1 ENGROSSED SENATE AMENDMENT TO ENGROSSED HOUSE BILL NO. 4055 By: Marti, Davis, Talley, and 3 McDugle of the House 4 and 5 Paxton of the Senate 6 7 An Act relating to medical marijuana; requiring 8 public utilities to report certain monthly commodity usage to the Oklahoma Medical Marijuana Authority; 9 requiring licensed medical marijuana commercial growers to inform public utility as to their license 10 status by certain time; requiring submission of certain monthly report in certain format to the 11 Authority; amending 63 O.S. 2021, Section 427.3, which relates to powers and duties of the Oklahoma 12 Medical Marijuana Authority; requiring establishment 1.3 of procedure to monitor and collect certain commodity usage information for licensed medical marijuana 14 commercial growers; providing for submission of certain information; requiring submission be in 15 certain form; requiring the development of certain rules and necessary procedures; providing for license revocation; providing for codification; and providing 16 an effective date. 17 18 19 AMENDMENT NO. 1. Page 1, strike the title to read 20 "[ medical marijuana - public utilities to report certain monthly commodity usage - growers to inform 2.1 public utility as to their license status - monthly report - procedure to monitor and collect certain 22 commodity usage information - codification effective date |" 23

1	December the Constants the 27th day of April 2022
1	Passed the Senate the 27th day of April, 2022.
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4	Presiding Officer of the Senate
5	Passed the House of Representatives the day of,
6	2022.
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8	Presiding Officer of the House
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1 ENGROSSED HOUSE BILL NO. 4055 By: Marti, Davis, Talley, and 2 McDugle of the House 3 and Paxton of the Senate 4 5 6 7 An Act relating to medical marijuana; requiring 8 public utilities to report certain monthly commodity usage to the Oklahoma Medical Marijuana Authority; 9 requiring licensed medical marijuana commercial growers to inform public utility as to their license 10 status by certain time; requiring submission of certain monthly report in certain format to the 11 Authority; amending 63 O.S. 2021, Section 427.3, which relates to powers and duties of the Oklahoma 12 Medical Marijuana Authority; requiring establishment 1.3 of procedure to monitor and collect certain commodity usage information for licensed medical marijuana 14 commercial growers; providing for submission of certain information; requiring submission be in 15 certain form; requiring the development of certain rules and necessary procedures; providing for license 16 revocation; providing for codification; and providing an effective date. 17 18 19 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA: 20 SECTION 1. NEW LAW A new section of law to be codified 21 in the Oklahoma Statutes as Section 180.12 of Title 17, unless there 22 is created a duplication in numbering, reads as follows: 23 Public utilities, as defined in Section 151 of Title 17 of the

Oklahoma Statutes, shall report to the Oklahoma Medical Marijuana

Authority the amount of any commodity supplied by the public utility 1 to licensed medical marijuana commercial grower operations in this state. Existing licensed medical marijuana commercial growers shall 3 be required to inform the public utility as to their status as a 5 licensed medical marijuana commercial grower within thirty (30) days after the effective date of this act. Licensed medical marijuana 6 7 commercial growers that receive a license after the effective date of this act shall inform the public utility of their status as a 8 licensed medical marijuana commercial grower at the time of connection of services. Public utilities shall submit monthly 10 11 reports to the Authority providing the names and addresses of and 12 the amounts of commodities supplied to the licensed medical 13 marijuana commercial growers. The monthly reports shall be 14 submitted in an electronic format that is integrated with the 15 Authority's seed-to-sale software.

