

1                   **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2                                   STATE OF OKLAHOMA

3                                   1st Session of the 58th Legislature (2021)

4 COMMITTEE SUBSTITUTE  
5 FOR  
6 HOUSE BILL NO. 2646

By: Echols

7  
8                                   COMMITTEE SUBSTITUTE

9                   An Act relating to medical marijuana; amending  
10                   Section 1, State Question No. 788, Initiative  
11                   Petition No. 412, as last amended by Section 44,  
12                   Chapter 161, O.S.L. 2020 (63 O.S. Supp. 2020, Section  
13                   420), which relates to patient and caregiver  
14                   licensing requirements; specifying measurements in  
15                   grams; clarifying scope of certain offense; updating  
16                   references to licensees; specifying biannual payment  
17                   of application fees for patient licenses; providing  
18                   for reprints of licenses; setting fee amount;  
19                   providing for a three-day nonresident medical  
20                   marijuana patient permit to any nonresident medical  
21                   marijuana licensee; providing for medical marijuana  
22                   dispensaries to issue a three-day nonresident medical  
23                   marijuana patient permit; providing fee amount for a  
24                   three-day nonresident medical marijuana patient  
                  permit; providing for the renewal of a three-day  
                  nonresident medical marijuana patient permit;  
                  providing that a holder of a three-day nonresident  
                  medical marijuana patient permit is authorized to  
                  obtain up to a three-day supply of medical marijuana;  
                  requiring the Oklahoma Medical Marijuana Authority to  
                  maintain and publish a list of states that authorize  
                  the use of medical marijuana; authorizing the State  
                  Department of Health to deny patient license  
                  applications; removing certain recordkeeping  
                  requirement; specifying types of records the  
                  Department shall seal to protect privacy; updating  
                  statutory references; clarifying application  
                  requirements; amending Section 2, State Question No.  
                  788, Initiative Petition No. 412 (63 O.S. Supp. 2020,

1 Section 421), which relates to dispensary licensing  
2 requirements; updating language; increasing time  
3 limitation for reviewing dispensary license  
4 applications; authorizing the Department to deny  
5 dispensary license applications; deleting penalties  
6 for inaccurate reports and fraudulent sales;  
7 authorizing licensed dispensaries to sell pre-rolled  
8 marijuana; specifying types of products that can be  
9 used for pre-rolled marijuana; providing testing,  
10 packaging and labeling requirements; amending Section  
11 3, State Question No. 788, Initiative Petition No.  
12 412 (63 O.S. Supp. 2020, Section 422), which relates  
13 to commercial grower licensing requirements;  
14 increasing time limitation for reviewing commercial  
15 grower license applications; authorizing the  
16 Department to deny commercial grower license  
17 applications; authorizing licensed commercial growers  
18 to sell to other licensed commercial growers;  
19 deleting penalties for inaccurate reports and  
20 fraudulent sales; authorizing licensed commercial  
21 growers to sell pre-rolled marijuana; specifying  
22 types of products that can be used for pre-rolled  
23 marijuana; providing testing, packaging and labeling  
24 requirements; amending Section 4, State Question No.  
788, Initiative Petition No. 412 (63 O.S. Supp. 2020,  
Section 423), which relates to medical marijuana  
processor licensing requirements; updating language;  
increasing time limitation for reviewing processor  
license applications; authorizing the Department to  
deny processor license applications; providing for  
twice-yearly inspections of processing operations;  
deleting penalties for inaccurate reports and  
fraudulent sales; specifying name of council  
responsible for creating certain standards; amending  
Section 6, State Question No. 788, Initiative  
Petition No. 412, as last amended by Section 46,  
Chapter 161, O.S.L. 2020 (63 O.S. Supp. 2020, Section  
425), which relates to protections for medical  
marijuana patient licensees; updating language;  
deleting certain definition; specifying manner by  
which distances between certain properties shall be  
measured; providing exceptions; specifying name of  
certain act; amending Section 7, State Question No.  
788, Initiative Petition No. 412 (63 O.S. Supp. 2020,  
Section 426), which relates to the taxation of  
medical marijuana; updating language and name of  
state agency; authorizing the State Department of

1 Health to use funds for drug and alcohol prevention;  
2 amending Section 4, Chapter 509, O.S.L. 2019 (63 O.S.  
3 Supp. 2020, Section 426.1), which relates to license  
4 revocations and hearings; deleting certain exception;  
5 updating language and statutory citations; modifying  
6 information the State Department of Health may share  
7 with law enforcement; providing for an online  
8 verification system; directing the Department to  
9 share list of marijuana-licensed premises with state  
10 agencies; directing marijuana-licensed businesses to  
11 submit certain documentation when requesting a change  
12 in location; amending Section 2, Chapter 11, O.S.L.  
13 2019, as last amended by Section 48, Chapter 161,  
14 O.S.L. 2020, Section 3, Chapter 11, O.S.L. 2019, as  
15 amended by Section 6, Chapter 477, O.S.L. 2019,  
16 Section 4, Chapter 11, O.S.L. 2019, Section 6,  
17 Chapter 11, O.S.L. 2019, as amended by Section 7,  
18 Chapter 477, O.S.L. 2019, Section 7, Chapter 11,  
19 O.S.L. 2019, as amended by Section 5, Chapter 509,  
20 O.S.L. 2019, Section 9, Chapter 11, O.S.L. 2019,  
21 Section 10, Chapter 11, O.S.L. 2019, as amended by  
22 Section 2, Chapter 390, O.S.L. 2019, Section 11,  
23 Chapter 11, O.S.L. 2019, Section 13, Chapter 11,  
24 O.S.L. 2019, Section 14, Chapter 11, O.S.L. 2019, as  
last amended by Section 51, Chapter 161, O.S.L. 2020,  
Section 16, Chapter 11, O.S.L. 2019, Section 17,  
Chapter 11, O.S.L. 2019, as amended by Section 4,  
Chapter 312, O.S.L. 2019, Section 18, Chapter 11,  
O.S.L. 2019, Section 19, Chapter 11, O.S.L. 2019,  
Section 20, Chapter 11, O.S.L. 2019, Section 22,  
Chapter 11, O.S.L. 2019 and Section 23, Chapter 11,  
O.S.L. 2019, as amended by Section 11, Chapter 477,  
O.S.L. 2019 (63 O.S. Supp. 2020, Sections 427.2,  
427.3, 427.4, 427.6, 427.7, 427.9, 427.10, 427.11,  
427.13, 427.14, 427.16, 427.17, 427.18, 427.19,  
427.20, 427.22 and 427.23), which relate to the  
Oklahoma Medical Marijuana and Patient Protection  
Act; updating references to certain named act;  
modifying scope of certain definitions; deleting  
certain definitions; clarifying duties of the  
Oklahoma Medical Marijuana Authority; authorizing the  
Authority to establish fee schedule and collect fees;  
removing notice requirement for inspections;  
requiring medical marijuana business licensees to  
submit samples to a quality assurance laboratory  
under certain circumstances; allowing for on-site  
inspections and investigations of medical marijuana

1 businesses and certain facilities; authorizing the  
2 State Department of Health to enter certain  
3 facilities; providing for postlicensure inspections;  
4 providing for additional inspections under certain  
5 circumstances; deleting notice provision; removing  
6 option for licensees to obtain legal representation  
7 prior to certain interview; providing for the  
8 suspension or revocation of licenses for nonpayment  
9 of penalties; establishing penalties for inaccurate  
10 or fraudulent reports; authorizing the issuance of  
11 written orders for alleged violations; specifying  
12 contents of written orders; authorizing the  
13 Department to impose disciplinary actions and  
14 monetary penalties; allowing licensees to request an  
15 administrative hearing; directing the Department to  
16 initiate administrative proceedings upon such  
17 request; authorizing the Department to issue certain  
18 emergency order without notice or hearing; requiring  
19 immediate compliance with provisions of the order;  
20 providing for the assessment of penalties;  
21 authorizing licensees to request a hearing;  
22 clarifying privacy requirements for handling records  
23 of patients and caregivers; deleting references to  
24 certain federal act; directing the Authority to  
protect patient and caregiver records and  
information; authorizing the Authority to contact  
recommending physicians of patient licensees;  
clarifying term of application fee for disabled  
veterans; expanding certain criminal and civil  
protections to podiatrists; directing the Department  
to immediately void licenses under certain  
circumstances; allowing patients to request the  
withdrawal of a caregiver license; providing for such  
withdrawal without the right to a hearing; requiring  
certain facilities to keep transaction records and  
utilize seed-to-sale tracking system; directing  
medical marijuana businesses and facilities that  
retain inventory tracking records to comply with  
state and federal privacy laws; deleting inventory  
tracking records retention requirement; clarifying  
term of application fee for medical marijuana  
businesses; directing license renewal applicants to  
comply with certain requirements; clarifying criteria  
provisions for licensees; requiring criminal history  
background checks for license renewal applicants;  
modifying certain identification document  
requirement; providing exemption from residency

1 requirement for certain medical marijuana business  
2 license applicants; modifying list of identification  
3 documents necessary for licensure; providing for the  
4 denial of business license applications; providing  
5 for the denial of resubmitted applications under  
6 certain circumstances; prohibiting the issuance of  
7 research, education and waste disposal facility  
8 licenses to certain persons; removing directive to  
9 consider additional information about applicants with  
10 criminal history records; requesting licensees to  
11 provide certain information to the Authority;  
12 requiring medical marijuana research, education and  
13 waste disposal facility licensees to pay licensure  
14 fees prior to receiving license; establishing renewal  
15 fee for expired licenses; making late renewal fees  
16 nonrefundable; prohibiting the renewal of certain  
17 expired licenses; prohibiting medical marijuana  
18 businesses, research, education and waste disposal  
19 facilities from operating without a valid, unexpired  
20 license; allowing certain licensed medical marijuana  
21 facilities to obtain medical marijuana transporter  
22 licenses; reducing fee amount of annual transporter  
23 agent license; establishing transporter agent license  
24 reprint fee; clarifying residency requirement;  
deleting certain inventory manifest requirement;  
extending time limitation for maintaining copies of  
inventory manifests and logs; modifying scope of  
duties related to the development of testing  
practices and research methods; providing  
restrictions on laboratory ownership and the  
employment of certain persons; removing mandate that  
prohibits indirect beneficial owners from owning a  
laboratory; allowing medical marijuana testing  
laboratories to conduct certain research; authorizing  
medical marijuana testing laboratories to accept  
samples from licensed research and education  
facilities; directing the Department to develop  
standards and policies for validation procedures and  
inventory tracking systems; prohibiting the testing  
of samples from certain businesses; directing the  
Department to develop standards and policies for the  
immediate recall of medical marijuana products;  
increasing time limitation for medical marijuana  
testing laboratories to retain test results; removing  
test-batch weight requirement; providing exception to  
harvest-batch weight limitation; increasing number of  
inspections required for medical marijuana testing

1 laboratories; allowing for additional investigations  
2 and inspections of testing laboratories under certain  
3 circumstances; modifying accreditation requirements  
4 for testing laboratories; allowing licensed  
5 commercial growers to transfer certain product to  
6 licensed processors for decontamination or  
7 remediation; authorizing licensed commercial growers  
8 and licensed processors to transfer, sell or process  
9 medical marijuana and medical marijuana products upon  
10 achieving process validation; prohibiting the sale or  
11 transfer of kief; providing an exception; eliminating  
12 certain labeling requirement; clarifying terms of  
13 application fee for medical marijuana research  
14 license and medical marijuana education facility  
15 license; clarifying certain application process  
16 requirement for medical marijuana education facility  
17 license applicants; declaring all medical marijuana  
18 patient and caregiver records confidential and exempt  
19 from the Oklahoma Open Records Act; making certain  
20 records submitted to the Department confidential and  
21 exempt from the Oklahoma Open Records Act;  
22 authorizing the Department to share confidential  
23 information with other state agencies; modifying name  
24 of entity that recommends certain rules to the State  
Commissioner of Health; authorizing the Department to  
appoint additional members to the Medical Marijuana  
Advisory Council; specifying makeup of Council;  
authorizing the Department to tag or mark medical  
marijuana and medical marijuana product under certain  
conditions; authorizing the Department to embargo  
medical marijuana and medical marijuana product;  
making the removal or disposal of embargoed medical  
marijuana and medical marijuana product without  
permission unlawful; allowing the State Commissioner  
of Health to institute actions in district court for  
the condemnation and destruction of embargoed medical  
marijuana and medical marijuana product that fails to  
meet certain requirements; providing for the removal  
of embargo after certain determination by the  
Commissioner; providing exemption from liability;  
providing for the destruction of medical marijuana  
and medical marijuana product upon findings made by  
the court; requiring expenses associated with  
destruction, court costs and fees to be paid by owner  
or defendant; authorizing courts to order delivery of  
medical marijuana and medical marijuana product to  
owner or defendant under certain circumstances;

1 directing expenses for supervision be paid to  
2 Commissioner by certain person; amending Sections 2,  
3 3 and 4, Chapter 337, O.S.L. 2019 (63 O.S. Supp.  
4 2020, Sections 428.1, 429 and 430), which relate to  
5 the Oklahoma Medical Marijuana Waste Management Act;  
6 updating name of act; modifying scope of certain  
7 definitions; authorizing the destruction of marijuana  
8 roots and stalks; deleting documentation requirements  
9 for entities that engage in the disposal of medical  
10 marijuana waste; deleting requirement to maintain  
11 disposal records; clarifying scope of certain  
12 prohibited act; specifying manner by which distance  
13 requirements shall be measured for waste disposal  
14 facilities; removing alternative options for  
15 liability insurance requirement; providing for annual  
16 permits; directing the deposit of license and permit  
17 fees into different revolving fund; providing for  
18 codification; and providing an effective date.

