of transport, and
- 10 c. name and contact information for the originating
11 licensee;

12 2. For the end recipient license holder of the ~~medical~~
13 marijuana:

- 14 a. the license number for the dispensary, commercial
15 grower, processor, research facility or education
16 facility destination,
- 17 b. address of the destination, and
- 18 c. name and contact information for the destination
19 licensee;

20 3. Quantities by weight or unit of each type of ~~medical~~
21 marijuana product contained in transport;

22 4. The date of the transport and the approximate time of
23 departure;

24 5. The arrival date and estimated time of arrival;

1 6. Printed names and signatures of the personnel accompanying
2 the transport; and

3 7. Notation of the transporting licensee.

4 U. 1. A separate inventory manifest shall be prepared for each
5 licensee receiving the ~~medical~~ marijuana.

6 2. The transporter agent shall provide the other medical
7 marijuana or adult use marijuana business with a copy of the
8 inventory manifest at the time the product changes hands and after
9 the other licensee prints his or her name and signs the inventory
10 manifest.

11 3. A receiving licensee shall refuse to accept any ~~medical~~
12 marijuana, ~~medical~~ marijuana concentrate or ~~medical~~ marijuana
13 products that are not accompanied by an inventory manifest.

14 4. Originating and receiving licensees shall maintain copies of
15 inventory manifests and logs of quantities of ~~medical~~ marijuana
16 received for seven (7) years from date of receipt.

17 SECTION 17. AMENDATORY 63 O.S. 2021, Section 427.17, as
18 last amended by Section 1, Chapter 353, O.S.L. 2022 (63 O.S. Supp.
19 2022, Section 427.17), is amended to read as follows:

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

1 a licensed testing laboratory under the Oklahoma Medical Marijuana
2 and Patient Protection Act.

3 B. 1. The Authority is hereby authorized to contract with a
4 private laboratory for the purpose of conducting compliance testing
5 of medical marijuana or adult use marijuana testing laboratories
6 licensed in this state. Any such laboratory under contract for
7 compliance testing shall be prohibited from conducting any other
8 commercial medical marijuana or adult use marijuana testing in this
9 state. The laboratory the Authority contracts with for compliance
10 testing shall not employ, or be owned by, the following:

- 11 a. any individual that has a direct or indirect interest
12 in a licensed medical marijuana or adult use marijuana
13 business, or
- 14 b. any individual or his or her spouse, parent, child,
15 spouse of a child, sibling or spouse of a sibling that
16 has an application for a medical marijuana or adult
17 use marijuana business license pending before the
18 Authority or is a member of the board of directors of
19 a medical marijuana or adult use marijuana business,
20 or is an individual financially interested in any
21 licensee or medical marijuana or adult use marijuana
22 business located within this state.

23 2. The private laboratory under contract with the Authority for
24 compliance testing and a board or committee comprised of licensed

1 Oklahoma medical marijuana or adult use marijuana laboratories
2 currently accredited by the International Organization for
3 Standardization (ISO) shall provide to the Authority its
4 recommendations for all equipment and standards to be utilized by
5 licensed medical marijuana or adult use marijuana testing
6 laboratories when testing samples of ~~medical~~ marijuana, ~~medical~~
7 marijuana concentrate, and ~~medical~~ marijuana products as well as
8 standard operating procedures when extracting and testing ~~medical~~
9 marijuana, ~~medical~~ marijuana concentrate, and ~~medical~~ marijuana
10 products. The recommendations shall be submitted to the Authority
11 no later than June 1, 2023. The Authority shall have ninety (90)
12 days from the date it receives the recommendations to promulgate new
13 rules or modify its current rules for laboratory standards and
14 testing. Beginning June 1, 2024, medical marijuana or adult use
15 marijuana testing laboratories renewing their medical marijuana or
16 adult use marijuana business license shall be subject to and comply
17 with any new or modified rules relating to the testing of ~~medical~~
18 marijuana, ~~medical~~ marijuana concentrate, and ~~medical~~ marijuana
19 products. The refusal or failure of a medical marijuana or adult
20 use marijuana testing laboratory licensee to comply with new or
21 modified rules relating to laboratory standards and testing
22 procedures promulgated under the provisions of this paragraph shall
23 result in the permanent revocation of the medical marijuana or adult
24 use marijuana testing laboratory license.

1 C. The Authority shall develop acceptable testing practices
2 including, but not limited to, testing, standards, quality control
3 analysis, equipment certification and calibration, and chemical
4 identification and substances used.

5 D. A person who is a direct beneficial owner of a medical
6 marijuana or adult use marijuana dispensary, medical marijuana or
7 adult use marijuana commercial grower or medical marijuana or adult
8 use marijuana processor shall not be an owner of a laboratory.