SECTION 2. AMENDATORY 63 O.S. 2021, Section 427.3, is amended to read as follows:

Section 427.3 A. There is hereby created the Oklahoma Medical Marijuana Authority within the State Department of Health which shall address issues related to the medical marijuana program in Oklahoma including, but not limited to, the issuance of patient licenses and medical marijuana business licenses, and the dispensing, cultivating, processing, testing, transporting, storage,

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- research, and the use of and sale of medical marijuana pursuant to the Oklahoma Medical Marijuana and Patient Protection Act.
  - B. The Department shall provide support staff to perform designated duties of the Authority. The Department shall also provide office space for meetings of the Authority.
  - C. The Department shall implement the provisions of the Oklahoma Medical Marijuana and Patient Protection Act consistently with the voter-approved State Question No. 788, Initiative Petition No. 412, subject to the provisions of the Oklahoma Medical Marijuana and Patient Protection Act.
  - D. The Department shall exercise its respective powers and perform its respective duties and functions as specified in the Oklahoma Medical Marijuana and Patient Protection Act and this title including, but not limited to, the following:
  - 1. Determine steps the state shall take, whether administrative or legislative in nature, to ensure that research on marijuana and marijuana products is being conducted for public purposes, including the advancement of:
    - a. public health policy and public safety policy,
    - b. agronomic and horticultural best practices, and
    - c. medical and pharmacopoeia best practices;
  - 2. Contract with third-party vendors and other governmental entities in order to carry out the respective duties and functions

- 1 as specified in the Oklahoma Medical Marijuana and Patient 2 Protection Act;
  - 3. Upon complaint or upon its own motion and upon a completed investigation, levy fines as prescribed in applicable laws, rules and regulations and suspend, revoke or not renew licenses pursuant to applicable laws, rules and regulations;
  - 4. Issue subpoenas for the appearance or production of persons, records and things in connection with disciplinary or contested cases considered by the Department;
  - 5. Apply for injunctive or declaratory relief to enforce the provisions of applicable laws, rules and regulations;
  - 6. Inspect and examine all licensed premises of medical marijuana businesses, research facilities, education facilities and waste disposal facilities in which medical marijuana is cultivated, manufactured, sold, stored, transported, tested, distributed or disposed of;
  - 7. Upon action by the federal government by which the production, sale and use of marijuana in Oklahoma does not violate federal law, work with the Oklahoma State Banking Department and the State Treasurer to develop good practices and standards for banking and finance for medical marijuana businesses;
  - 8. Establish internal control procedures for licenses including accounting procedures, reporting procedures and personnel policies;

- 9. Establish a fee schedule and collect fees for performing background checks as the Commissioner deems appropriate. The fees charged pursuant to this paragraph shall not exceed the actual cost incurred for each background check;
  - 10. Establish a fee schedule and collect fees for material changes requested by the licensee; and
  - 11. Establish regulations, which require a medical marijuana business to submit information to the Oklahoma Medical Marijuana Authority, deemed reasonably necessary to assist the Authority in the prevention of diversion of medical marijuana by a licensed medical marijuana business. Such information required by the Authority may include, but shall not be limited to:
    - a. the square footage of the licensed premises,
    - b. a diagram of the licensed premises,
    - c. the number and type of lights at the licensed medical marijuana commercial grower business,
    - d. the number, type and production capacity of equipment located at the medical marijuana processing facility,
    - e. the names, addresses and telephone numbers of employees or agents of a medical marijuana business,
    - f. employment manuals and standard operating procedures for the medical marijuana business, and
    - g. any other information as the Authority reasonably deems necessary; and

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1 12. Establish a procedure for monitoring and collecting 2 licensed medical marijuana commercial growers' monthly usage of 3 commodities provided by public utility companies. The Authority 4 shall provide public utility companies with a means to submit 5 monthly reports regarding the names and addresses of and the amounts 6 of commodities supplied to licensed medical marijuana commercial 7 growers. The Authority shall require monthly usage reports to be 8 submitted in an electronic format that is integrated with the 9 Authority's seed-to-sale software. In addition, the Authority shall 10 develop rules and any necessary procedures for the metering of the 11 usage of water, electricity, or other forms of commodities used by 12 licensed medical marijuana commercial growers that are not supplied 13 by public utility companies including, but not limited to, the usage 14 of well water and gas-powered generators. Refusal or failure to 15 submit the required monthly usage reports by a medical marijuana 16 commercial grower licensee shall result in the permanent revocation 17 of the medical marijuana commercial grower license. 18 SECTION 3. This act shall become effective November 1, 2022.

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