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

20 SECTION 1. AMENDATORY Section 1, State Question No. 788,  
21 Initiative Petition No. 412, as last amended by Section 44, Chapter  
22 161, O.S.L. 2020 (63 O.S. Supp. 2020, Section 420), is amended to  
23 read as follows:

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

1. Consume marijuana legally;
2. Legally possess up to three (3) ounces or eighty-four and  
nine-tenths (84.9) grams of marijuana on their person;
3. Legally possess six mature marijuana plants;
4. Legally possess six seedling plants;

1        5. Legally possess one (1) ounce or twenty-eight and three-  
2 tenths (28.3) grams of concentrated marijuana;

3        6. Legally possess seventy-two (72) ounces or two thousand  
4 thirty-seven and six-tenths (2,037.6) grams of edible marijuana; and

5        7. Legally possess up to eight (8) ounces or two hundred  
6 twenty-six and four-tenths (226.4) grams of marijuana in their  
7 residence.

8        B. Possession of up to one and one-half (1.5) ounces or forty-  
9 two and forty-five one-hundredths (42.45) grams of marijuana by  
10 persons who can state a medical condition, but are not in possession  
11 of a state-issued medical marijuana patient license, shall  
12 constitute a misdemeanor offense not subject to imprisonment but  
13 punishable by a fine not to exceed Four Hundred Dollars (\$400.00)  
14 ~~and shall not be subject to imprisonment for the offense.~~ Any law  
15 enforcement officer who comes in contact with a person in violation  
16 of this subsection and who is satisfied as to the identity of the  
17 person, as well as any other pertinent information the law  
18 enforcement officer deems necessary, shall issue to the person a  
19 written citation containing a notice to answer the charge against  
20 the person in the appropriate court. Upon receiving the written  
21 promise of the alleged violator to answer as specified in the  
22 citation, the law enforcement officer shall release the person upon  
23 personal recognizance unless there has been a violation of another  
24 provision of law.



1 C. A regulatory office shall be established under the State  
2 Department of Health which shall receive applications for medical  
3 marijuana patient and caregiver license recipients, dispensaries,  
4 growers, and ~~packagers~~ processors within sixty (60) days of the  
5 passage of this initiative.

6 D. The State Department of Health shall, within thirty (30)  
7 days of passage of this initiative, make available on its website,  
8 in an easy-to-find location, an application for a medical marijuana  
9 patient license. The license shall be ~~good~~ valid for two (2) years.  
10 The biannual application fee shall be One Hundred Dollars (\$100.00),  
11 or Twenty Dollars (\$20.00) for individuals on Medicaid, Medicare or  
12 SoonerCare. The methods of payment shall be provided on the website  
13 of the Department. Reprints of the medical marijuana patient  
14 license shall be Twenty Dollars (\$20.00).

15 E. A short-term medical marijuana patient license application  
16 shall also be made available on the website of the State Department  
17 of Health. A short-term medical marijuana patient license shall be  
18 granted to any applicant who can meet the requirements for a two-  
19 year medical marijuana patient license, but whose physician  
20 recommendation for medical marijuana is only valid for sixty (60)  
21 days. Short-term medical marijuana patient licenses shall be issued  
22 for sixty (60) days. The fee for a short-term medical marijuana  
23 patient license, reprints of the short-term medical marijuana  
24

1 patient license, and the procedure for extending or renewing the  
2 license shall be determined by the Department.

3 F. A temporary medical marijuana patient license application  
4 shall also be ~~made~~ available on the website of the State Department  
5 of Health for residents of other states. A temporary medical  
6 marijuana patient license shall be granted to any medical marijuana  
7 license holder from other states, provided that the state has a  
8 state-regulated medical marijuana program, and the applicant can  
9 prove he or she is a member of such program. Temporary medical  
10 marijuana patient licenses shall be issued for thirty (30) days.  
11 The cost for a temporary medical marijuana patient license shall be  
12 One Hundred Dollars (\$100.00). Renewal shall be granted with  
13 resubmission of a new application. No additional criteria shall be  
14 required. Reprints of the temporary medical marijuana patient  
15 license shall be Twenty Dollars (\$20.00).

16 G. 1. A three-day nonresident medical marijuana patient permit  
17 shall be available to any nonresident medical marijuana patient  
18 licensee.

19 2. Upon presentation of a valid medical marijuana license and  
20 state-issued driver license or state-issued identification card by a  
21 nonresident medical marijuana patient to a licensed medical  
22 marijuana dispensary, the medical marijuana dispensary shall verify  
23 the authenticity and status of the nonresident medical marijuana  
24 patient license through the website or telephone verification system

1 of the Oklahoma Medical Marijuana Authority. Upon said  
2 verification, the medical marijuana dispensary may issue a three-day  
3 nonresident medical marijuana patient permit to the person. The  
4 cost of the three-day nonresident medical marijuana patient permit  
5 shall be Seventy-five Dollars (\$75.00). Renewal of the three-day  
6 nonresident medical marijuana patient permit shall be granted with  
7 resubmission of the permit fee and verification of the authenticity  
8 and status of the nonresident medical marijuana patient license.  
9 There shall be no limit to the number of times a person may receive  
10 a three-day nonresident medical marijuana patient permit.

11 3. A person who has been issued a three-day nonresident medical  
12 marijuana patient permit shall be authorized to obtain no more than  
13 a three-day supply of medical marijuana. As used in this  
14 subsection, a "three-day supply" means the amount of medical  
15 marijuana reasonably necessary to ensure uninterrupted availability  
16 of supply for a three-day period, which amounts shall be determined  
17 by the Authority.

18 4. The Authority shall maintain and publish a list of states  
19 that authorize the medical use of marijuana. The Authority shall  
20 make the information available to licensed medical marijuana  
21 dispensaries for purposes of verifying the authenticity and status  
22 of nonresident medical marijuana patient licenses. The Authority  
23 shall be authorized to promulgate rules and procedures to implement  
24 the provisions of this subsection.

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

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

16        ~~I.~~ ~~The State Department of Health shall only keep the following~~  
17 ~~records for each approved medical marijuana license:~~

18        ~~1. A digital photograph of the license holder;~~

19        ~~2. The expiration date of the license;~~

20        ~~3. The county where the card was issued; and~~

21        ~~4. A unique 24-character identification number assigned to the~~  
22 ~~license.~~

23        J. The State Department of Health shall make available, both on  
24 its website and through a telephone verification system, an easy

1 method to validate the authenticity of the medical marijuana patient  
2 license by the unique 24-character identification number.

3 K. The State Department of Health shall ensure that all  
4 ~~application~~ medical marijuana patient and caregiver records and  
5 information are sealed to protect the privacy of medical marijuana  
6 patient license applicants.

7 L. A caregiver license shall be made available for qualified  
8 caregivers of a medical marijuana patient license holder who is  
9 homebound. As provided in Section ~~41~~ 427.11 of ~~Enrolled House Bill~~  
10 ~~No. 2612 of the 1st Session of the 57th Oklahoma Legislature~~ this  
11 title, the caregiver license shall provide the caregiver the same  
12 rights as the medical marijuana patient licensee, including the  
13 ability to possess marijuana, marijuana products and mature and  
14 immature plants pursuant to the Oklahoma Medical Marijuana and  
15 Patient Protection Act, but excluding the ability to use marijuana  
16 or marijuana products unless the caregiver has a medical marijuana  
17 patient license. ~~An applicant~~ Applicants for a caregiver license  
18 shall submit proof of the license status and homebound status of the  
19 medical marijuana patient and proof that the applicant is the  
20 designee of the medical marijuana patient. The applicant shall also  
21 submit proof that he or she is eighteen (18) years of age or older  
22 and proof of his or her Oklahoma residency. ~~This shall be the only~~  
23 ~~criteria for a caregiver license.~~

24

1 M. All applicants for a medical marijuana patient license shall  
2 be eighteen (18) years of age or older. A special exception shall  
3 be granted to an applicant under the age of eighteen (18); however,  
4 these applications shall be signed by two physicians and the parent  
5 or legal guardian of the applicant.

6 N. All applications for a medical marijuana patient license  
7 shall be signed by an Oklahoma physician licensed by and in good  
8 standing with the State Board of Medical Licensure and Supervision  
9 or the State Board of Osteopathic Examiners. There are no  
10 qualifying conditions. A medical marijuana patient license ~~must~~  
11 shall be recommended according to the accepted standards a  
12 reasonable and prudent physician would follow when recommending or  
13 approving any medication. No physician may be unduly stigmatized or  
14 harassed for signing a medical marijuana patient license  
15 application.

16 O. Counties and cities may enact medical marijuana guidelines  
17 allowing medical marijuana patient license holders or ~~caregivers~~  
18 caregiver license holders to exceed the state limits set forth in  
19 subsection A of this section.

20 SECTION 2. AMENDATORY Section 2, State Question No. 788,  
21 Initiative Petition No. 412 (63 O.S. Supp. 2020, Section 421), is  
22 amended to read as follows:

23 Section 421. A. The ~~Oklahoma~~ State Department of Health shall,  
24 within thirty (30) days of passage of this initiative, make

1 available, on ~~their~~ its website, in an easy-to-find location, an  
2 application for a medical marijuana dispensary license. The  
3 application fee shall be Two Thousand Five Hundred Dollars  
4 (\$2,500.00) and ~~a.~~ A method of payment ~~will~~ shall be provided on  
5 the website of the Department. ~~Retail~~ Dispensary applicants must  
6 all be ~~Oklahoma state~~ residents of Oklahoma. Any entity applying  
7 for a ~~retail~~ dispensary license must be owned by an Oklahoma ~~state~~  
8 resident and must be registered to do business in Oklahoma. The  
9 ~~Oklahoma~~ State Department of Health shall have ~~two (2) weeks~~ ninety  
10 (90) business days to review the application, approve or, reject or  
11 deny the application, and mail the approval/rejection approval,  
12 rejection or denial letter ~~(if rejected,~~ stating reasons for  
13 ~~rejection)~~ the rejection or denial to the applicant.

14 B. The ~~Oklahoma~~ State Department of Health ~~must~~ shall approve  
15 all applications which meet the following criteria:

16 1. ~~Applicant~~ The applicant must be ~~age~~ twenty-five (25) years  
17 of age or older;

18 2. ~~Any~~ The applicant, if applying as an individual, must show  
19 residency in the State of Oklahoma;

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

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

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

3 6. All applicants must disclose all ownership ~~+~~ interests in the  
4 dispensary.

5 7. ~~Applicant(s)~~ Applicants with ~~only~~ a nonviolent felony  
6 ~~conviction(s)~~ conviction in the last two (2) years, any other felony  
7 conviction in ~~five 5 (years)~~ the last five (5) years, inmates in the  
8 custody of the Department of Corrections, or any person currently  
9 incarcerated ~~may~~ shall not qualify for a medical marijuana  
10 dispensary license.

11 C. ~~Retailers will~~ Licensed medical marijuana dispensaries shall  
12 be required to complete a monthly sales report to the ~~Oklahoma~~ State  
13 Department of Health. This report ~~will~~ shall be due on the 15<sup>th</sup>  
14 fifteenth of each month and provide reporting on the previous month.  
15 This report ~~will~~ shall detail the weight of marijuana purchased at  
16 wholesale and the weight of marijuana sold to ~~card holders~~ licensed  
17 medical marijuana patients and licensed caregivers, and account for  
18 any waste. The report ~~will~~ shall show total sales in dollars, tax  
19 collected in dollars, and tax due in dollars. The ~~Oklahoma~~ State  
20 Department of Health ~~will~~ shall have oversight and auditing  
21 responsibilities to ensure that all marijuana being grown is  
22 accounted for. ~~A retailer will only be subject to a penalty if a~~  
23 ~~gross discrepancy exists and cannot be explained. Penalties for~~  
24 ~~fraudulent reporting occurring within any 2 year time period will be~~



1 ~~an initial fine of Five Thousand Dollars (\$5,000.00) (first) and~~  
2 ~~revocation of licensing (second).~~

3 D. Only a licensed medical marijuana ~~retailer~~ dispensary may  
4 conduct retail sales of marijuana, or marijuana derivatives ~~in the~~  
5 ~~form provided by licensed processors, and these products can only be~~  
6 ~~sold to a medical marijuana license holder or their caregiver.~~  
7 ~~Penalties for fraudulent sales occurring within any 2 year time~~  
8 ~~period will be an initial fine of Five Thousand Dollars (\$5,000.00)~~  
9 ~~(first) and revocation of licensing (second).~~ Beginning on the  
10 effective date of this act, licensed medical marijuana dispensaries  
11 shall be authorized to package and sell pre-rolled marijuana to  
12 licensed medical marijuana patients and licensed caregivers. The  
13 products described in this subsection shall contain only the ground  
14 parts of the marijuana plant and shall not include marijuana  
15 concentrates or derivatives. The total net weight of each pre-roll  
16 packaged and sold by a medical marijuana dispensary shall not exceed  
17 one (1) gram. These products shall be tested, packaged and labeled  
18 in accordance with Oklahoma law and rules promulgated by the State  
19 Commissioner of Health.

20 SECTION 3. AMENDATORY Section 3, State Question No. 788,  
21 Initiative Petition No. 412 (63 O.S. Supp. 2020, Section 422), is  
22 amended to read as follows:

23 Section 422. A. The ~~Oklahoma~~ State Department of Health ~~will~~  
24 shall, within thirty (30) days of passage of this initiative, make

1 available, on ~~their~~ its website, in an easy-to-find location, an  
2 application for a commercial grower license. The application fee  
3 ~~will~~ shall be Two Thousand Five Hundred Dollars (\$2,500.00) ~~and~~  
4 ~~methods.~~ A method of payment ~~will~~ shall be provided on the website  
5 of the Department. The ~~Oklahoma~~ State Department of Health ~~has two~~  
6 ~~(2) weeks~~ shall have ninety (90) days to review the application,;  
7 approve ~~or,~~ reject or deny the application,; and mail the  
8 ~~approval/rejection~~ approval, rejection or denial letter ~~(if~~  
9 ~~rejected,~~ stating the reasons for ~~rejection)~~ the rejection or denial  
10 to the applicant.

11 B. The ~~Oklahoma~~ State Department of Health ~~must~~ shall approve  
12 all applications which meet the following criteria:

13 1. ~~Applicant~~ The applicant must be ~~age~~ twenty-five (25) years  
14 of age or older;

15 2. ~~Any~~ The applicant, if applying as an individual, must show  
16 residency in the State of Oklahoma;

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

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

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

24

1 6. All applicants must disclose all ownership ~~interests~~ interests in the  
2 commercial grower operation.