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

12 F. A separate license shall be required for each specific
13 laboratory.

14 G. A medical marijuana or adult use marijuana testing
15 laboratory license may be issued to a person who performs testing on
16 ~~medical~~ marijuana and ~~medical~~ marijuana products for medical
17 marijuana and adult use marijuana businesses, ~~medical~~ marijuana
18 research facilities, ~~medical~~ marijuana education facilities, and
19 testing on marijuana and marijuana products grown or produced by a
20 patient or caregiver on behalf of a patient, upon verification of
21 registration. A medical marijuana or adult use marijuana testing
22 laboratory may also conduct research related to the development and
23 improvement of its testing practices and procedures. No state-
24 approved medical marijuana or adult use marijuana testing facility

1 shall operate unless a medical laboratory director is on site during
2 operational hours.

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

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

21 J. A medical marijuana or adult use marijuana testing
22 laboratory may accept samples of ~~medical~~ marijuana, ~~medical~~
23 marijuana concentrate or ~~medical~~ marijuana product from an
24 individual person for testing only under the following conditions:

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

5 2. The medical marijuana or adult use marijuana testing
6 laboratory shall require the patient or caregiver to produce a valid
7 patient license and current and valid photo identification.

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

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

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

21 N. The Authority, pursuant to rules promulgated by the
22 Executive Director of the Authority, shall develop standards,
23 policies and procedures as necessary for:

24

- 1 1. The cleanliness and orderliness of a laboratory premises and
2 the location of the laboratory in a secure location, and inspection,
3 cleaning and maintenance of any equipment or utensils used for the
4 analysis of test samples;
- 5 2. Testing procedures, testing standards for cannabinoid and
6 terpenoid potency and safe levels of contaminants, and remediation
7 procedures;
- 8 3. Controlled access areas for storage of ~~medical~~ marijuana and
9 ~~medical~~ marijuana product test samples, waste and reference
10 standards;
- 11 4. Records to be retained and computer systems to be utilized
12 by the laboratory;
- 13 5. The possession, storage and use by the laboratory of
14 reagents, solutions and reference standards;
- 15 6. A certificate of analysis (COA) for each lot of reference
16 standard;
- 17 7. The transport and disposal of unused marijuana, marijuana
18 products and waste;
- 19 8. The mandatory use by a laboratory of an inventory tracking
20 system to ensure all harvest and production batches or samples
21 containing ~~medical~~ marijuana, ~~medical~~ marijuana concentrate or
22 ~~medical~~ marijuana products are identified and tracked from the point
23 they are transferred from a medical marijuana or adult use marijuana
24 business, a patient or a caregiver through the point of transfer,

1 destruction or disposal. The inventory tracking system reporting
2 shall include the results of any tests that are conducted on ~~medical~~
3 marijuana, ~~medical~~ marijuana concentrate or ~~medical~~ marijuana
4 product;

5 9. Standards of performance;

6 10. The employment of laboratory personnel;

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

9 12. The successful participation in a proficiency testing
10 program approved by the Executive Director for each testing category
11 listed in this section, in order to obtain and maintain
12 certification;

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

16 14. The immediate recall of ~~medical~~ marijuana or ~~medical~~
17 marijuana products that test above allowable thresholds or are
18 otherwise determined to be unsafe;

19 15. The establishment by the laboratory of a system to document
20 the complete chain of custody for samples from receipt through
21 disposal;

22 16. The establishment by the laboratory of a system to retain
23 and maintain all required records, including business records, and
24

1 processes to ensure results are reported in a timely and accurate
2 manner; and

3 17. Any other aspect of laboratory testing of ~~medical~~ marijuana
4 or ~~medical~~ marijuana product deemed necessary by the Executive
5 Director.

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

16 P. A medical marijuana or adult use marijuana testing
17 laboratory shall retain all results of laboratory tests conducted on
18 marijuana or products for a period of at least seven (7) years and
19 shall make them available to the Authority upon request.

20 Q. A medical marijuana or adult use marijuana testing
21 laboratory shall test samples from each harvest batch or product
22 batch, as appropriate, of ~~medical~~ marijuana, ~~medical~~ marijuana
23 concentrate and ~~medical~~ marijuana product for each of the following
24

1 categories of testing, consistent with standards developed by the
2 Executive Director:

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

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

1 be limited to, cookies, brownies, candies, gummies, beverages and
2 chocolates.

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

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

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

24

1 V. Unless authorized by the provisions of this section, a
2 commercial grower shall not transfer or sell ~~medical~~ marijuana and a
3 processor shall not transfer, sell or process into a concentrate or
4 product any ~~medical~~ marijuana, ~~medical~~ marijuana concentrate or
5 ~~medical~~ marijuana product unless samples from each harvest batch or
6 production batch from which that ~~medical~~ marijuana, ~~medical~~
7 marijuana concentrate or ~~medical~~ marijuana product was derived has
8 been tested by a medical marijuana or adult use marijuana testing
9 laboratory and passed all contaminant tests required by the Oklahoma
10 Medical Marijuana and Patient Protection Act and applicable laws,
11 rules and regulations. A licensed commercial grower may transfer
12 ~~medical~~ marijuana that has failed testing to a licensed processor
13 only for the purposes of decontamination or remediation and only in
14 accordance with the provisions of the Oklahoma Medical Marijuana and
15 Patient Protection Act and the rules and regulations promulgated by
16 the Executive Director. Remediated and decontaminated ~~medical~~
17 marijuana may be returned only to the originating licensed
18 commercial grower.

