

1 STATE OF OKLAHOMA

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

3 SENATE BILL 1755

By: Leewright

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5  
6 AS INTRODUCED

7 An Act relating to medical marijuana licensing;  
8 amending 63 O.S. 2021, Section 427.14, as last  
9 amended by Section 8, Chapter 584, O.S.L. 2021, which  
10 relates to the medical marijuana business license;  
11 providing for attestation requirements for  
12 applicants; preventing the issuance of a license to  
13 an applicant without the proper permitting from  
14 municipalities; requiring the Oklahoma Medical  
15 Marijuana Authority to review plans and perform  
16 safety and compliance inspections prior to issuances  
17 of license; allowing for the issuance of a  
18 conditional license by the Authority until all  
19 requirements are fulfilled by applicant; and  
20 providing an effective date.

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

22 SECTION 1. AMENDATORY 63 O.S. 2021, Section 427.14, as  
23 last amended by Section 8, Chapter 584, O.S.L. 2021, is amended to  
24 read as follows:

25 Section 427.14. A. There is hereby created the medical  
26 marijuana business license, which shall include the following  
27 categories:

- 28 1. Medical marijuana commercial grower;
- 29 2. Medical marijuana processor;

- 1 3. Medical marijuana dispensary;
- 2 4. Medical marijuana transporter; and
- 3 5. Medical marijuana testing laboratory.

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

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

10 D. The nonrefundable application fee for a medical marijuana  
11 business license shall be Two Thousand Five Hundred Dollars  
12 (\$2,500.00).

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

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

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

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

23 4. All applications shall be complete and accurate in every  
24 detail;

1 5. All applications shall include all attachments or  
2 supplemental information required by the forms supplied by the  
3 Authority including the attestation required by Section 427.15 of  
4 this title;

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

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

- 10 a. all applicants shall be age twenty-five (25) years of  
11 age or older,
- 12 b. any applicant applying as an individual shall show  
13 proof that the applicant is an Oklahoma resident  
14 pursuant to paragraph 11 of this subsection,
- 15 c. any applicant applying as an entity shall show that  
16 seventy-five percent (75%) of all members, managers,  
17 executive officers, partners, board members or any  
18 other form of business ownership are Oklahoma  
19 residents pursuant to paragraph 11 of this subsection,
- 20 d. all applying individuals or entities shall be  
21 registered to conduct business in this state,
- 22 e. all applicants shall disclose all ownership interests  
23 pursuant to the Oklahoma Medical Marijuana and Patient  
24 Protection Act, and

1 f. applicants shall not have been convicted of a  
2 nonviolent felony in the last two (2) years, and any  
3 other felony conviction within the last five (5)  
4 years, shall not be current inmates, or currently  
5 incarcerated in a jail or corrections facility;

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

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

- 20 a. individual applicants applying on their own behalf,
- 21 b. individuals applying on behalf of an entity,
- 22 c. all principal officers of an entity, and
- 23 d. all owners of an entity as defined by Section 427.2 of  
24 this title;

1 10. All applicable fees charged by OSBI are the responsibility  
2 of the applicant and shall not be higher than fees charged to any  
3 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 this state,  
17 and
- 18 e. a rental agreement preceding the date of application  
19 for residential property located in this state.

20 Applicants that were issued a medical marijuana business license  
21 prior to the enactment of the Oklahoma Medical Marijuana and Patient  
22 Protection Act are hereby exempt from the two-year or five-year  
23 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 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,
- 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 the application and mail the  
21 approval, rejection or status-update letter to the applicant within  
22 ninety (90) business days of receipt of the application.  
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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 letters shall  
7 provide a reason for the rejection. Applications may only be  
8 rejected based on the applicant not meeting the standards set forth  
9 in the provisions of this section, improper completion of the  
10 application or for a reason provided for in the Oklahoma Medical  
11 Marijuana and Patient Protection Act. If an application is rejected  
12 for failure to provide required information, the applicant shall  
13 have thirty (30) days to submit the required information for  
14 reconsideration. No additional application fee shall be charged for  
15 such reconsideration.