3 ~~7. Applicant(s)~~ Applicants with ~~only~~ a nonviolent felony  
4 ~~conviction(s)~~ conviction in the last two (2) years, any other felony  
5 conviction in the last five (5) years, inmates in the custody of the  
6 Department of Corrections, or any person currently incarcerated ~~may~~  
7 shall not qualify for a commercial grower license.

8 C. A licensed commercial grower may sell marijuana to a  
9 licensed ~~retailer~~, dispensary or a licensed ~~packager~~ processor.  
10 Further, ~~these sales will~~ by a licensed commercial grower shall be  
11 considered wholesale sales and shall not be subject to taxation.

12 Under no circumstances may a licensed commercial grower sell  
13 marijuana directly to a licensed medical marijuana ~~license holder~~  
14 patient or licensed caregiver. A licensed commercial grower may  
15 only sell at the wholesale level to a licensed ~~retailer~~ dispensary,  
16 a licensed grower or a licensed processor. If the federal  
17 government lifts restrictions on buying and selling marijuana  
18 between states, then a licensed commercial grower would be allowed  
19 to sell and buy marijuana wholesale from, or to, an out-of-state  
20 wholesale provider. A licensed commercial grower ~~will~~ shall be  
21 required to complete a monthly yield and sales report to the  
22 ~~Oklahoma~~ State Department of Health. This report ~~will~~ shall be due  
23 on the 15<sup>th</sup> fifteenth of each month and provide reporting on the  
24 previous month. This report ~~will~~ shall detail the amount of

1 marijuana harvested in pounds, the amount of drying or dried  
2 marijuana on hand, the amount of marijuana sold to licensed  
3 processors in pounds, the amount of waste in pounds, and the amount  
4 of marijuana sold to ~~retailers~~ licensed dispensaries in ~~lbs~~ pounds.  
5 Additionally, this report ~~will~~ shall show total wholesale sales in  
6 dollars. The ~~Oklahoma~~ State Department of Health ~~will~~ shall have  
7 oversight and auditing responsibilities to ensure that all marijuana  
8 being grown by licensed commercial growers is accounted for. A  
9 ~~licensed grower will only be subject to a penalty if a gross~~  
10 ~~discrepancy exists and cannot be explained. Penalties for~~  
11 ~~fraudulent reporting or sales occurring within any 2 year time~~  
12 ~~period will be an initial fine of Five Thousand Dollars (\$5,000.00)~~  
13 ~~(first) and revocation of licensing (second).~~

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

16 E. Beginning on the effective date of this act, licensed  
17 commercial growers shall be authorized to package and sell pre-  
18 rolled marijuana to licensed medical marijuana dispensaries. The  
19 products described in this subsection shall contain only the ground  
20 parts of the marijuana plant and shall not include marijuana  
21 concentrates or derivatives. The total net weight of each pre-roll  
22 packaged and sold by medical marijuana commercial growers shall not  
23 exceed one (1) gram. These products must be tested, packaged and  
24

1 labeled in accordance with Oklahoma law and rules promulgated by the  
2 State Commissioner of Health.

3 SECTION 4. AMENDATORY Section 4, State Question No. 788,  
4 Initiative Petition No. 412 (63 O.S. Supp. 2020, Section 423), is  
5 amended to read as follows:

6 Section 423. A. The ~~Oklahoma~~ State Department of Health shall,  
7 within thirty (30) days of passage of this initiative, make  
8 available ~~on their~~ its website~~,~~ in an easy-to-find location~~,~~ an  
9 application for a medical marijuana processing license. The  
10 application fee shall be Two Thousand Five Hundred Dollars  
11 (\$2,500.00) ~~and methods.~~ A method of payment ~~will~~ shall be provided  
12 on the website of the Department. The ~~Oklahoma~~ State Department of  
13 Health shall have ~~two (2) weeks~~ ninety (90) days to review the  
14 application~~;~~ approve or, reject or deny the application~~;~~ and mail  
15 the ~~approval/rejection~~ approval, rejection or denial letter ~~(if~~  
16 ~~rejected,~~ stating the reasons for ~~rejection)~~ the rejection or denial  
17 to the applicant.

18 B. The ~~Oklahoma~~ State Department of Health ~~must~~ shall approve  
19 all applications which meet the following criteria:

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

22 2. ~~Any~~ 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 ~~7. Applicant(s)~~ Applicants with ~~only a~~ conviction(s) conviction in the last two (2) years, any other felony  
11 conviction in the last five (5) years, inmates in the custody of the  
12 Department of Corrections, or any person currently incarcerated ~~may~~  
13 shall not qualify for a medical marijuana processing license.

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

17 2. As required by subsection D of this section, the ~~Oklahoma~~  
18 State Department of Health ~~will~~ shall, within sixty (60) days of  
19 passage of this initiative, make available a set of standards which  
20 ~~will~~ shall be used by licensed processors in the preparation of  
21 edible marijuana products. ~~This~~ The standards should be in line  
22 with current food preparation guidelines ~~and no.~~ No excessive or  
23  
24

1 punitive rules may be established by the ~~Oklahoma~~ State Department  
2 of Health. ~~Once~~

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

10 4. A licensed processor may sell marijuana products it creates  
11 to a licensed ~~retailer,~~ dispensary or any other licensed processor.  
12 ~~Further, these~~ All sales ~~will~~ by a licensed processor shall be  
13 considered wholesale sales and shall not be subject to taxation.

14 5. Under no circumstances may a licensed processor sell  
15 marijuana~~,~~ or any marijuana product~~,~~ directly to a licensed medical  
16 marijuana ~~license holder~~ patient or licensed caregiver. However, a  
17 licensed processor may process cannabis into a concentrated form~~,~~  
18 for a licensed medical ~~license holder,~~ marijuana patient for a fee.  
19 ~~Processors will~~

20 6. Licensed processors shall be required to complete a monthly  
21 yield and sales report to the ~~Oklahoma~~ State Department of Health.  
22 This report ~~will~~ shall be due on the 15<sup>th</sup> fifteenth of each month and  
23 shall provide reporting on the previous month. This report ~~will~~  
24 shall detail the amount of marijuana and medical marijuana products

1 purchased in pounds, the amount of marijuana cooked or processed in  
2 pounds, and the amount of waste in pounds. Additionally, this  
3 report ~~will~~ shall show total wholesale sales in dollars. The  
4 ~~Oklahoma~~ State Department of Health ~~will~~ shall have oversight and  
5 auditing responsibilities to ensure that all marijuana being ~~grown~~  
6 processed is accounted for. ~~A licensed processor will only be~~  
7 ~~subject to a penalty if a gross discrepancy exists and cannot be~~  
8 ~~explained. Penalties for fraudulent reporting occurring within any~~  
9 ~~2 year time period will be an initial fine of Five Thousand Dollars~~  
10 ~~(\$5,000.00) (first) and revocation of licensing (second).~~

11 D. The Department shall oversee the inspection and compliance  
12 of licensed processors producing products with marijuana as an  
13 additive. The ~~Oklahoma~~ State Department of Health ~~will~~ shall be  
14 compelled to, within thirty (30) days of passage of this initiative,  
15 appoint ~~a board of~~ twelve (12) Oklahoma residents to the Medical  
16 Marijuana Advisory Council, who are marijuana industry experts, to  
17 create a list of food safety standards for processing and handling  
18 medical marijuana in Oklahoma. These standards ~~will~~ shall be  
19 adopted by the ~~agency~~ Department and the ~~agency can~~ Department may  
20 enforce these standards for licensed processors. The ~~agency will~~  
21 Department shall develop a standards review procedure and these  
22 standards can be altered by calling another ~~board~~ council of twelve  
23 (12) Oklahoma marijuana industry experts. A signed letter of twenty  
24



1 ~~(20)~~ operating, licensed processors ~~would~~ shall constitute a need  
2 for a new ~~board~~ council and ~~standard~~ standards review.

3 E. If it becomes permissible~~7~~ under federal law, marijuana may  
4 be moved across state lines.

5 F. Any device used for the processing or consumption of medical  
6 marijuana shall be considered legal to be sold, manufactured,  
7 distributed~~7~~ and possessed. No merchant, wholesaler, manufacturer~~7~~  
8 or individual may ~~unduly~~ be unduly harassed or prosecuted for  
9 selling, manufacturing~~7~~ or ~~possession of medical~~ possessing  
10 marijuana paraphernalia.

11 SECTION 5. AMENDATORY Section 6, State Question No. 788,  
12 Initiative Petition No. 412, as last amended by Section 46, Chapter  
13 161, O.S.L. 2020 (63 O.S. Supp. 2020, Section 425), is amended to  
14 read as follows:

15 Section 425. A. No school or landlord may refuse to enroll or  
16 lease to and may not otherwise penalize a person solely for his or  
17 her status as a medical marijuana ~~license holder~~ patient licensee,  
18 unless failing to do so would cause the school or landlord the  
19 potential to lose a monetary or licensing-related benefit under  
20 federal law or regulations.

21 B. Unless a failure to do so would cause an employer the  
22 potential to lose a monetary or licensing-related benefit under  
23 federal law or regulations, an employer may not discriminate against  
24

1 a person in hiring, termination or imposing any term or condition of  
2 employment or otherwise penalize a person based upon ~~either:~~

3 ~~1. The status of the person as a medical marijuana license~~  
4 ~~holder; or~~

5 ~~2. patient licensee.~~ Employers may take action against a ~~holder~~  
6 ~~of a medical marijuana license patient licensee if the holder~~  
7 ~~licensee uses or possesses marijuana while in his or her place of~~  
8 ~~employment or during the hours of employment. Employers may not~~  
9 ~~take action against ~~the holder of~~ a medical marijuana license~~  
10 ~~patient licensee solely based upon the status of an employee as a~~  
11 ~~medical marijuana license holder patient licensee or the results of~~  
12 ~~a drug test showing positive for marijuana or its components.~~

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

20 D. No medical marijuana ~~license holder~~ patient licensee may be  
21 denied custody of or visitation or parenting time with a minor  
22 child, and there is no presumption of neglect or child endangerment  
23 for conduct allowed under this law, unless the behavior of the  
24

1 ~~person~~ medical marijuana patient licensee creates an unreasonable  
2 danger to the safety of the minor child.

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

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

11 2. For purposes of this subsection, an undue change or  
12 restriction of municipal zoning laws means an act which entirely  
13 prevents ~~retail~~ medical marijuana ~~establishments~~ dispensaries from  
14 operating within municipal boundaries as a matter of law.

15 Municipalities may follow their standard planning and zoning  
16 procedures to determine if certain zones or districts would be  
17 appropriate for locating marijuana-licensed premises, medical  
18 marijuana businesses or any other premises where marijuana or its  
19 by-products are cultivated, grown, processed, stored or  
20 manufactured.

21 3. ~~For purposes of this section, "retail marijuana~~  
22 ~~establishment"~~ means an entity licensed by the State Department of  
23 Health as a medical marijuana dispensary. ~~Retail~~ A medical  
24 marijuana ~~establishment~~ dispensary does not include those other

1 entities licensed by the Department as marijuana-licensed premises,  
2 medical marijuana businesses or other facilities or locations where  
3 marijuana or any product containing marijuana or its by-products are  
4 cultivated, grown, processed, stored or manufactured.

5 G. The location of any ~~retail~~ medical marijuana ~~establishment~~  
6 dispensary is specifically prohibited within one thousand (1,000)  
7 feet of any public or private school ~~entrance~~. The distance  
8 indicated in this section shall be measured from the nearest  
9 property line of such public or private school to the nearest  
10 perimeter wall of the licensed premises of such medical marijuana  
11 dispensary. If a medical marijuana dispensary met the requirements  
12 of this subsection at the time of its initial licensure, the medical  
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, despite subsequent events or  
16 changes in regulations occurring after licensure that would render  
17 the medical marijuana dispensary in violation by being within one  
18 thousand (1,000) feet of a public or private school. If any public  
19 or private school is established within one thousand (1,000) feet of  
20 any medical marijuana dispensary after such dispensary has been  
21 licensed, the provisions of this subsection shall not be a deterrent  
22 to the renewal of such license or warrant revocation of the license.  
23 For purposes of this subsection, a property owned, used or operated  
24 by a public or private school that is not used for classroom

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

6 H. Research shall be provided for under this law. A researcher  
7 may apply to the State Department of Health for a special research  
8 license. The research license shall be granted, provided the  
9 applicant meets the criteria listed ~~under subsection B of Section~~  
10 ~~421 of this title~~ in the Medical Marijuana and Patient Protection  
11 Act. Research ~~license holders~~ licensees shall be required to file  
12 monthly consumption reports to the State Department of Health with  
13 amounts of marijuana used for research. Biomedical and clinical  
14 research which is subject to federal regulations and institutional  
15 oversight shall not be subject to oversight by the State Department  
16 of Health ~~oversight~~.

17 SECTION 6. AMENDATORY Section 7, State Question No. 788,  
18 Initiative Petition No. 412 (63 O.S. Supp. 2020, Section 426), is  
19 amended to read as follows:

20 Section 426. A. The tax on retail medical marijuana sales ~~will~~  
21 shall be established at seven percent (7%) of the gross amount  
22 received by the seller.

23  
24

1 B. This tax ~~will~~ shall be collected at the point of sale. Tax  
2 proceeds ~~will~~ shall be applied primarily to finance the regulatory  
3 office.

4 C. If proceeds from the levy authorized by subsection A of this  
5 section exceed the budgeted amount for running the regulatory  
6 office, any surplus shall be apportioned with seventy-five percent  
7 (75%) going to the General Revenue Fund and may only be expended for  
8 common education. Twenty-five percent (25%) shall be apportioned to  
9 the ~~Oklahoma~~ State Department of Health and earmarked for drug and  
10 alcohol rehabilitation and prevention.