19 W. Kief shall not be transferred or sold except as authorized
20 in the rules and regulations promulgated by the Executive Director.

21 SECTION 18. AMENDATORY 63 O.S. 2021, Section 427.18, as
22 amended by Section 18, Chapter 251, O.S.L. 2022 (63 O.S. Supp. 2022,
23 Section 427.18), is amended to read as follows:

24

1 Section 427.18 A. A medical marijuana or adult use marijuana
2 business shall not sell, transfer or otherwise distribute ~~medical~~
3 marijuana or ~~medical~~ marijuana product that has not been packaged
4 and labeled in accordance with this section and rules promulgated by
5 the Executive Director of the Oklahoma ~~Medical~~ Marijuana Authority.

6 B. A medical marijuana or adult use marijuana dispensary shall
7 return ~~medical~~ marijuana and ~~medical~~ marijuana product that does not
8 meet packaging or labeling requirements in this section or rules
9 promulgated pursuant thereto to the entity who transferred it to the
10 dispensary. The medical marijuana or adult use marijuana dispensary
11 shall document to whom the item was returned, what was returned and
12 the date of the return or dispose of any usable marijuana that does
13 not meet these requirements in accordance with the Oklahoma Medical
14 Marijuana and Patient Protection Act.

15 C. 1. Medical marijuana and adult use marijuana packaging
16 shall be packaged to minimize its appeal to children and shall not
17 depict images other than the business name logo of the ~~medical~~
18 marijuana producer and image of the product.

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

23 3. Labels on a container shall not include any false or
24 misleading statements.

1 4. No container shall be intentionally or knowingly labeled so
2 as to cause a reasonable ~~patient~~ person confusion as to whether the
3 ~~medical~~ marijuana, ~~medical~~ marijuana concentrate or ~~medical~~
4 marijuana product is a trademarked product or labeled in a manner
5 that violates any federal trademark law or regulation.

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

8 6. All ~~medical~~ marijuana, ~~medical~~ marijuana concentrate and
9 ~~medical~~ marijuana products shall be in a child-resistant container
10 at the point of transfer to the patient ~~or~~, caregiver, or consumer.

11 D. The Executive Director shall develop minimum standards for
12 packaging and labeling of ~~medical~~ marijuana and ~~medical~~ marijuana
13 products. Such standards shall include, but not be limited to, the
14 required contents of labels to be affixed to all ~~medical~~ marijuana
15 and ~~medical~~ marijuana products prior to transfer to a licensed
16 patient or caregiver, which shall include, at a minimum:

17 1. THC and other cannabinoid potency, and terpenoid potency;

18 2. A statement indicating that the product has been tested for
19 contaminants;

20 3. One or more product warnings to be determined by the
21 Executive Director; and

22 4. Any other information the Executive Director deems
23 necessary.
24

1 SECTION 19. AMENDATORY 63 O.S. 2021, Section 427.19, as
2 amended by Section 19, Chapter 251, O.S.L. 2022 (63 O.S. Supp. 2022,
3 Section 427.19), is amended to read as follows:

4 Section 427.19 A. A ~~medical~~ marijuana research license may be
5 issued to a person to grow, cultivate, possess and transfer, by sale
6 or donation, marijuana pursuant to the Oklahoma Medical Marijuana
7 and Patient Protection Act for the limited research purposes
8 identified in this section.

9 B. The annual fee for a ~~medical~~ marijuana research license
10 shall be Five Hundred Dollars (\$500.00) and shall be payable by an
11 applicant for a ~~medical~~ marijuana research license upon submission
12 of his or her application to the Oklahoma ~~Medical~~ Marijuana
13 Authority.

14 C. A ~~medical~~ marijuana research license may be issued for the
15 following research purposes:

- 16 1. To test chemical potency and composition levels;
- 17 2. To conduct clinical investigations of marijuana-derived
18 medicinal products;
- 19 3. To conduct research on the efficacy and safety of
20 administering marijuana as part of medical treatment;
- 21 4. To conduct genomic, horticultural or agricultural research;
22 and
- 23 5. To conduct research on marijuana-affiliated products or
24 systems.

1 D. 1. As part of the application process for a ~~medical~~
2 marijuana research license, an applicant shall submit to the
3 Authority a description of the research that the applicant intends
4 to conduct and whether the research will be conducted with a public
5 institution or using public money. If the research will not be
6 conducted with a public institution or with public money, the
7 Authority shall grant the application if it determines that the
8 applicant meets the criteria in this section.