16 3. Status-update letters shall provide a reason for delay in  
17 either approval or rejection should a situation arise in which an  
18 application was submitted properly, but a delay in processing the  
19 application occurred.

20 4. Approval, rejection or status-update letters shall be sent  
21 to the applicant in the same method the application was submitted to  
22 the Authority.

23 H. A medical marijuana business license shall not be issued to  
24 or held by:

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

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

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

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

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

14 a. file taxes, interest or penalties due related to a  
15 medical marijuana business, or

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

18 6. A sheriff, deputy sheriff, police officer or prosecuting  
19 officer, or an officer or employee of the Authority or municipality;  
20 or

21 7. A person whose authority to be a caregiver as defined in the  
22 Oklahoma Medical Marijuana and Patient Protection Act has been  
23 revoked by the Authority.



1 I. A license provided by the Oklahoma Medical Marijuana and  
2 Patient Protection Act or by Section 421, 422, 423, or 425 of this  
3 title shall not be issued until all relevant local licenses and  
4 permits have been issued by the municipality including, but not  
5 limited to, an occupancy permit or certificate of compliance.

6 J. In addition to the requirements of subsection I of this  
7 section, a license provided by this section or by Section 421, 422,  
8 423, or 425 of this title shall not be issued until the Authority  
9 determines that all necessary inspections and reviews including, but  
10 not limited to, plans reviews, life safety inspections, or  
11 compliance inspections, have been completed.

12 K. If an applicant has not received the necessary permits,  
13 certificates, or licenses from a municipality, or has not completed  
14 the necessary inspections or reviews as determined by the Authority,  
15 but the applicant has fulfilled all other obligations required by  
16 the Oklahoma Medical Marijuana and Patient Protection Act, the  
17 Authority shall grant a conditional license. A conditional license  
18 shall not entitle an applicant to operate or act as a licensee  
19 pursuant to the provisions of the Oklahoma Medical Marijuana and  
20 Patient Protection Act. Once the applicant has fulfilled all the  
21 obligations as determined by the Authority, the Authority may  
22 approve the application.

23 L. In investigating the qualifications of an applicant or a  
24 licensee, the Authority and municipalities may have access to

1 criminal history record information furnished by a criminal justice  
2 agency subject to any restrictions imposed by such an agency. In  
3 the event the Authority considers the criminal history record of the  
4 applicant, the Authority shall also consider any information  
5 provided by the applicant regarding such criminal history record  
6 including but not limited to evidence of rehabilitation, character  
7 references and educational achievements, especially those items  
8 pertaining to the period of time between the last criminal  
9 conviction of the applicant and the consideration of the application  
10 for a state license.

11 ~~J.~~ M. The failure of an applicant to provide the requested  
12 information by the Authority deadline may be grounds for denial of  
13 the application.

14 ~~K.~~ N. All applicants shall submit information to the Authority  
15 in a full, faithful, truthful and fair manner. The Authority may  
16 recommend denial of an application where the applicant made  
17 misstatements, omissions, misrepresentations or untruths in the  
18 application or in connection with the background investigation of  
19 the applicant. This type of conduct may be considered as the basis  
20 for additional administrative action against the applicant. Typos  
21 and scrivener errors shall not be grounds for denial.

22 ~~L.~~ O. A licensed medical marijuana business premises shall be  
23 subject to and responsible for compliance with applicable provisions  
24 for medical marijuana business facilities as described in the most

1 recent versions of the Oklahoma Uniform Building Code, the  
2 International Building Code and the International Fire Code, unless  
3 granted an exemption by the Authority or municipality.

4 ~~M.~~ P. All medical marijuana business licensees shall pay the  
5 relevant licensure fees prior to receiving licensure to operate a  
6 medical marijuana business, as defined in the Oklahoma Medical  
7 Marijuana and Patient Protection Act for each class of license.

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

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

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