11 SECTION 7. AMENDATORY Section 4, Chapter 509, O.S.L.  
12 2019 (63 O.S. Supp. 2020, Section 426.1), is amended to read as  
13 follows:

14 Section 426.1 A. ~~Except for revocation hearings concerning~~  
15 ~~licensed patients, as defined in Section 2 of Enrolled House Bill~~  
16 ~~No. 2612 of the 1st Session of the 57th Oklahoma Legislature, all~~  
17 All licensure revocation hearings conducted pursuant to marijuana  
18 licenses established in the Oklahoma Statutes shall be recorded. A  
19 party may request a copy of the recording of the proceedings.  
20 Copies shall be provided to local law enforcement if the revocation  
21 was based on alleged criminal activity.

22 B. The State Department of Health shall assist any law  
23 enforcement officer in the performance of his or her duties upon  
24 such request by the law enforcement officer or the request of other

1 local officials having jurisdiction. Except for license information  
2 concerning licensed patients, as defined in Section ~~2~~ 427.2 of  
3 ~~Enrolled House Bill No. 2612 of the 1st Session of the 57th Oklahoma~~  
4 ~~Legislature~~ this title, the Department shall share information with  
5 law enforcement agencies upon request without a subpoena or search  
6 warrant.

7 C. The State Department of Health shall make available all  
8 information ~~displayed on medical marijuana licenses, as well as on~~  
9 whether or not ~~the~~ a medical marijuana patient or caregiver license  
10 is valid, to law enforcement electronically through ~~the Oklahoma Law~~  
11 ~~Enforcement Telecommunications System~~ an online verification system.

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

20 E. All marijuana-licensed premises, medical marijuana  
21 businesses or any other premises where marijuana or its by-products  
22 are licensed to be cultivated, grown, processed, stored or  
23 manufactured shall submit with their application or request to  
24 change location, after notifying the political subdivision of their

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

6 SECTION 8. AMENDATORY Section 2, Chapter 11, O.S.L.  
7 2019, as last amended by Section 48, Chapter 161, O.S.L. 2020 (63  
8 O.S. Supp. 2020, Section 427.2), is amended to read as follows:

9 Section 427.2 As used in ~~this act~~ the Oklahoma Medical  
10 Marijuana and Patient Protection Act:

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

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

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

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

24



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

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

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

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

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

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

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

6 12. "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. "Dispensary" means a medical marijuana dispensary, an  
12 entity that has been licensed by the Department pursuant to ~~this act~~  
13 the Oklahoma Medical Marijuana and Patient Protection Act to  
14 purchase medical marijuana or medical marijuana products from a  
15 licensed medical marijuana commercial grower or licensed medical  
16 marijuana processor, to package pre-rolls, and to sell medical  
17 marijuana or medical marijuana products to licensed patients and  
18 caregivers as defined ~~under~~ in this act section, or sell or transfer  
19 products to another licensed dispensary;

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

24

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

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

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

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

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

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

24

- 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 business~~  
7           ~~or applicant have been operated in a manner that~~  
8           ~~adversely affects the public health or welfare or the~~  
9           ~~safety of the immediate vicinity in which the~~  
10           ~~establishment is located;~~

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

15           ~~21.~~ 20. "Harvested marijuana" means ~~post-flowering~~  
16 postflowering medical marijuana not including trim, concentrate or  
17 waste;

18           ~~22.~~ 21. "Heat- or pressure-based medical marijuana concentrate"  
19 means a medical marijuana concentrate that was produced by  
20 extracting cannabinoids from medical marijuana through the use of  
21 heat or pressure;

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

1       ~~24.~~ 23. "Inventory tracking system" means the required tracking  
2 system that accounts for the entire life span of medical marijuana  
3 ~~from either the seed or immature plant stage until the medical~~  
4 ~~marijuana or~~ and medical marijuana ~~product is sold to a patient at a~~  
5 products, including any testing samples thereof and medical  
6 marijuana dispensary, ~~transferred to a medical marijuana research~~  
7 ~~facility, destroyed by a medical marijuana business or used in a~~  
8 ~~research project by a medical marijuana research facility~~ waste;

9       ~~25.~~ 24. "Licensed patient" or "patient" means a person who has  
10 been issued a medical marijuana patient license by the State  
11 Department of Health or Oklahoma Medical Marijuana Authority;

12       ~~26.~~ 25. "Licensed premises" means the premises specified in an  
13 application for a medical marijuana business license, medical  
14 marijuana research facility license or medical marijuana education  
15 facility license pursuant to ~~this act~~ the Oklahoma Medical Marijuana  
16 and Patient Protection Act that are owned or in possession of the  
17 licensee and within which the licensee is authorized to cultivate,  
18 manufacture, distribute, sell, store, transport, test or research  
19 medical marijuana or medical marijuana products in accordance with  
20 the provisions of ~~this act~~ the Oklahoma Medical Marijuana and  
21 Patient Protection Act and rules promulgated pursuant thereto;

22       ~~27.~~ 26. "Manufacture" means the production, propagation,  
23 compounding or processing of a medical marijuana product, excluding  
24 marijuana plants, either directly or indirectly by extraction from

1 substances of natural or synthetic origin, or independently by means  
2 of chemical synthesis, or by a combination of extraction and  
3 chemical synthesis;

4 ~~28.~~ 27. "Marijuana" shall have the same meaning as such term is  
5 defined in Section 2-101 of ~~Title 63 of the Oklahoma Statutes~~ this  
6 title;

7 ~~29.~~ 28. "Material change" means any change that would ~~require a~~  
8 ~~substantive revision to the standard operating procedures of a~~  
9 ~~licensee for the cultivation or production of medical marijuana,~~  
10 ~~medical marijuana concentrate or medical marijuana products~~ affect  
11 the qualifications for licensure of an applicant or licensee;

12 ~~30.~~ 29. "Mature plant" means a harvestable female marijuana  
13 plant that is flowering;

14 ~~31.~~ 30. "Medical marijuana business (MMB)" means a licensed  
15 medical marijuana dispensary, medical marijuana processor, medical  
16 marijuana commercial grower, medical marijuana laboratory, medical  
17 marijuana business operator, or a medical marijuana transporter;

18 ~~32.~~ 31. "Medical marijuana concentrate" or "concentrate" means  
19 a specific subset of medical marijuana that was produced by  
20 extracting cannabinoids from medical marijuana. Categories of  
21 medical marijuana concentrate include water-based medical marijuana  
22 concentrate, food-based medical marijuana concentrate, solvent-based  
23 medical marijuana concentrate, and heat- or pressure-based medical  
24 marijuana concentrate;

1       ~~33.~~ 32. "Medical marijuana commercial grower" or "commercial  
2 grower" means an entity licensed to cultivate, prepare and package  
3 medical marijuana or package medical marijuana as pre-rolls, and  
4 transfer or contract for transfer medical marijuana and medical  
5 marijuana pre-rolls to a medical marijuana dispensary, medical  
6 marijuana processor, any other medical marijuana commercial grower,  
7 medical marijuana research facility~~7~~, and medical marijuana education  
8 facility ~~and pesticide manufacturers~~. A commercial grower may sell  
9 seeds, flower or clones to commercial growers pursuant to ~~this act~~  
10 the Oklahoma Medical Marijuana and Patient Protection Act;

11       ~~34.~~ 33. "Medical marijuana education facility" or "education  
12 facility" means a person or entity approved pursuant to ~~this act~~ the  
13 Oklahoma Medical Marijuana and Patient Protection Act to operate a  
14 facility providing training and education to individuals involving  
15 the cultivation, growing, harvesting, curing, preparing, packaging  
16 or testing of medical marijuana, or the production, manufacture,  
17 extraction, processing, packaging or creation of medical-marijuana-  
18 infused products or medical marijuana products as described in ~~this~~  
19 ~~act~~ the Oklahoma Medical Marijuana and Patient Protection Act;

20       ~~35.~~ 34. "Medical-marijuana-infused product" means a product  
21 infused with medical marijuana including, but not limited to, edible  
22 products, ointments and tinctures;

23       ~~36.~~ 35. "Medical marijuana product" or "product" means a  
24 product that contains cannabinoids that have been extracted from

1 plant material or the resin therefrom by physical or chemical means  
2 and is intended for administration to a qualified patient including,  
3 but not limited to, oils, tinctures, edibles, pills, topical forms,  
4 gels, creams, vapors, patches, liquids, and forms administered by a  
5 nebulizer, excluding live plant forms which are considered medical  
6 marijuana;

7 ~~37.~~ 36. "Medical marijuana processor" means a person or entity  
8 licensed pursuant to ~~this act~~ the Oklahoma Medical Marijuana and  
9 Patient Protection Act to operate a business including the  
10 production, manufacture, extraction, processing, packaging or  
11 creation of concentrate, medical-marijuana-infused products or  
12 medical marijuana products as described in ~~this act~~ the Oklahoma  
13 Medical Marijuana and Patient Protection Act;

14 ~~38.~~ 37. "Medical marijuana research facility" or "research  
15 facility" means a person or entity approved pursuant to ~~this act~~ the  
16 Oklahoma Medical Marijuana and Patient Protection Act to conduct  
17 medical marijuana research. A medical marijuana research facility  
18 is not a medical marijuana business;

19 ~~39.~~ 38. "Medical marijuana testing laboratory" or "laboratory"  
20 means a public or private laboratory licensed pursuant to ~~this act~~  
21 the Oklahoma Medical Marijuana and Patient Protection Act, to  
22 conduct testing and research on medical marijuana and medical  
23 marijuana products;

24



1       ~~40.~~ 39. "Medical marijuana transporter" or "transporter" means  
2 a person or entity that is licensed pursuant to ~~this act~~ the  
3 Oklahoma Medical Marijuana and Patient Protection Act. A medical  
4 marijuana transporter does not include a medical marijuana business  
5 that transports its own medical marijuana, medical marijuana  
6 concentrate or medical marijuana products to a property or facility  
7 adjacent to or connected to the licensed premises if the property is  
8 another licensed premises of the same medical marijuana business;

9       ~~41.~~ 40. "Medical marijuana waste" or "waste" means unused,  
10 surplus, returned or out-of-date marijuana, plant debris of the  
11 plant of the genus Cannabis, including dead plants and all unused  
12 plant parts and roots, except the term shall not include roots,  
13 stems, stalks and fan leaves;

14       ~~42.~~ 41. "Medical use" means the acquisition, possession, use,  
15 delivery, transfer or transportation of medical marijuana, medical  
16 marijuana products, medical marijuana devices or paraphernalia  
17 relating to the administration of medical marijuana to treat a  
18 licensed patient;

19       ~~43.~~ 42. "Mother plant" means a marijuana plant that is grown or  
20 maintained for the purpose of generating clones, and that will not  
21 be used to produce plant material for sale to a medical marijuana  
22 processor or medical marijuana dispensary;

23       ~~44.~~ 43. "Oklahoma physician" or "physician" means a physician  
24 licensed by and in good standing with the State Board of Medical

1 Licensure and Supervision, the State Board of Osteopathic Examiners  
2 or the Board of Podiatric Medical Examiners;

3 ~~45.~~ 44. "Oklahoma resident" means an individual who can provide  
4 proof of residency as required by ~~this act~~ the Oklahoma Medical  
5 Marijuana and Patient Protection Act;

6 ~~46.~~ 45. "Owner" means, except where the context otherwise  
7 requires, a direct beneficial owner including, but not limited to,  
8 all persons or entities as follows:

- 9 a. all shareholders owning an interest of a corporate  
10 entity and all officers of a corporate entity,
- 11 b. all partners of a general partnership,
- 12 c. all general partners and all limited partners that own  
13 an interest in a limited partnership,
- 14 d. all members that own an interest in a limited  
15 liability company,
- 16 e. all beneficiaries that hold a beneficial interest in a  
17 trust and all trustees of a trust,
- 18 f. all persons or entities that own interest in a joint  
19 venture,
- 20 g. all persons or entities that own an interest in an  
21 association,
- 22 h. the owners of any other type of legal entity, and  
23  
24

1 i. any other person holding an interest or convertible  
2 note in any entity which owns, operates or manages a  
3 licensed facility;

4 ~~47.~~ 46. "Package" or "packaging" means any container or wrapper  
5 that may be used by a medical marijuana business to enclose or  
6 contain medical marijuana;

7 ~~48.~~ 47. "Person" means a natural person, partnership,  
8 association, business trust, company, corporation, estate, limited  
9 liability company, trust or any other legal entity or organization,  
10 or a manager, agent, owner, director, servant, officer or employee  
11 thereof, except that "person" does not include any governmental  
12 organization;

13 ~~49.~~ 48. "Pesticide" means any substance or mixture of  
14 substances intended for preventing, destroying, repelling or  
15 mitigating any pest or any substance or mixture of substances  
16 intended for use as a plant regulator, defoliant or desiccant,  
17 except that the term "pesticide" shall not include any article that  
18 is a "new animal drug" as designated by the United States Food and  
19 Drug Administration;

20 ~~50.~~ 49. "Production batch" means:

21 a. any amount of medical marijuana concentrate of the  
22 same category and produced using the same extraction  
23 methods, standard operating procedures and an  
24

1 identical group of harvest batch of medical marijuana,  
2 or

3 b. any amount of medical marijuana product of the same  
4 exact type, produced using the same ingredients,  
5 standard operating procedures and the same production  
6 batch of medical marijuana concentrate;

7 ~~51.~~ 50. "Public institution" means any entity established or  
8 controlled by the federal government, state government, or a local  
9 government or municipality including, but not limited to,  
10 institutions of higher education or related research institutions;

11 ~~52.~~ 51. "Public money" means any funds or money obtained by the  
12 holder from any governmental entity including, but not limited to,  
13 research grants;

14 ~~53.~~ 52. "Recommendation" means a document that is signed or  
15 electronically submitted by a physician on behalf of a patient for  
16 the use of medical marijuana pursuant to ~~this act~~ the Oklahoma  
17 Medical Marijuana and Patient Protection Act;

18 ~~54.~~ 53. "Registered to conduct business" means a person that  
19 has provided proof that the business applicant or licensee is in  
20 good standing with the Oklahoma Secretary of State ~~and Oklahoma Tax~~  
21 ~~Commission~~;

22 ~~55.~~ 54. "Remediation" means the process by which ~~the medical~~  
23 ~~marijuana flower or trim, which has failed microbial~~ a harvest batch  
24 or production batch that fails testing, is processed into solvent-