9 2. If the research will be conducted with a public institution
10 or public money, the Authority shall review the research project of
11 the applicant to determine if it meets the requirements of this
12 section and to assess the following:

- 13 a. the quality, study design, value or impact of the
14 project,
- 15 b. whether the applicant has the appropriate personnel,
16 expertise, facilities, infrastructure, funding and
17 human, animal or other approvals in place to
18 successfully conduct the project, and
- 19 c. whether the amount of marijuana to be grown by the
20 applicant is consistent with the scope and goals of
21 the project.

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

1 E. A ~~medical~~ marijuana research licensee may only transfer, by
2 sale or donation, marijuana grown within its operation to other
3 ~~medical~~ marijuana research licensees. The Authority may revoke a
4 ~~medical~~ marijuana research license for violations of this section
5 and any other violation of the Oklahoma Medical Marijuana and
6 Patient Protection Act.

7 F. A ~~medical~~ marijuana research licensee may contract to
8 perform research in conjunction with a public higher education
9 research institution or another ~~medical~~ marijuana research licensee.

10 G. The growing, cultivating, possessing or transferring, by
11 sale or donation, of marijuana in accordance with this section and
12 the rules promulgated pursuant thereto, by a ~~medical~~ marijuana
13 research licensee shall not be a criminal or civil offense under
14 state law. A ~~medical~~ marijuana research license shall be issued in
15 the name of the applicant and shall specify the location in this
16 state at which the ~~medical~~ marijuana research licensee intends to
17 operate. A ~~medical~~ marijuana research licensee shall not allow any
18 other person to exercise the privilege of the license.

19 H. If the research conducted includes a public institution or
20 public money, the Authority shall review any reports made by ~~medical~~
21 marijuana research licensees under state licensing authority rule
22 and provide the Authority with its determination on whether the
23 research project continues to meet research qualifications pursuant
24 to this section.

1 SECTION 20. AMENDATORY 63 O.S. 2021, Section 427.20, as
2 amended by Section 20, Chapter 251, O.S.L. 2022 (63 O.S. Supp. 2022,
3 Section 427.20), is amended to read as follows:

4 Section 427.20 A. There is hereby created a ~~medical~~ marijuana
5 education facility license.

6 B. A ~~medical~~ marijuana education facility license may be issued
7 to a person to possess or cultivate marijuana for the limited
8 education and research purposes identified in this section.

9 C. A ~~medical~~ marijuana education facility license may only be
10 granted to a not-for-profit organization structured under Section
11 501(c) (3) of the Internal Revenue Code, operating as a not-for-
12 profit organization in this state registered with the Office of the
13 Secretary of State.

14 D. A ~~medical~~ marijuana education facility license may only be
15 granted upon the submission of an annual fee of Five Hundred Dollars
16 (\$500.00) to the Oklahoma ~~Medical~~ Marijuana Authority.

17 E. A ~~medical~~ marijuana education facility license may be issued
18 for the following education and research purposes:

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

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

23 3. To demonstrate the application and use of product
24 manufacturing technologies;

1 4. To conduct genomic, horticultural or agricultural research;
2 and

3 5. To conduct research on marijuana-affiliated products or
4 systems.

5 F. As part of the application process for a ~~medical~~ marijuana
6 education facility license, an applicant shall submit to the
7 Authority a description of the project and curriculum that the
8 applicant intends to conduct and whether the project and curriculum
9 will be conducted with a public institution or using public money.
10 If the project and curriculum will not be conducted with a public
11 institution or with public money, the Authority shall grant the
12 application. If the research will be conducted with a public
13 institution or public money, the Authority shall review the research
14 project of the applicant to determine if it meets the requirements
15 of this section and to assess the following:

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

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

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

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

1 G. A ~~medical~~ marijuana education facility licensee may only
2 transfer, by sale or donation, marijuana grown within its operation
3 to ~~medical~~ marijuana research licensees. The Authority may revoke a
4 ~~medical~~ marijuana education facility license for violations of this
5 section and any other violation of applicable laws, rules and
6 regulations.

7 H. A ~~medical~~ marijuana education facility licensee may contract
8 to perform research in conjunction with a public higher education
9 research institution or another research licensee.

10 I. The growing, cultivating, possessing or transferring, by
11 sale or donation, of marijuana in accordance with this section and
12 the rules promulgated pursuant thereto, by a ~~medical~~ marijuana
13 education facility licensee shall not be a criminal or civil offense
14 under state law. A ~~medical~~ marijuana education facility license
15 shall be issued in the name of the applicant and shall specify the
16 location in this state at which the ~~medical~~ marijuana education
17 facility licensee intends to operate. A ~~medical~~ marijuana education
18 facility licensee shall not allow any other person to exercise the
19 privilege of the license.

20 SECTION 21. AMENDATORY 63 O.S. 2021, Section 427.21, as
21 amended by Section 2, Chapter 329, O.S.L. 2022 (63 O.S. Supp. 2022,
22 Section 427.21), is amended to read as follows:
23
24

1 Section 427.21 A. A medical marijuana or adult use marijuana
2 business shall not engage in advertising that is deceptive, false or
3 misleading.

4 B. Medical marijuana or adult use marijuana advertising shall
5 not contain any statement or illustration that:

6 1. Promotes overconsumption;

7 2. Represents that the use of marijuana has curative or
8 therapeutic effects; or

9 3. Depicts a child or other person under legal age to consume
10 marijuana, or includes:

11 a. objects such as toys or cartoon or other characters,
12 which suggest the presence of a child, or any other
13 depiction designed in any manner to be especially
14 appealing to children or other persons under legal age
15 to consume marijuana, or

16 b. any manner or design that would be especially
17 appealing to children or other persons under eighteen
18 (18) years of age.

19 C. Upon the effective date of this act, all medical marijuana
20 or adult use marijuana commercial grower licensees shall be required
21 to post signage at the site of the commercial grow operation.

22 Signage shall be located at the perimeter of the property with
23 dimensions measuring no less than eighteen (18) inches by twenty-
24 four (24) inches with a font size of no less than two (2) inches.

1 Information required to be displayed on the sign shall be in black
2 standardized font on a white background. The Oklahoma ~~Medical~~
3 Marijuana Authority shall promulgate rules as necessary regarding
4 the size, placement, issuance and specifications of the required
5 signage. The following information shall be included on the
6 required signage:

- 7 1. Business name;
- 8 2. Physical address of the licensed business;
- 9 3. Phone number of the licensed business; and
- 10 4. Medical marijuana or adult use marijuana commercial grower
11 business license number.

12 The required signage shall also comply with county regulations
13 and local ordinances related to the real property where the
14 commercial grow operation is located. Failure to erect the proper
15 signage within sixty (60) days after the renewal of each application
16 for a medical marijuana or adult use marijuana commercial grower
17 license in accordance with the provisions of this subsection shall
18 result in the immediate revocation of the medical marijuana or adult
19 use marijuana commercial grower license. Upon issuance of a
20 temporary license, all medical marijuana or adult use marijuana
21 commercial grower licensees shall be required to comply with the
22 provisions of this subsection prior to the prelicensure inspection
23 conducted by the Authority.

24

1 SECTION 22. AMENDATORY 63 O.S. 2021, Section 427.22, as
2 amended by Section 21, Chapter 251, O.S.L. 2022 (63 O.S. Supp. 2022,
3 Section 427.22), is amended to read as follows:

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

12 B. The dispensary records with patient or consumer information
13 shall be treated as confidential records that are exempt from the
14 Oklahoma Open Records Act.

15 C. All financial information provided by an applicant or a
16 licensee in an application to the Authority shall be treated as
17 confidential records that are exempt from the Oklahoma Open Records
18 Act.

19 D. All information provided by an applicant or a licensee that
20 constitutes private business information shall be treated as
21 confidential records that are exempt from the Oklahoma Open Records
22 Act.

23 E. As used in this section, "private business information"
24 means information that, if disclosed, would give advantage to

1 competitors or bidders including, but not limited to, information
2 related to the planning, site location, operations, strategy or
3 product development and marketing of an applicant, unless approval
4 for release of those records is granted by the business.

5 F. All monthly report, inventory tracking and seed-to-sale
6 information, data and records submitted to the Authority shall be
7 treated as confidential records and are exempt from the Oklahoma
8 Open Records Act.

9 G. Except for license information concerning licensed patients,
10 the Authority may share confidential information with other state
11 agencies to assist those agencies in ensuring compliance with
12 applicable laws, rules and regulations.

13 SECTION 23. AMENDATORY 63 O.S. 2021, Section 427.24, as
14 amended by Section 23, Chapter 251, O.S.L. 2022 (63 O.S. Supp. 2022,
15 Section 427.24), is amended to read as follows:

16 Section 427.24 A. Whenever an authorized agent of the Oklahoma
17 ~~Medical~~ Marijuana Authority finds, in whole or in part, that the
18 ~~medical~~ marijuana or ~~medical~~ marijuana product fails to meet the
19 requirements of Sections 420 through 426.1 of this title or the
20 Oklahoma Medical Marijuana and Patient Protection Act as it relates
21 to health and safety, the ~~medical~~ marijuana or ~~medical~~ marijuana
22 product is handled in violation of applicable laws or rules and
23 regulations promulgated by the Executive Director of the Authority,
24 or the ~~medical~~ marijuana or ~~medical~~ marijuana product may be

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

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

1 embargoed does meet the requirements of applicable laws and the
2 rules and regulations promulgated by the Executive Director and is
3 not poisonous, deleterious to health or otherwise unsafe, the
4 Executive Director shall remove the embargo. In any court
5 proceeding regarding an embargo, neither the Authority or the
6 Executive Director shall be held liable if the court finds
7 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 promulgated by the
12 Executive Director or is poisonous, deleterious to health or
13 otherwise unsafe, the ~~medical~~ marijuana or ~~medical~~ marijuana product
14 shall be destroyed at the expense of the defendant under the
15 supervision of the Executive Director. All court costs, fees, costs
16 of storage and disposal and other proper expenses shall be paid by
17 the defendant of the ~~medical~~ marijuana or ~~medical~~ marijuana product.