1 ~~based medical marijuana concentrate~~ undergoes a procedure to remedy  
2 the harvest batch or production batch and is retested ~~as required by~~  
3 ~~this act~~ in accordance with Oklahoma laws, rules and regulations;

4 ~~56.~~ 55. "Research project" means a discrete scientific endeavor  
5 to answer a research question or a set of research questions related  
6 to medical marijuana and is required for a medical marijuana  
7 research license. A research project shall include a description of  
8 a defined protocol, clearly articulated goals, defined methods and  
9 outputs, and a defined start and end date. The description shall  
10 demonstrate that the research project will comply with all  
11 requirements in ~~this act~~ the Oklahoma Medical Marijuana and Patient  
12 Protection Act and rules promulgated pursuant thereto. All research  
13 and development conducted by a medical marijuana research facility  
14 shall be conducted in furtherance of an approved research project;

15 ~~57.~~ 56. "Revocation" means the final decision by the Department  
16 that any license issued pursuant to ~~this act~~ the Oklahoma Medical  
17 Marijuana and Patient Protection Act is rescinded because the  
18 individual or entity does not comply with the applicable  
19 requirements set forth in ~~this act~~ the Oklahoma Medical Marijuana  
20 and Patient Protection Act or rules promulgated pursuant thereto;

21 ~~58.~~ 57. "School" means a ~~public or private preschool or a~~  
22 ~~public or private elementary, middle or secondary~~ high school used  
23 for school classes and instruction. A homeschool, daycare or child-

24

1 care facility shall not be considered a "school" as used in ~~this act~~  
2 the Oklahoma Medical Marijuana and Patient Protection Act;

3 ~~59.~~ 58. "Shipping container" means a hard-sided container with  
4 a lid or other enclosure that can be secured in place. A shipping  
5 container is used solely for the transport of medical marijuana,  
6 medical marijuana concentrate, or medical marijuana products between  
7 medical marijuana businesses, a medical marijuana research facility,  
8 or a medical marijuana education facility;

9 ~~60.~~ 59. "Solvent-based medical marijuana concentrate" means a  
10 medical marijuana concentrate that was produced by extracting  
11 cannabinoids from medical marijuana through the use of a solvent  
12 approved by the Department;

13 ~~61.~~ 60. "State Question" means Oklahoma State Question No. 788,  
14 Initiative Petition No. 412, approved by a majority vote of the  
15 citizens of Oklahoma on June 26, 2018;

16 ~~62.~~ 61. "Strain" means the ~~classification~~ name given to a  
17 particular variety of medical marijuana or cannabis plants in either  
18 pure sativa, indica, afghanica, ruderalis or hybrid varieties that  
19 is based on a combination of factors which may include, but is not  
20 limited to, botanical lineage, appearance, chemical profile and  
21 accompanying effects. An example of a "strain" would be "OG Kush"  
22 or "Pineapple Express";

23 ~~63.~~ 62. "THC" means tetrahydrocannabinol, which is the primary  
24 psychotropic cannabinoid in marijuana formed by decarboxylation of

1 naturally tetrahydrocannabinolic acid, which generally occurs by  
2 exposure to heat;

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

12 ~~65.~~ 63. "Transporter agent" means a person who transports  
13 medical marijuana or medical marijuana products for a licensed  
14 transporter and holds a transporter agent license pursuant to ~~this~~  
15 ~~act~~ the Oklahoma Medical Marijuana and Patient Protection Act;

16 ~~66.~~ 64. "Universal symbol" means the image established by the  
17 State Department of Health or Oklahoma Medical Marijuana Authority  
18 and made available to licensees through its website indicating that  
19 the medical marijuana or the medical marijuana product contains THC;

20 ~~67.~~ 65. "Usable marijuana" means the dried leaves, flowers,  
21 oils, vapors, waxes and other portions of the marijuana plant and  
22 any mixture or preparation thereof, excluding ~~seed~~ seeds, roots,  
23 stems, stalks and fan leaves; and

24

1       ~~68.~~ 66. "Water-based medical marijuana concentrate" means a  
2 concentrate that was produced by extracting cannabinoids from  
3 medical marijuana through the use of only water, ice~~7~~ or dry ice.

4       SECTION 9.       AMENDATORY       Section 3, Chapter 11, O.S.L.  
5 2019, as amended by Section 6, Chapter 477, O.S.L. 2019 (63 O.S.  
6 Supp. 2020, Section 427.3), is amended to read as follows:

7       Section 427.3 A. There is hereby created the Oklahoma Medical  
8 Marijuana Authority within the State Department of Health which  
9 shall address issues related to the medical marijuana program in  
10 Oklahoma including, but not limited to, the issuance of patient  
11 licenses and medical marijuana business licenses, and the  
12 dispensing, cultivating, processing, testing, transporting, storage,  
13 research, and the use of and sale of medical marijuana pursuant to  
14 ~~this act~~ the Oklahoma Medical Marijuana and Patient Protection Act.

15       B. The Department shall provide support staff to perform  
16 designated duties of the Authority. The Department shall also  
17 provide office space for meetings of the Authority.

18       C. The Department shall implement the provisions of ~~this act~~  
19 the Oklahoma Medical Marijuana and Patient Protection Act  
20 consistently with the voter-approved State Question No. 788,  
21 Initiative Petition No. 412, subject to the provisions of ~~this act~~  
22 the Oklahoma Medical Marijuana and Patient Protection Act.

23       D. The Department shall exercise its respective powers and  
24 perform its respective duties and functions as specified in ~~this act~~



1 the Oklahoma Medical Marijuana and Patient Protection Act and ~~Title~~  
2 ~~63 of the Oklahoma Statutes~~ this title including, but not limited  
3 to, the following:

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

- 8 a. public health policy and public safety policy,
- 9 b. agronomic and horticultural best practices, and
- 10 c. medical and pharmacopoeia best practices;

11 2. Contract with third-party vendors and other governmental  
12 entities in order to carry out the respective duties and functions  
13 as specified in ~~this act~~ the Oklahoma Medical Marijuana and Patient  
14 Protection Act;

15 3. Upon complaint or upon its own motion and upon a completed  
16 investigation, levy fines as prescribed in ~~this act~~ applicable laws,  
17 rules and regulations and suspend ~~or~~, revoke or not renew licenses  
18 pursuant to ~~this act~~ applicable laws, rules and regulations;

19 4. Issue subpoenas for the appearance or production of persons,  
20 records and things in connection with disciplinary or contested  
21 cases considered by the Department;

22 5. Apply for injunctive or declaratory relief to enforce the  
23 provisions of ~~this section~~ applicable laws, rules and ~~any rules~~  
24 ~~promulgated pursuant to this section~~ regulations;



1 Executive Director and other personnel as necessary to assist the  
2 Authority in carrying out its duties.

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

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

7 2. The individual or his or her spouse, parent, child, spouse  
8 of a child, sibling, or spouse of a sibling has an application for a  
9 medical marijuana business license pending before the Department or  
10 is a member of the board of directors of a medical marijuana  
11 business, or is an individual financially interested in any licensee  
12 or medical marijuana business.

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

16 D. The Commissioner may delegate to any officer or employee of  
17 the Department any of the powers of the Executive Director and may  
18 designate any officer or employee of the Department to perform any  
19 of the duties of the Executive Director.

20 E. The Executive Director shall be authorized to suggest rules  
21 governing the oversight and implementation of ~~this act~~ the Oklahoma  
22 Medical Marijuana and Patient Protection Act.

23 F. The Department is hereby authorized to create employment  
24 positions necessary for the implementation of its obligations

1 pursuant to ~~this act~~, the Oklahoma Medical Marijuana and Patient  
2 Protection Act including, but not limited to, Authority  
3 investigators and a senior director of enforcement. The Department  
4 and the Authority, the senior director of enforcement, the Executive  
5 Director, and Department investigators shall have all the powers of  
6 any peace officer to:

7 1. Investigate violations or suspected violations of ~~this act~~  
8 the Oklahoma Medical Marijuana and Patient Protection Act and any  
9 rules promulgated pursuant thereto;

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

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

17 4. Require any business licensee, ~~upon twenty-four (24) hours~~  
18 ~~notice or upon a showing of necessity~~, to permit an inspection of  
19 licensed premises during business hours or at any time of apparent  
20 operation, marijuana equipment, and marijuana accessories, or books  
21 and records; and to permit the testing of or examination of medical  
22 marijuana, concentrate, or product; ~~and~~

23 5. Require applicants to submit complete and current  
24 applications, information required by ~~this act~~ the Oklahoma Medical

1 Marijuana and Patient Protection Act, the Oklahoma Medical Marijuana  
2 Waste Management Act and Sections 420 through 426.1 of this title,  
3 and fees, and approve material changes made by the applicant or  
4 licensee;

5 6. Require medical marijuana business licensees to submit a  
6 sample or unit of medical marijuana or medical marijuana product to  
7 the quality assurance laboratory when the Department has reason to  
8 believe the medical marijuana or medical marijuana product may be  
9 unsafe for patient consumption or inhalation or has not been tested  
10 in accordance with the provisions of the Oklahoma Medical Marijuana  
11 and Patient Protection Act and the rules and regulations of the  
12 Department. The licensee shall provide the samples or units of  
13 medical marijuana or medical marijuana products at its own expense  
14 but shall not be responsible for the costs of testing; and

15 7. Require medical marijuana business licensees to periodically  
16 submit samples or units of medical marijuana or medical marijuana  
17 products to the quality assurance lab for quality assurance  
18 purposes. Licensed growers, processors, dispensaries and  
19 transporters shall not be required to submit samples or units of  
20 medical marijuana or medical marijuana products more than twice a  
21 year. The licensee shall provide the samples or units of medical  
22 marijuana or medical marijuana products at its own expense but shall  
23 not be responsible for the costs of testing.

24

1 SECTION 11. AMENDATORY Section 6, Chapter 11, O.S.L.  
2 2019, as amended by Section 7, Chapter 477, O.S.L. 2019 (63 O.S.  
3 Supp. 2020, Section 427.6), is amended to read as follows:

4 Section 427.6 A. The State Department of Health shall address  
5 issues related to the medical marijuana program in Oklahoma  
6 including, but not limited to, monitoring and disciplinary actions  
7 as they relate to the medical marijuana program.

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

18 2. ~~Inspections~~ Postlicensure inspections shall be limited to  
19 twice per calendar year ~~and twenty-four (24) hours of notice shall~~  
20 ~~be provided to a medical marijuana business applicant or licensee~~  
21 ~~prior to an on-site assessment.~~ However, investigations and  
22 additional inspections may occur when the Department ~~shows that~~  
23 believes an investigation or additional inspection is necessary due  
24 to a possible violation of ~~this act~~ applicable laws, rules or

1 regulations. ~~Such inspection may be without notice if the~~  
2 ~~Department believes that such notice will result in the destruction~~  
3 ~~of evidence.~~

4 3. The Department may review relevant records of a licensed  
5 medical marijuana business, licensed medical marijuana research  
6 facility ~~or~~, licensed medical marijuana education facility or  
7 licensed medical marijuana waste disposal facility, and may require  
8 and conduct interviews with such persons or entities and persons  
9 affiliated with such entities, for the purpose of determining  
10 compliance with Department requirements and applicable laws.  
11 ~~However, prior to conducting any interviews with the medical~~  
12 ~~marijuana business, research facility or education facility, the~~  
13 ~~licensee shall be afforded sufficient time to secure legal~~  
14 ~~representation during such questioning if requested by the business~~  
15 ~~or facility or any of its agents or employees or contractors.~~

16 4. The Department ~~shall~~ may refer complaints alleging criminal  
17 activity that are made against a licensee to appropriate Oklahoma  
18 state or local law enforcement authorities.

19 C. Disciplinary action may be taken against an applicant or  
20 licensee ~~under this act~~ for not adhering to ~~the law~~ applicable laws  
21 pursuant to the terms, conditions and guidelines set forth in ~~this~~  
22 ~~act~~ the Oklahoma Medical Marijuana and Patient Protection Act.

23  
24

1 D. Disciplinary actions may include revocation, suspension or  
2 denial of an application, license or final authorization and other  
3 action deemed appropriate by the Department.

4 E. Disciplinary actions may be imposed upon a medical marijuana  
5 business licensee for:

6 1. Failure to comply with or satisfy any provision of ~~this~~  
7 ~~section~~ applicable laws, rules or regulations;

8 2. Falsification or misrepresentation of any material or  
9 information submitted to the Department or other licensees;

10 3. Failing to allow or impeding ~~a monitoring visit~~ entry by  
11 authorized representatives of the Department;

12 4. Failure to adhere to any acknowledgement, verification or  
13 other representation made to the Department;

14 5. Failure to submit or disclose information required by ~~this~~  
15 ~~section~~ applicable laws, rules or regulations or otherwise requested  
16 by the Department;

17 6. Failure to correct any violation of this section cited as a  
18 result of a review or audit of financial records or other materials;

19 7. Failure to comply with requested access by the Department to  
20 the licensed premises or materials;

21 8. Failure to pay a required monetary penalty;

22 9. Diversion of medical marijuana or any medical marijuana  
23 product, as determined by the Department;

24



1 10. Threatening or harming a patient, a medical practitioner or  
2 an employee of the Department; and

3 11. Any other basis indicating a violation of the applicable  
4 laws and regulations as identified by the Department.

5 F. Disciplinary actions against a licensee may include the  
6 imposition of monetary penalties, which may be assessed by the  
7 Department. The Department may suspend or revoke a license for  
8 failure to pay any monetary penalty lawfully assessed by the  
9 Department against a licensee.

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

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

23 H. 1. First offense for intentional and impermissible  
24 diversion of medical marijuana, concentrate, or products by a

1 patient or caregiver to an unauthorized person shall not be punished  
2 under a criminal statute but may be subject to a fine of Two Hundred  
3 Dollars (\$200.00).

4 2. The second offense for impermissible diversion of medical  
5 marijuana, concentrate, or products by a patient or caregiver to an  
6 unauthorized person shall not be punished under a criminal statute  
7 but may be subject to a fine of not to exceed Five Hundred Dollars  
8 (\$500.00) and may result in revocation of the license upon a showing  
9 that the violation was willful or grossly negligent.