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

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

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

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

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

6 SECTION 24. AMENDATORY Section 1, Chapter 352, O.S.L.
7 2022 (63 O.S. Supp. 2022, Section 427.25), is amended to read as
8 follows:

9 Section 427.25 A. The Oklahoma ~~Medical~~ Marijuana Authority
10 shall implement rules to employ secret shoppers. Secret shoppers
11 shall purchase ~~medical~~ marijuana or marijuana products from licensed
12 medical marijuana or adult use marijuana dispensaries.

13 B. For each purchase, the secret shopper shall buy an amount of
14 ~~medical~~ marijuana or marijuana products sufficient for five complete
15 compliance tests. Four samples shall be tested by licensed medical
16 marijuana or adult use marijuana testing laboratories, one of which
17 shall be the laboratory of origin, if applicable. One sample shall
18 be kept in reserve by the Authority in the event of a discrepancy
19 between the testing laboratories, which may require retesting of the
20 ~~medical~~ marijuana or marijuana products. When making purchases from
21 a licensed medical marijuana or adult use marijuana dispensary, the
22 secret shopper shall ask for the certificate of analysis for each
23 product purchased.

24

1 C. The secret shopper shall deliver the ~~medical~~ marijuana or
2 marijuana products to a quality assurance laboratory for
3 homogenization. Once the samples have been homogenized, the samples
4 shall be delivered to four randomly selected licensed medical
5 marijuana or adult use marijuana testing laboratories for compliance
6 testing which shall include the testing for pesticides, heavy
7 metals, microbials, residual solvents for extracted products, and
8 potency. One sample shall be kept by the Authority in reserve. If
9 the ~~medical~~ marijuana or marijuana products were previously tested
10 with available results from a licensed medical marijuana or adult
11 use marijuana testing laboratory, that testing laboratory shall be
12 one of the four licensed medical marijuana or adult use marijuana
13 testing laboratories chosen by the Authority. For the avoidance of
14 doubt, neither the licensed medical marijuana or adult use marijuana
15 dispensary nor the licensed medical marijuana or adult use marijuana
16 testing laboratory shall be told that the business entity is selling
17 ~~medical~~ marijuana or marijuana products to a secret shopper or
18 testing samples submitted by a secret shopper employed by the
19 Authority and posing as a licensed medical marijuana patient or
20 consumer.

21 D. The Authority shall inspect, by secret shopper, a minimum of
22 fifty licensed medical marijuana or adult use marijuana dispensaries
23 annually beginning January 1, 2024. In the year 2025, the Authority
24 shall inspect, by secret shopper, a minimum of ten percent (10%) of

1 randomly selected licensed medical marijuana or adult use marijuana
2 dispensaries in Oklahoma per year.

3 E. 1. When the licensed medical marijuana or adult use
4 marijuana testing laboratories unanimously confirm test results with
5 safety failures for contaminants, the Authority shall recall the
6 ~~medical~~ marijuana or marijuana product within seven (7) days of
7 obtaining the test results. The name of the licensed medical
8 marijuana or adult use marijuana dispensary and any other relevant
9 product information shall be made public via a press release issued
10 by the Authority. If there is greater than one but less than four
11 contaminant fails among the licensed medical marijuana or adult use
12 marijuana testing laboratories, the Authority shall work with a
13 quality assurance laboratory to verify the results of the licensed
14 medical marijuana or adult use marijuana testing laboratories and
15 take appropriate action.

16 2. When the average of total potency or total terpene results
17 collected from a licensed medical marijuana or adult use marijuana
18 testing laboratory for a particular product is outside the allowable
19 limits, the Authority shall work with a quality assurance laboratory
20 to verify the results of the testing laboratory. If results are
21 verified to be outside the allowable limits, the Authority shall
22 require relabeling of the ~~medical~~ marijuana or marijuana products.

23 3. All investigative results shall be retained by the Authority
24 for a minimum of three (3) years.

1 4. The Authority shall implement rules to notify any licensed
2 medical marijuana or adult use marijuana dispensary and licensed
3 medical marijuana or adult use marijuana commercial grower or
4 licensed medical marijuana or adult use marijuana processor of any
5 investigative results determined to be noncompliant.

6 5. After the licensed medical marijuana or adult use marijuana
7 dispensary and licensed medical marijuana or adult use marijuana
8 commercial grower or licensed medical marijuana or adult use
9 marijuana processor is notified of the investigative results, such
10 results may be used by the Authority to take action against the
11 licensee, assess fines, or assess other civil penalties available to
12 the Authority.

13 6. The Authority shall implement rules on sharing such
14 investigative results with any other law enforcement agencies or
15 regulatory authorities.

16 7. The Authority may elect to conduct further evaluations of
17 the investigative results at any time for verification or for other
18 purposes reasonably related to sanitation, public health, or public
19 safety.

20 F. The failure of any licensed medical marijuana or adult use
21 marijuana business to cooperate with the provisions of this section
22 may result in the revocation of the license at the discretion of the
23 Authority.

1 G. The Authority shall implement rules necessary to enforce the
2 provisions of this act.

3 SECTION 25. AMENDATORY 63 O.S. 2021, Section 428.1, is
4 amended to read as follows:

5 Section 428.1 As used in the Oklahoma Medical Marijuana Waste
6 Management Act:

7 1. "Authority" shall mean the Oklahoma ~~Medical~~ Marijuana
8 Authority, or successor agency;

9 2. "Commercial licensee" shall mean any person or entity issued
10 a license by the Oklahoma ~~Medical~~ Marijuana Authority, or successor
11 agency, to conduct commercial business in this state;

12 3. "Disposal" shall mean the disposition of ~~medical~~ marijuana
13 waste by a process which renders the waste unusable and
14 unrecognizable through physical destruction or a recycling process;

15 4. "Facility" shall mean the licensed or permitted premises
16 where the disposal of ~~medical~~ marijuana waste takes place by a
17 licensee;

18 5. "License" shall mean a ~~medical~~ marijuana waste disposal
19 license;

20 6. "Licensee" shall mean the holder of a ~~medical~~ marijuana
21 waste disposal license;

22 7. "~~Medical marijuana~~ Marijuana waste" shall mean:

23 a. unused, surplus, returned or out-of-date marijuana and
24 plant debris of the plant of the genus Cannabis

1 including dead plants and all unused plant parts,
2 except the term shall not include seeds, roots, stems,
3 stalks and fan leaves, and

4 b. all product which is deemed to fail laboratory testing
5 and cannot be remediated or decontaminated; and

6 8. "~~Medical marijuana~~ Marijuana waste disposal license" shall
7 mean a license issued by the Oklahoma ~~Medical~~ Marijuana Authority,
8 or successor agency.

9 SECTION 26. AMENDATORY 63 O.S. 2021, Section 429, is
10 amended to read as follows:

11 Section 429. A. ~~Medical marijuana~~ Marijuana waste shall be
12 subject to the provisions of the Oklahoma Medical Marijuana Waste
13 Management Act and shall not be subject to the provisions of the
14 Uniform Controlled Dangerous Substances Act. Nothing in the
15 Oklahoma Medical Marijuana Waste Management Act shall alter or
16 affect the jurisdictional areas of environmental responsibility of
17 the Department of Environmental Quality as provided for in Title 27A
18 of the Oklahoma Statutes.

19 B. Commercial licensees, ~~medical~~ marijuana research facilities
20 and ~~medical~~ marijuana education facilities shall be authorized to
21 destroy the following marijuana plant parts without being required
22 to utilize the services of a ~~medical~~ marijuana waste disposal
23 facility:

24 1. Roots;

- 1 2. Stems;
- 2 3. Fan leaves;
- 3 4. Seeds; or
- 4 5. Stalks.

5 Unless restricted by local ordinance, commercial licensees,
6 ~~medical~~ marijuana research facilities and ~~medical~~ marijuana
7 education facilities shall be authorized to destroy the above-listed
8 marijuana plant parts on-site by open burning, incineration,
9 burying, mulching, composting or any other technique approved by the
10 Department of Environmental Quality.

11 SECTION 27. AMENDATORY 63 O.S. 2021, Section 430, as
12 amended by Section 3, Chapter 317, O.S.L. 2022 (63 O.S. Supp. 2022,
13 Section 430), is amended to read as follows:

14 Section 430. A. There is hereby created and authorized a
15 ~~medical~~ marijuana waste disposal license. A person or entity in
16 possession of a ~~medical~~ marijuana waste disposal license shall be
17 entitled to possess, transport and dispose of ~~medical~~ marijuana
18 waste. No person or entity shall dispose of ~~medical~~ marijuana waste
19 without a valid ~~medical~~ marijuana waste disposal license. The
20 Oklahoma ~~Medical~~ Marijuana Authority shall issue licenses upon
21 proper application by a licensee and determination by the Authority
22 that the proposed site and facility are physically and technically
23 suitable. Upon a finding that a proposed ~~medical~~ marijuana waste
24 disposal facility is not physically or technically suitable, the

1 Authority shall deny the license. The Authority may, upon
2 determining that public health or safety requires emergency action,
3 issue a temporary license for treatment or storage of ~~medical~~
4 marijuana waste for a period not to exceed ninety (90) days. The
5 Authority shall not, for the first year of the licensure program,
6 issue more than ten ~~medical~~ marijuana waste disposal licenses. Upon
7 the conclusion of the first year, the Authority shall assess the
8 need for additional ~~medical~~ marijuana waste disposal licenses and
9 shall, if demonstrated, increase the number of licenses as deemed
10 necessary by the Authority.