10 I. ~~The following persons or entities may request a hearing to~~  
11 ~~contest an action or proposed action of~~ In addition to any other  
12 remedies provided for by law, the Department:

13 1. ~~A medical marijuana business, research facility or education~~  
14 ~~facility licensee whose license has been summarily suspended or who~~  
15 ~~has received a notice of contemplated action to suspend or revoke a~~  
16 ~~license or take other,~~ pursuant to its rules and regulations, may  
17 issue a written order to any licensee the Department has reason to  
18 believe has violated Sections 420 through 426.1 of this title, the  
19 Oklahoma Medical Marijuana and Patient Protection Act, the Oklahoma  
20 Medical Marijuana Waste Management Act, or any rules promulgated by  
21 the State Commissioner of Health and to whom the Department has  
22 served, not less than thirty (30) days previously, a written notice  
23 of violation of such statutes or rules.

24

1        1. The written order shall state with specificity the nature of  
2 the violation. The Department may impose any disciplinary action,  
3 and

4        ~~2. A patient or caregiver licensee whose license has been~~  
5 ~~summarily suspended or who has received notice of contemplated~~  
6 ~~action to suspend or revoke a license or take other disciplinary~~  
7 ~~action~~ authorized under the provisions of this section including,  
8 but not limited to, the assessment of monetary penalties.

9        2. Any order issued pursuant to the provisions of this section  
10 shall be come 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 Department. Upon such request, the Department shall promptly  
14 initiate administrative proceedings.

15        J. Whenever the Department finds that an emergency exists  
16 requiring immediate action in order to protect the health or welfare  
17 of the public, the Department 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 Department 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 Department 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 Department shall consider the seriousness of the violation and  
4 any efforts to comply with applicable requirements. Upon  
5 application to the Department, the licensee shall be offered a  
6 hearing within ten (10) days of the issuance of the order.

7 K. All hearings held pursuant to this section shall be in  
8 accordance with the Oklahoma Administrative Procedures Act, ~~Section~~  
9 ~~250 et seq. of Title 75 of the Oklahoma Statutes.~~

10 SECTION 12. AMENDATORY Section 7, Chapter 11, O.S.L.  
11 2019, as amended by Section 5, Chapter 509, O.S.L. 2019 (63 O.S.  
12 Supp. 2020, Section 427.7), is amended to read as follows:

13 Section 427.7 A. The Oklahoma Medical Marijuana Authority  
14 shall create a medical marijuana use registry of patients and  
15 caregivers as provided under this section. The handling of any  
16 records maintained in the registry shall comply with all ~~relevant~~  
17 applicable state and federal privacy laws ~~including, but not limited~~  
18 ~~to, the Health Insurance Portability and Accountability Act of 1996~~  
19 ~~(HIPAA).~~

20 B. The medical marijuana use registry shall be accessible to:

21 1. Oklahoma-licensed medical marijuana dispensaries to verify  
22 the license of a patient or caregiver by the twenty-four-character  
23 identifier; and

24 2. Any court in this state.

1 C. All other records regarding a medical marijuana patient or  
2 caregiver licensee shall be maintained by the Authority and shall be  
3 deemed confidential. The handling of any records maintained by the  
4 Authority shall comply with all ~~relevant~~ applicable state and  
5 federal privacy laws ~~including, but not limited to, the Health~~  
6 ~~Insurance Portability and Accountability Act of 1996 (HIPAA)~~. Such  
7 records shall be marked as confidential, shall not be made available  
8 to the public, and shall only be made available to the licensee,  
9 designee of the licensee, any physician of the licensee or the  
10 caregiver of the licensee.

11 D. A log shall be kept with the file of the licensee to record  
12 any event in which the records of the licensee were made available  
13 and to whom the records were provided.

14 E. The ~~Department~~ Authority shall ensure that all ~~application~~  
15 medical marijuana patient and caregiver records and information are  
16 sealed to protect the privacy of medical marijuana patient license  
17 applicants and licensees.

18 SECTION 13. AMENDATORY Section 9, Chapter 11, O.S.L.  
19 2019 (63 O.S. Supp. 2020, Section 427.9), is amended to read as  
20 follows:

21 Section 427.9 A. The Oklahoma Medical Marijuana Authority may  
22 contact the recommending physician of an applicant for a medical  
23 marijuana patient license or current holder of a medical marijuana  
24

1 patient license to verify the need of the applicant or licensee for  
2 the license and the information submitted with the application.

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

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

17 SECTION 14. AMENDATORY Section 10, Chapter 11, O.S.L.  
18 2019, as amended by Section 2, Chapter 390, O.S.L. 2019 (63 O.S.  
19 Supp. 2020, Section 427.10), is amended to read as follows:

20 Section 427.10 A. Only licensed Oklahoma allopathic,  
21 osteopathic and podiatric physicians may provide a medical marijuana  
22 recommendation for a medical marijuana patient license under ~~this~~  
23 ~~act~~ the Oklahoma Medical Marijuana and Patient Protection Act.

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

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

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

23 E. If the physician determines the continued use of medical  
24 marijuana by the patient no longer meets the requirements set forth

1 in ~~this act~~ the Oklahoma Medical Marijuana and Patient Protection  
2 Act, the physician shall notify the Department and ~~the Authority~~  
3 ~~shall immediately revoke the license~~ shall be immediately voided  
4 without right to an individual proceeding.

5 SECTION 15. AMENDATORY Section 11, Chapter 11, O.S.L.  
6 2019 (63 O.S. Supp. 2020, Section 427.11), is amended to read as  
7 follows:

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

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

24



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

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

10 SECTION 16. AMENDATORY Section 13, Chapter 11, O.S.L.  
11 2019 (63 O.S. Supp. 2020, Section 427.13), is amended to read as  
12 follows:

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

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

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

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

- 6 a. notification of when marijuana seeds and clones are  
7 planted,
- 8 b. notification of when marijuana plants are harvested  
9 and destroyed,
- 10 c. notification of when marijuana is transported, sold,  
11 stolen, diverted or lost,
- 12 d. a complete inventory of all marijuana, seeds, plant  
13 tissue, clones, plants, usable marijuana or trim,  
14 leaves and other plant matter, batches of extract, and  
15 marijuana concentrates,
- 16 e. all samples sent to a testing laboratory, an unused  
17 portion of a sample returned to a licensee, all  
18 samples utilized by licensee for purposes of  
19 negotiating a sale, and
- 20 f. all samples used for quality testing by a licensee.

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

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

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

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

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

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

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

13 e. the date of the transaction,

14 f. the total spent in dollars,

15 g. all point-of-sale records,

16 h. marijuana excise tax records, and

17 i. any additional information as may be reasonably  
18 required by the Department.

19 5. All inventory tracking records retained by a medical  
20 marijuana business, medical marijuana research facility, medical  
21 marijuana education facility or medical marijuana waste disposal  
22 facility containing medical marijuana patient or caregiver

23 information shall comply with all relevant state and federal laws

24 including, but not limited to, the Health Insurance Portability and

1 Accountability Act of 1996 (HIPAA), ~~and shall not be retained by any~~  
2 ~~medical marijuana business for more than sixty (60) days.~~

3 SECTION 17. AMENDATORY Section 14, Chapter 11, O.S.L.  
4 2019, as last amended by Section 51, Chapter 161, O.S.L. 2020 (63  
5 O.S. Supp. 2020, Section 427.14), is amended to read as follows:

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

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

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

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

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

23  
24

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

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

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

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

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

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

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

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

22 a. ~~all applicants shall be age~~ twenty-five (25) years of  
23 age or older,  
24

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

1                    Department of Corrections, or currently incarcerated  
2                    in a jail or corrections facility;

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

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

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

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

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

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

21 Applicants that were issued a medical marijuana business license  
22 prior to ~~the enactment of the Oklahoma Medical Marijuana and Patient~~  
23 ~~Protection Act~~ August 30, 2019, are hereby exempt from the two-year  
24 or five-year Oklahoma residence requirement mentioned above;



1 12. All license applicants shall be required to submit a  
2 registration with the Oklahoma State Bureau of Narcotics and  
3 Dangerous Drugs Control as provided in Sections 2-302 through 2-304  
4 of ~~Title 63 of the Oklahoma Statutes~~ this title;

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

- 8 a. front ~~and back~~ of an Oklahoma driver license,
- 9 b. front ~~and back~~ of an Oklahoma identification card,
- 10 c. a United States passport or other photo identification  
11 issued by the United States government, or
- 12 d. ~~certified copy of the applicant's birth certificate~~  
13 ~~for minor applicants who do not possess a document~~  
14 ~~listed in this section, or~~
- 15 e. a tribal identification card approved for  
16 identification purposes by the Oklahoma Department of  
17 Public Safety; and

18 14. All applicants shall submit an applicant photograph.

19 F. The Authority shall review the medical marijuana business  
20 application; approve or ~~reject~~ or deny the application; and mail  
21 the approval, rejection, denial or status-update letter to the  
22 applicant within ninety (90) business days of receipt of the  
23 application.

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

4 2. Approved applicants shall be issued a medical marijuana  
5 business license for the specific category applied under which shall  
6 act as proof of their approved status. Rejection and denial letters  
7 shall provide a reason for the rejection or denial. Applications  
8 may only be rejected or denied based on the applicant not meeting  
9 the standards set forth in the provisions of ~~this section~~ the  
10 Oklahoma Medical Marijuana and Patient Protection Act and Sections  
11 420 through 426.1 of this title, improper completion of the  
12 application, or for a reason provided for in ~~this act~~ the Oklahoma  
13 Medical Marijuana and Patient Protection Act and Sections 420  
14 through 426.1 of this title. If an application is rejected for  
15 failure to provide required information, the applicant shall have  
16 thirty (30) days to submit the required information for  
17 reconsideration. No additional application fee shall be charged for  
18 such reconsideration. Unless the Department determines otherwise,  
19 an application that has been resubmitted but is still incomplete or  
20 contains errors that are not clerical or typographical in nature  
21 shall be denied.

22 3. Status-update letters shall provide a reason for delay in  
23 either approval ~~or~~, rejection or denial should a situation arise in  
24

1 which an application was submitted properly<sup>7</sup> but a delay in  
2 processing the application occurred.

3 4. Approval, rejection, denial or status-update letters shall  
4 be sent to the applicant in the same method the application was  
5 submitted to the Department.

6 H. A license for a medical marijuana business license, medical  
7 marijuana research facility, medical marijuana education facility or  
8 medical marijuana waste disposal facility shall not be issued to or  
9 held by:

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

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

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

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

23 a. file taxes, interest or penalties due related to a  
24 medical marijuana business, or

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

3           6.    A sheriff, deputy sheriff, police officer or prosecuting  
4 officer, or an officer or employee of the Authority or municipality;  
5 ~~or~~

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

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

16           a.    unlawful sales or purchases,

17           b.    any fraudulent acts, falsification of records or  
18 misrepresentation to the Department or consumers,

19           c.    any grossly inaccurate or fraudulent reporting,

20           d.    threatening or harming any medical marijuana patient,  
21 caregiver, medical practitioner or employee of the  
22 Department,

23           e.    knowingly or intentionally refusing to permit the  
24 Department access to premises or records,

- 1           f. using a prohibited, hazardous substance for processing  
2           in a residential area,  
3           g. criminal acts relating to the operation of a medical  
4           marijuana business, or  
5           h. any violations that endanger public health and safety  
6           or product safety.

7           I. In investigating the qualifications of an applicant or a  
8 licensee, the Department, Authority and municipalities may have  
9 access to criminal history record information furnished by a  
10 criminal justice agency subject to any restrictions imposed by such  
11 an agency. ~~In the event the Department considers the criminal~~  
12 ~~history record of the applicant, the Department shall also consider~~  
13 ~~any information provided by the applicant regarding such criminal~~  
14 ~~history record, including but not limited to evidence of~~  
15 ~~rehabilitation, character references and educational achievements,~~  
16 ~~especially those items pertaining to the period of time between the~~  
17 ~~last criminal conviction of the applicant and the consideration of~~  
18 ~~the application for a state license.~~

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

22           K. All applicants and licensees shall submit information to the  
23 Department and Authority in a full, faithful, truthful and fair  
24 manner. The Department and Authority may recommend denial of an

1 application where the applicant or licensee made misstatements,  
2 omissions, misrepresentations or untruths in the application or in  
3 connection with the background investigation of the applicant. This  
4 type of conduct may be ~~considered as the basis~~ grounds for  
5 ~~additional~~ administrative action against the applicant or licensee.  
6 Typos and scrivener errors shall not be grounds for denial.

7 L. A licensed medical marijuana business premises shall be  
8 subject to and responsible for compliance with applicable provisions  
9 for medical marijuana business facilities as described in the most  
10 recent versions of the Oklahoma Uniform Building Code, the  
11 International Building Code and the International Fire Code, ~~unless~~  
12 ~~granted an exemption by the Authority or municipality.~~

13 M. All medical marijuana business, medical marijuana research  
14 facility, medical marijuana education facility and medical marijuana  
15 waste disposal facility licensees shall pay the relevant licensure  
16 fees prior to receiving licensure to operate a ~~medical marijuana~~  
17 ~~business, as defined in this act for each class of license.~~

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

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

6           SECTION 18.        AMENDATORY        Section 16, Chapter 11, O.S.L.  
7 2019 (63 O.S. Supp. 2020, Section 427.16), is amended to read as  
8 follows:

9           Section 427.16 A. There is hereby created a medical marijuana  
10 transporter license as a category of the medical marijuana business  
11 license.

12           B. Pursuant to Section 424 of ~~Title 63 of the Oklahoma Statutes~~  
13 this title, the Oklahoma Medical Marijuana Authority shall issue a  
14 medical marijuana transporter license to licensed medical marijuana  
15 commercial growers, processors and dispensaries upon issuance of  
16 such licenses and upon each renewal. Medical marijuana transporter  
17 licenses shall also be issued to licensed medical marijuana research  
18 facilities, medical marijuana education facilities and medical  
19 marijuana testing laboratories upon issuance of such license and  
20 upon renewal.