11 B. Entities applying for a ~~medical~~ marijuana waste disposal
12 license shall undergo the following screening process:

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

- 15 a. an attestation that the applicant is authorized to
16 make application on behalf of the entity,
- 17 b. full name of the organization,
- 18 c. trade name, if applicable,
- 19 d. type of business organization,
- 20 e. complete mailing address,
- 21 f. an attestation that the commercial entity will not be
22 located on tribal land,
- 23 g. telephone number and email address of the entity, and
24

1 h. name, residential address and date of birth of each
2 owner and each member, manager and board member, if
3 applicable;

4 2. The application for a ~~medical~~ marijuana waste disposal
5 license made by an individual on his or her own behalf shall be on
6 the form prescribed by the Authority and shall include, but not be
7 limited to:

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

20 3. Each application shall be accompanied by the following
21 documentation:

- 22 a. a list of all persons or entities that have an
23 ownership interest in the entity,
24

- 1 b. a certificate of good standing from the Secretary of
2 State, if applicable,
- 3 c. an Affidavit of Lawful Presence for each owner,
- 4 d. proof that the proposed location of the disposal
5 facility is at least one thousand (1,000) feet from a
6 school. The distance indicated in this subparagraph
7 shall be measured from the nearest property line of
8 such school to the nearest perimeter wall of the
9 premises of such disposal facility. If any school is
10 established within one thousand (1,000) feet of any
11 disposal facility after such disposal facility has
12 been licensed, the provisions of this subparagraph
13 shall not be a deterrent to the renewal of such
14 license or warrant revocation of the license. For the
15 purposes of this section, "school" shall mean the same
16 as provided in Section 427.2 of this title, and
- 17 e. documents establishing the applicant, the members,
18 managers and board members, if applicable, and
19 seventy-five percent (75%) of the ownership interests
20 are Oklahoma residents as established in Section 420
21 et seq. of this title, as it relates to proof of
22 residency.

23 C. No license shall be issued except upon proof of sufficient
24 liability insurance and financial responsibility. Liability

1 insurance shall be provided by the applicant and shall apply to
2 sudden and nonsudden bodily injury or property damage on, below or
3 above the surface, as required by the rules of the Authority. Such
4 insurance shall be maintained for the period of operation of the
5 facility and shall provide coverage for damages resulting from
6 operation of the facility during operation and after closing.

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

21 E. The Authority shall issue an annual permit for each ~~medical~~
22 marijuana waste disposal facility operated by a licensee. A permit
23 shall be issued only upon proper application by a licensee and
24 determination by the Authority that the proposed site and facility

1 are physically and technically suitable. Upon a finding that a
2 proposed ~~medical~~ marijuana waste disposal facility is not physically
3 or technically suitable, the Authority shall deny the permit. The
4 Authority shall have the authority to revoke a permit upon a finding
5 that the site and facility are not physically and technically
6 suitable for processing. The Authority may, upon determining that
7 public health or safety requires emergency action, issue a temporary
8 permit for treatment or storage of ~~medical~~ marijuana waste for a
9 period not to exceed ninety (90) days.

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

19 G. The holder of a ~~medical~~ marijuana waste disposal license
20 shall not be required to obtain a medical marijuana or adult use
21 marijuana transporter license provided for in the Oklahoma Medical
22 Marijuana and Patient Protection Act for purposes of transporting
23 ~~medical~~ marijuana waste.

24

1 H. All commercial licensees, as defined in Section 428.1 of
2 this title, shall utilize a licensed ~~medical~~ marijuana waste
3 disposal service to process all ~~medical~~ marijuana waste generated by
4 the licensee.

5 I. ~~The State Commissioner of Health~~ Executive Director of the
6 Authority shall promulgate rules for the implementation of the
7 Oklahoma ~~Medical~~ Marijuana Waste Management Act. Promulgated rules
8 shall address disposal process standards, site security and any
9 other subject matter deemed necessary by the Authority.

10 SECTION 28. This act shall become effective September 3, 2023.

11

12 COMMITTEE REPORT BY: COMMITTEE ON ALCOHOL, TOBACCO AND CONTROLLED
13 SUBSTANCES, dated 03/02/2023 - DO PASS, As Amended.

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