21           C. A medical marijuana transporter license may also be issued  
22 to qualifying applicants who are registered with the Oklahoma  
23 Secretary of State and otherwise meet the requirements for a medical  
24 marijuana business license set forth in ~~this act~~ the Oklahoma

1 Medical Marijuana and Patient Protection Act and the requirements  
2 set forth in this section to provide logistics, distribution and  
3 storage of medical marijuana, medical marijuana concentrate and  
4 medical marijuana products.

5 D. A medical marijuana transporter license shall be valid for  
6 one (1) year and shall not be transferred with a change of  
7 ownership. A licensed medical marijuana transporter shall be  
8 responsible for all medical marijuana, medical marijuana concentrate  
9 and medical marijuana products once the transporter takes control of  
10 the product.

11 E. A transporter license shall be required for any person or  
12 entity to transport or transfer medical marijuana, medical marijuana  
13 concentrate or ~~product~~ medical marijuana products from a licensed  
14 medical marijuana business to another medical marijuana business, or  
15 from a medical marijuana business to a medical marijuana research  
16 facility or medical marijuana education facility.

17 F. A medical marijuana transporter licensee may contract with  
18 multiple licensed medical marijuana businesses.

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



1 premises. The licensed premises shall meet all security  
2 requirements applicable to a medical marijuana business.

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

9 I. A licensed medical marijuana transporter may maintain and  
10 operate one or more warehouses in the state to handle medical  
11 marijuana, medical marijuana concentrate and medical marijuana  
12 products.

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

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

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

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

24

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 business, licensed medical marijuana  
4 research facility or licensed medical marijuana education facility.  
5 The Department shall administer and enforce the provisions of this  
6 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 ~~product~~ medical  
11 marijuana products.

12 M. The annual fee for a transporter agent license shall be ~~One~~  
13 ~~Hundred Dollars (\$100.00)~~ Twenty-five Dollars (\$25.00) and shall be  
14 paid by the transporter license holder or the individual applicant.  
15 Transporter license 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 Oklahoma residency ~~as required for a~~  
20 ~~medical marijuana business license~~;
- 21 3. Proof of identity as required for a medical marijuana  
22 business license;
- 23 4. Possession of a valid Oklahoma driver license;
- 24 5. Verification of employment with a licensed transporter;

1       6. The application and affiliated fee; and

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

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

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

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

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

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

22       1. Insured at or above the legal requirements in Oklahoma;

23       2. Capable of securing medical marijuana during transport; and  
24

1           3. In possession of a shipping container as defined in Section  
2 427.2 of this act title capable of securing all transported ~~product~~  
3 products.

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

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

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

15           2. For the end recipient license holder of the medical  
16 marijuana:

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

23           3. Quantities by weight or unit of each type of medical  
24 marijuana product contained in transport;

1 4. The date of the transport and the approximate time of  
2 departure;

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

4 6. Printed names and signatures of the personnel accompanying  
5 the transport; and

6 7. Notation of the transporting licensee.

7 U. 1. A separate inventory manifest shall be prepared for each  
8 licensee receiving the medical marijuana.

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

13 ~~3. An inventory manifest shall not be altered after departing~~  
14 ~~the originating premises other than in cases where the printed name~~  
15 ~~and signature of receipt by the receiving licensee is necessary.~~

16 4. A receiving licensee shall refuse to accept any medical  
17 marijuana, medical marijuana concentrate or product medical  
18 marijuana products that ~~is~~ are not accompanied by an inventory  
19 manifest.

20 ~~5.~~ 4. Originating and receiving licensees shall maintain copies  
21 of inventory manifests and logs of quantities of medical marijuana  
22 received for ~~three (3)~~ seven (7) years from date of receipt.

23

24

1 SECTION 19. AMENDATORY Section 17, Chapter 11, O.S.L.  
2 2019, as amended by Section 4, Chapter 312, O.S.L. 2019 (63 O.S.  
3 Supp. 2020, Section 427.17), is amended to read as follows:

4 Section 427.17 A. There is hereby created a medical marijuana  
5 testing laboratory license as a category of the medical marijuana  
6 business license. The Oklahoma Medical Marijuana Authority is  
7 hereby enabled to monitor, inspect and audit a licensed testing  
8 laboratory under ~~this act~~ the Oklahoma Medical Marijuana and Patient  
9 Protection Act.

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

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

20 2. Any individual or his or her spouse, parent, child, spouse  
21 of a child, sibling, or spouse of a sibling that has an application  
22 for a medical marijuana business license pending before the  
23 Department or is a member of the board of directors of a medical  
24 marijuana business, or is an individual financially interested in

1 any licensee or medical marijuana business located within the State  
2 of Oklahoma.

3 C. The Authority shall ~~have the authority to~~ develop acceptable  
4 testing ~~and research~~ practices, including, but not limited to,  
5 testing, standards, quality control analysis, equipment  
6 certification and calibration, and chemical identification and  
7 substances used ~~in bona fide research methods so long as it complies~~  
8 ~~with this act.~~

9 D. A person who is a direct beneficial owner ~~or an indirect~~  
10 ~~beneficial owner~~ of a medical marijuana dispensary, medical  
11 marijuana commercial grower, or medical marijuana processor shall  
12 not be an owner of a laboratory.

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

16 F. A separate license shall be required for each specific  
17 laboratory.

18 G. A medical marijuana testing laboratory license may be issued  
19 to a person who performs testing ~~and research~~ on medical marijuana  
20 and medical marijuana products for medical marijuana businesses,  
21 medical marijuana research facilities, medical marijuana education  
22 facilities, and testing ~~and research~~ on marijuana and marijuana  
23 products grown or produced by a patient or caregiver on behalf of a  
24 patient, upon verification of registration. A medical marijuana

1 testing laboratory may also conduct research related to the  
2 development and improvement of its testing practices and procedures.

3 No state-approved medical marijuana testing facility shall operate  
4 unless a medical laboratory director is on site during operational  
5 hours.

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

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

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



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

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

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

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

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

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

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

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

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

23  
24

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

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

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

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

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

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

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

24           9. Standards of performance;

1 10. The employment of laboratory personnel;

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

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

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

10 14. The immediate recall of medical marijuana or medical  
11 marijuana products that test above allowable thresholds or are  
12 otherwise determined to be unsafe;

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

16 ~~15.~~ 16. The establishment by the laboratory of a system to  
17 retain and maintain all required records, including business  
18 records, and processes to ensure results are reported in a timely  
19 and accurate manner; and

20 ~~16.~~ 17. Any other aspect of laboratory testing of medical  
21 marijuana or medical marijuana product deemed necessary by the  
22 Department.

23 O. A medical marijuana testing laboratory shall promptly  
24 provide the Department or designee of the Department access to a

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

8 P. A medical marijuana testing laboratory shall retain all  
9 results of laboratory tests conducted on marijuana or products for a  
10 period of at least ~~two (2)~~ seven (7) years and shall make them  
11 available to the Department upon request.

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

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

24

1 R. ~~A test batch shall not exceed ten (10) pounds of usable~~  
2 ~~marijuana or medical marijuana product, as appropriate.~~ A grower  
3 shall separate each harvest lot of usable marijuana into harvest  
4 batches containing no more than ten (10) pounds, with the exception  
5 of harvest batches of fresh, uncured medical marijuana or fresh,  
6 frozen medical marijuana to be sold to a processor in order to make  
7 a concentrate, which may be separated into batches containing no  
8 more than thirty-five (35) pounds. A processor shall separate each  
9 medical marijuana production lot into production batches containing  
10 no more than ten (10) pounds.

11 S. Medical marijuana testing laboratory licensure shall be  
12 contingent upon successful on-site inspection, successful  
13 participation in proficiency testing and ongoing compliance with the  
14 applicable requirements in this section.

15 T. A medical marijuana testing laboratory shall be inspected  
16 prior to initial licensure and ~~annually~~ up to two (2) times per year  
17 thereafter by an inspector approved by the Authority. The Authority  
18 may enter the licensed premises of a testing laboratory to conduct  
19 investigations and additional inspections when the Authority  
20 believes an investigation or additional inspection is necessary due  
21 to a possible violation of applicable laws, rules or regulations.

22 U. ~~Beginning on a date determined by the Commissioner, not~~  
23 ~~later than January 1, 2020, medical~~ Medical marijuana testing  
24 ~~laboratory licensure~~ laboratories shall be ~~contingent upon~~ obtain

1 accreditation by ~~the NELAC Institute (TNI), ANSI/ASQ National~~  
2 ~~Accreditation Board or another~~ an accrediting body approved by the  
3 Commissioner, ~~and any applicable standards as determined by the~~  
4 ~~Department~~ within one (1) year of the date the initial license is  
5 issued. Renewal of any medical marijuana testing laboratory license  
6 shall be contingent upon accreditation in accordance with this  
7 subsection. Beginning November 1, 2021, all medical marijuana  
8 testing laboratories shall obtain accreditation prior to applying  
9 for and receiving a medical marijuana testing laboratory license.

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

21 1. A licensed commercial grower may transfer medical marijuana  
22 that has failed testing to a licensed processor only for the  
23 purposes of decontamination or remediation and only in accordance  
24

1 with the provisions of the Oklahoma Medical Marijuana and Patient  
2 Protection Act and the rules and regulations of the Department.

3 2. Licensed commercial growers and licensed processors who  
4 achieve process validation under the rules and regulations set forth  
5 by the Oklahoma State Department of Health may transfer, sell or  
6 process medical marijuana and medical marijuana products in  
7 accordance with those rules and regulations.

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

10 SECTION 20. AMENDATORY Section 18, Chapter 11, O.S.L.  
11 2019 (63 O.S. Supp. 2020, Section 427.18), is amended to read as  
12 follows:

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

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



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

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

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

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

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

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

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

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

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

6 1. ~~A universal symbol indicating that the product contains~~  
7 ~~tetrahydrocannabinol (THC);~~

8 ~~2.~~ THC and other cannabinoid potency, and terpenoid potency;

9 ~~3.~~ 2. A statement indicating that the product has been tested  
10 for contaminants;

11 ~~4.~~ 3. One or more product warnings to be determined by the  
12 Department; and

13 ~~5.~~ 4. Any other information the Department deems necessary.

14 SECTION 21. AMENDATORY Section 19, Chapter 11, O.S.L.  
15 2019 (63 O.S. Supp. 2020, Section 427.19), is amended to read as  
16 follows:

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

22 B. The annual fee for a medical marijuana research license  
23 shall be Five Hundred Dollars (\$500.00) and shall be payable by an  
24

1 applicant for a medical marijuana research license upon submission  
2 of his or her application to the Authority.

3 C. A medical marijuana research license may be issued for the  
4 following research purposes:

5 1. To test chemical potency and composition levels;

6 2. To conduct clinical investigations of marijuana-derived  
7 medicinal products;

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

10 4. To conduct genomic, horticultural or agricultural research;

11 and

12 5. To conduct research on marijuana-affiliated products or  
13 systems.

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

22 2. If the research will be conducted with a public institution  
23 or public money, the Department shall review the research project of  
24

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

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

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

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

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

1 G. The growing, cultivating, possessing or transferring, by  
2 sale or donation, of marijuana in accordance with this section and  
3 the rules promulgated pursuant thereto, by a medical marijuana  
4 research licensee shall not be a criminal or civil offense under  
5 state law. A medical marijuana research license shall be issued in  
6 the name of the applicant and shall specify the location in Oklahoma  
7 at which the medical marijuana research licensee intends to operate.  
8 A medical marijuana research licensee shall not allow any other  
9 person to exercise the privilege of the license.

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

16 SECTION 22. AMENDATORY Section 20, Chapter 11, O.S.L.  
17 2019 (63 O.S. Supp. 2020, Section 427.20), is amended to read as  
18 follows:

19 Section 427.20 A. There is hereby created a medical marijuana  
20 education facility license.

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

24

1 C. A medical marijuana education facility license may only be  
2 granted to a not-for-profit organization structured under Section  
3 501(c)(3) of the Internal Revenue Code, operating as an Oklahoma  
4 not-for-profit registered organization with the Office of the  
5 Secretary of State.

6 D. A medical marijuana education facility license may only be  
7 granted upon the submission of a an annual fee of Five Hundred  
8 Dollars (\$500.00) to the Authority.

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

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

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

15 3. To demonstrate the application and use of product  
16 manufacturing technologies;

17 4. To conduct genomic, horticultural or agricultural research;  
18 and

19 5. To conduct research on marijuana-affiliated products or  
20 systems.

21 F. As part of the application process for a medical marijuana  
22 education facility license, an applicant shall submit to the  
23 Authority a description of the project and curriculum that the  
24 applicant intends to conduct and whether the project and curriculum

1 will be conducted with a public institution or using public money.

2 If the ~~research~~ project and curriculum will not be conducted with a  
3 public institution or with public money, the Authority shall grant  
4 the application. If the research will be conducted with a public  
5 institution or public money, the Authority shall review the research  
6 project of the applicant to determine if it meets the requirements  
7 of this section and to assess the following:

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

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

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

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

17 G. A medical marijuana education facility licensee may only  
18 transfer, by sale or donation, marijuana grown within its operation  
19 to medical marijuana research licensees. The Department may revoke  
20 a medical marijuana education facility license for violations of  
21 this section and any other violation of ~~this act~~ applicable laws,  
22 rules and regulations.

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1 H. A medical marijuana education facility licensee may contract  
2 to perform research in conjunction with a public higher education  
3 research institution or another research licensee.

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

14 SECTION 23. AMENDATORY Section 22, Chapter 11, O.S.L.  
15 2019 (63 O.S. Supp. 2020, Section 427.22), is amended to read as  
16 follows:

17 Section 427.22 A. ~~An~~ All medical marijuana patient and  
18 caregiver records and information including, but not limited to, any  
19 application or renewal and supporting information submitted by a  
20 qualifying patient or designated caregiver under the provisions of  
21 this act including, without limitation, the Oklahoma Medical  
22 Marijuana and Patient Protection Act and information regarding the  
23 physician of the qualifying patient shall be considered confidential  
24 medical records that are exempt from the Oklahoma Open Records Act.



1 B. The dispensary records with patient information shall be  
2 treated as confidential records that are exempt from the Oklahoma  
3 Open Records Act.

4 C. All financial information provided by an applicant or a  
5 licensee in ~~its~~ an application to the Authority shall be treated as  
6 confidential records that are exempt from the Oklahoma Open Records  
7 Act.

8 D. All information provided by an applicant or a licensee that  
9 constitutes private business information shall be treated as  
10 confidential records that are exempt from the Oklahoma Open Records  
11 Act.

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

18 F. All monthly report, inventory tracking and seed-to-sale  
19 information, data and records submitted to the Department shall be  
20 treated as confidential records and are exempt from the Oklahoma  
21 Open Records Act.

22 G. Except for license information concerning licensed patients,  
23 the Department may share confidential information with the other  
24

1 Oklahoma state agencies to assist those agencies in ensuring  
2 compliance with applicable laws, rules and regulations.

3 SECTION 24. AMENDATORY Section 23, Chapter 11, O.S.L.  
4 2019, as amended by Section 11, Chapter 477, O.S.L. 2019 (63 O.S.  
5 Supp. 2020, Section 427.23), is amended to read as follows:

6 Section 427.23 A. The State Commissioner of Health, the  
7 Oklahoma Tax Commission, the State Treasurer, the Secretary of State  
8 and the Director of the Office of Management and Enterprise Services  
9 shall promulgate rules to implement the provisions of ~~this act~~ the  
10 Oklahoma Medical Marijuana and Patient Protection Act.

11 B. ~~The Food Safety Standards Board~~ Medical Marijuana Advisory  
12 Council, in addition to the powers and duties granted in Section 423  
13 of ~~Title 63 of the Oklahoma Statutes~~ this title, may recommend to  
14 the State Commissioner of Health rules relating to all aspects ~~of~~  
15 ~~the~~ regarding the safe cultivation and ~~manufacture~~ manufacturing of  
16 medical marijuana products. In addition to the twelve members  
17 required in Section 423 of this title, the State Department of  
18 Health may appoint up to eight additional members. The makeup of  
19 the Council shall include medical marijuana industry representation.

20 SECTION 25. NEW LAW A new section of law to be codified  
21 in the Oklahoma Statutes as Section 427.24 of Title 63, unless there  
22 is created a duplication in numbering, reads as follows:

23 A. Whenever an authorized agent of the State Department of  
24 Health finds, in whole or in part, that the medical marijuana or

1 medical marijuana product fails to meet the requirements of Sections  
2 420 through 426.1 of Title 63 of the Oklahoma Statutes or the  
3 Oklahoma Medical Marijuana and Patient Protection Act as it relates  
4 to health and safety, the medical marijuana or medical marijuana  
5 product is handled in violation of applicable laws or rules and  
6 regulations of the Department, or the medical marijuana or medical  
7 marijuana product may be poisonous, deleterious to health or is  
8 otherwise unsafe, an electronic or physical tag or other appropriate  
9 marking or hold shall be affixed to the medical marijuana or medical  
10 marijuana product which shall give notice that the medical marijuana  
11 or medical marijuana product is or is suspected of being  
12 manufactured, produced, transferred, sold or offered for sale in  
13 violation of applicable laws or rules and regulations of the  
14 Department and is embargoed. The notice shall further provide a  
15 warning to all persons not to remove or dispose of the medical  
16 marijuana or medical marijuana product until permission for removal  
17 or disposal is given by the Department. It shall be unlawful for  
18 any person to remove or dispose of the medical marijuana or medical  
19 marijuana product embargoed without permission by the Department.

20 B. If the State Commissioner of Health finds that medical  
21 marijuana or medical marijuana product embargoed pursuant to  
22 subsection A of this section does not meet the requirements of  
23 applicable laws or rules and regulations of the Department, or is  
24 poisonous, deleterious to health or otherwise unsafe, the

1 Commissioner may institute an action in the district court in whose  
2 jurisdiction the medical marijuana or medical marijuana product is  
3 embargoed for the condemnation and destruction of the medical  
4 marijuana or medical marijuana product. If the Commissioner finds  
5 that the medical marijuana or medical marijuana product embargoed  
6 does meet the requirements of applicable laws and the rules and  
7 regulations of the Department and is not poisonous, deleterious to  
8 health or otherwise unsafe, the Commissioner shall remove the  
9 embargo. In any court proceeding regarding an embargo, neither the  
10 State Department of Health, the Oklahoma Medical Marijuana Authority  
11 or the Commissioner shall be held liable if the court finds  
12 reasonable belief for the embargo.

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

23 D. The court may order that the medical marijuana or medical  
24 marijuana product be delivered to the defendant for appropriate

1 labeling or processing under the supervision of the Commissioner  
2 only if:

- 3 1. The violation can be corrected by proper processing of  
4 medical marijuana or medical marijuana product;
- 5 2. All costs, fees and expenses have been paid; and
- 6 3. A sufficient bond is executed and conditioned for  
7 appropriate labeling or processing as the court may require.

8 The expense of supervision shall be paid to the Commissioner by  
9 the person obtaining release of the medical marijuana or medical  
10 marijuana product under bond.

11 SECTION 26. AMENDATORY Section 2, Chapter 337, O.S.L.  
12 2019 (63 O.S. Supp. 2020, Section 428.1), is amended to read as  
13 follows:

14 Section 428.1 As used in ~~this act~~ the Oklahoma Medical  
15 Marijuana Waste Management Act:

- 16 1. "Authority" shall mean the Oklahoma Medical Marijuana  
17 Authority, or successor agency;
- 18 2. "Commercial licensee" shall mean any person or entity issued  
19 a license by the Oklahoma Medical Marijuana Authority, or successor  
20 agency, to conduct commercial business in this state;
- 21 3. "Disposal" shall mean the ~~final~~ disposition of medical  
22 marijuana waste by ~~either~~ a process which renders the waste unusable  
23 through physical destruction or a recycling process;

24

1 4. "Facility" shall mean ~~a location~~ the licensed or permitted  
2 premises where the disposal of medical marijuana waste takes place  
3 by a licensee;

4 5. "License" shall mean a medical marijuana waste disposal  
5 license;

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

8 7. "Medical marijuana waste" shall mean unused, surplus,  
9 returned or out-of-date marijuana and plant debris of the plant of  
10 the genus Cannabis, including dead plants and all unused plant  
11 parts, except the term shall not include seeds, roots, stems, stalks  
12 and fan leaves; and

13 8. "Medical marijuana waste disposal license" shall mean a  
14 license issued by the Oklahoma Medical Marijuana Authority, or  
15 successor agency.

16 SECTION 27. AMENDATORY Section 3, Chapter 337, O.S.L.  
17 2019 (63 O.S. Supp. 2020, Section 429), is amended to read as  
18 follows:

19 Section 429. A. Medical marijuana waste shall be subject to  
20 the provisions of ~~this act~~ the Oklahoma Medical Marijuana Waste  
21 Management Act and shall not be subject to the provisions of the  
22 Uniform Controlled Dangerous Substances Act. Nothing in ~~this act~~  
23 the Oklahoma Medical Marijuana Waste Management Act shall alter or  
24 affect the jurisdictional areas of environmental responsibility of

1 the Department of Environmental Quality as provided for in Title 27A  
2 of the Oklahoma Statutes.

3 B. Commercial licensees, medical marijuana research facilities  
4 and medical marijuana education facilities shall be authorized to  
5 destroy the following marijuana plant parts without being required  
6 to utilize the services of a medical marijuana waste disposal  
7 facility:

- 8 1. ~~Root balls~~ Roots;
- 9 2. Stems;
- 10 3. Fan leaves; ~~and~~
- 11 4. Seeds; and
- 12 5. Stalks.

13 Unless restricted by local ordinance, commercial licensees,  
14 medical marijuana research facilities and medical marijuana  
15 education facilities shall be authorized to destroy the above-listed  
16 marijuana plant parts ~~on-site~~ on site by open burning, incineration,  
17 burying, mulching, composting or any other technique approved by the  
18 Department of Environmental Quality.

19 ~~C. Commercial licensees, medical marijuana research facilities~~  
20 ~~and medical marijuana education facilities engaged in the disposal~~  
21 ~~of medical marijuana waste shall create and maintain documentation~~  
22 ~~on a form prescribed by the Oklahoma Medical Marijuana Authority~~  
23 ~~that includes precise weights or counts of medical marijuana waste~~  
24 ~~and the manner in which the medical marijuana waste is disposed.~~

1 ~~Such documentation shall contain a witness affidavit and signature~~  
2 ~~attesting to the lawful disposal of the medical marijuana waste~~  
3 ~~under penalty of perjury. All disposal records shall be maintained~~  
4 ~~by commercial licensees, medical marijuana research facilities and~~  
5 ~~medical marijuana educational facilities for a period of five (5)~~  
6 ~~years and shall be subject to inspection and auditing by the~~  
7 ~~Authority.~~

8 SECTION 28. AMENDATORY Section 4, Chapter 337, O.S.L.  
9 2019 (63 O.S. Supp. 2020, Section 430), is amended to read as  
10 follows:

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



1 or storage of medical marijuana waste for a period not to exceed  
2 ninety (90) days. The Authority shall not, for the first year of  
3 the licensure program, issue more than ten medical marijuana waste  
4 disposal licenses. Upon the conclusion of the first year, the  
5 Authority shall assess the need for additional medical marijuana  
6 waste disposal licenses and shall, if demonstrated, increase the  
7 number of licenses as deemed necessary by the Authority.

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

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

- 12 a. an attestation that the applicant is authorized to  
13 make application on behalf of the entity,
- 14 b. full name of the organization,
- 15 c. trade name, if applicable,
- 16 d. type of business organization,
- 17 e. complete mailing address,
- 18 f. an attestation that the commercial entity will not be  
19 located on tribal land,
- 20 g. telephone number and email address of the entity, and
- 21 h. name, residential address and date of birth of each  
22 owner and each member, manager and board member, if  
23 applicable;

24

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

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

17           3. Each application shall be accompanied by the following  
18 documentation:

- 19           a. a list of all persons or entities that have an  
20                 ownership interest in the entity,
- 21           b. a certificate of good standing from the Oklahoma  
22                 Secretary of State, if applicable,
- 23           c. an Affidavit of Lawful Presence for each owner,

1 d. proof that the proposed location of the disposal  
2 facility is at least one thousand (1,000) feet from a  
3 public or private school. The distance indicated in  
4 this subparagraph shall be measured from ~~any entrance~~  
5 ~~of the~~ nearest property line of such public or private  
6 school to the nearest property line point perimeter  
7 wall of the premises of such disposal facility. If  
8 any public or private school is established within one  
9 thousand (1,000) feet of any disposal facility after  
10 such disposal facility has been licensed, the  
11 provisions of this subparagraph shall not be a  
12 deterrent to the renewal of such license or warrant  
13 revocation of the license, and

14 e. documents establishing the applicant, the members,  
15 managers and board members, if applicable, and  
16 seventy-five percent (75%) of the ownership interests  
17 are Oklahoma residents as established in Section 420  
18 et seq. of ~~Title 63 of the Oklahoma Statutes~~ this  
19 title, as it relates to proof of residency.

20 C. No license shall be issued except upon proof of sufficient  
21 liability insurance and financial responsibility. Liability  
22 insurance shall be provided by the applicant and shall apply to  
23 sudden and nonsudden bodily injury or property damage on, below or  
24 above the surface, as required by the rules of the Authority. Such

1 insurance shall be maintained for the period of operation of the  
2 facility and shall provide coverage for damages resulting from  
3 operation of the facility during operation and after closing. ~~In~~  
4 ~~lieu of liability insurance required by this subsection, an~~  
5 ~~equivalent amount of cash, securities, bond or alternate financial~~  
6 ~~assurance, of a type and in an amount acceptable to the Authority,~~  
7 ~~may be substituted; provided, that such deposit shall be maintained~~  
8 ~~for a period of five (5) years after the date of last operation of~~  
9 ~~the facility.~~

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

24

1 E. The Authority shall issue a an annual permit for each  
2 medical marijuana waste disposal facility operated by a licensee. A  
3 permit shall be issued only upon proper application by a licensee  
4 and determination by the Authority that the proposed site and  
5 facility are physically and technically suitable. Upon a finding  
6 that a proposed medical marijuana waste disposal facility is not  
7 physically or technically suitable, the Authority shall deny the  
8 permit. The Authority shall have the authority to revoke a permit  
9 upon a finding that the site and facility are not physically and  
10 technically suitable for processing. The Authority may, upon  
11 determining that public health or safety requires emergency action,  
12 issue a temporary permit for treatment or storage of medical  
13 marijuana waste for a period not to exceed ninety (90) days.

14 F. The cost of a medical marijuana waste disposal license shall  
15 be Five Thousand Dollars (\$5,000.00) for the initial license. The  
16 cost of a medical marijuana waste disposal facility permit shall be  
17 Five Hundred Dollars (\$500.00). A medical marijuana waste disposal  
18 facility permit that has been revoked shall be reinstated upon  
19 remittance of a reinstatement fee of Five Hundred Dollars (\$500.00)  
20 to restore the facility permit. All license and permit fees shall  
21 be deposited into the ~~Public Health Special~~ Oklahoma Medical  
22 Marijuana Authority Revolving Fund as provided in Section ~~1-107~~  
23 427.5 of ~~Title 63 of the Oklahoma Statutes~~ this title.

24

1 G. The holder of a medical marijuana waste disposal license  
2 shall not be required to obtain a medical marijuana transporter  
3 license provided for in the Oklahoma Medical Marijuana and Patient  
4 Protection Act for purposes of transporting medical marijuana waste.

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

9 I. The State Commissioner of Health shall promulgate rules for  
10 the implementation of ~~this act~~ the Oklahoma Medical Marijuana Waste  
11 Management Act. Promulgated rules shall address disposal process  
12 standards, site security and any other subject matter deemed  
13 necessary by the Authority.

14 SECTION 29. This act shall become effective November 1, 2021.

15  
16 COMMITTEE REPORT BY: COMMITTEE ON ALCOHOL, TOBACCO AND CONTROLLED  
17 SUBSTANCES, dated 03/01/2021 - DO PASS, As Amended.  
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19  
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