1 ENGROSSED SENATE BILL NO. 437 By: Garvin of the Senate 2 and 3 Marti of the House 4 5 An Act relating to medical marijuana; amending 63 6 O.S. 2021, Section 427.10, as amended by Section 12, Chapter 251, O.S.L. 2022 (63 O.S. Supp. 2022, Section 7 427.10), which relates to physicians who may provide a recommendation; directing creation of certain 8 registry; requiring registration by physicians; 9 requiring compliance with medical education and continuing medical education requirements; authorizing the Oklahoma Medical Marijuana Authority 10 to provide for certain conferences, meetings, or training sessions; directing promulgation of certain 11 rules in consultation with specified boards; amending Section 3, Chapter 328, O.S.L. 2022 (63 O.S. Supp. 12 2022, Section 427.14b), which relates to credentials required for employees to work in licensed medical 13 marijuana business; requiring dispensary employees to comply with education and continuing education 14 requirements; directing promulgation of certain rules; amending 63 O.S. 2021, Section 427.21, as 15 amended by Section 2, Chapter 329, O.S.L. 2022 (63 O.S. Supp. 2022, Section 427.21), which relates to 16 advertising; prohibiting certain types of events to be hosted or advertised; providing for the 17 promulgation of rules for certain events; updating statutory language; updating statutory reference; and 18 providing an effective date. 19 20 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA: 21 SECTION 1. AMENDATORY 63 O.S. 2021, Section 427.10, as 22 amended by Section 12, Chapter 251, O.S.L. 2022 (63 O.S. Supp. 2022, 23 24 Section 427.10), is amended to read as follows:

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

B. A physician who has not completed his or her first residency
shall not meet the definition of "physician" under this section and
any recommendation for a medical marijuana patient license shall not
be processed by the <u>Oklahoma Medical Marijuana</u> Authority.

9 C. No physician shall be subject to arrest, prosecution or penalty in any manner or denied any right or privilege under state, 10 municipal or county statute, ordinance or resolution, including 11 without limitation a civil penalty or disciplinary action by the 12 State Board of Medical Licensure and Supervision, the State Board of 13 Osteopathic Examiners, the Board of Podiatric Medical Examiners or 14 by any other business, occupation or professional licensing board or 15 bureau, solely for providing a medical marijuana recommendation for 16 a patient or for monitoring, treating or prescribing scheduled 17 medication to patients who are medical marijuana licensees. 18 The provisions of this subsection shall not prevent the relevant 19 professional licensing boards from sanctioning a physician for 20 failing to properly evaluate the medical condition of a patient or 21 for otherwise violating the applicable physician-patient standard of 22 care. 23

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

E. If the physician determines the continued use of medical marijuana by the patient no longer meets the requirements set forth in the Oklahoma Medical Marijuana and Patient Protection Act, the physician shall notify the Oklahoma Medical Marijuana Authority and the license shall be immediately voided without right to an individual proceeding.

10 <u>F. The Authority shall create and maintain a registry of</u> 11 <u>recommending physicians. Beginning January 1, 2025, to be eligible</u> 12 <u>to provide a medical marijuana recommendation to a licensed patient,</u> 13 a physician shall be registered with the Authority.

14 <u>G. To be registered with the Authority, a physician shall</u>
15 <u>comply with the medical education and continuing medical education</u>
16 <u>requirements described in subsection I of this section and shall</u>
17 <u>meet all other requirements established by law or rule for</u>
18 recommending physicians.

H. The Authority is hereby authorized to enter into contracts
and agreements for the payment of food, lodging, and other
authorized expenses as may be necessary to host, conduct, sponsor,
or participate in conferences, meetings, or training sessions. The
Authority may establish accounts as necessary for the collection and
distribution of funds, including funds of sponsors and registration

1 fees, related to such conferences, meetings, and training sessions. Any expenses incurred may be paid directly to the contacting agency 2 or business establishment. 3 4 I. The Executive Director of the Authority shall promulgate 5 rules to establish medical education and continuing medical education requirements for recommending physicians. In promulgating 6 such rules, the Executive Director shall consult with the State 7 Board of Medical Licensure and Supervision, the State Board of 8 9 Osteopathic Examiners, and the Board of Podiatric Medical Examiners, 10 and the Executive Director may consult with associations representing licensees of such boards. 11 Section 3, Chapter 328, O.S.L. 12 SECTION 2. AMENDATORY 13 2022 (63 O.S. Supp. 2022, Section 427.14b), is amended to read as follows: 14 Section 427.14b. A. 1. Beginning January 1, 2024, the 15 Oklahoma Medical Marijuana Authority shall require employees of a 16 medical marijuana business licensee to apply for and receive a 17 credential authorizing the employee to work in a licensed medical 18 marijuana business. 19 2. Beginning January 1, 2025, to be eligible for such 20 credential, employees of medical marijuana dispensaries shall comply 21 with the education and continuing education requirements described 22 in subsection G of this section and shall meet all other 23 24

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1 requirements established by law or rule for employees of a medical
2 marijuana business licensee.

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

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

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

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

F. The third-party vendor shall not be civilly liable to an applicant, licensee, or employee of a licensee for any acts taken in

good-faith compliance with the provisions of Section 420 et seq. of
 Title 63 of the Oklahoma Statutes and the Oklahoma Medical Marijuana
 and Patient Protection Act and the rules promulgated by the Oklahoma
 Medical Marijuana Authority.

G. <u>1.</u> The Executive Director of the Authority may promulgate
rules to implement the provisions of this section.

7 <u>2. Such rules shall include, but not be limited to, education</u>
8 <u>and continuing education requirements for employees of medical</u>
9 marijuana dispensaries.

10 SECTION 3. AMENDATORY 63 O.S. 2021, Section 427.21, as 11 amended by Section 2, Chapter 329, O.S.L. 2022 (63 O.S. Supp. 2022, 12 Section 427.21), is amended to read as follows:

Section 427.21. A. A medical marijuana business shall notengage in advertising that is deceptive, false or misleading.

B. Medical marijuana advertising shall not contain any statement or illustration that:

17 1. Promotes overconsumption;

Represents that the use of marijuana has curative or
 therapeutic effects; or

20 3. Depicts a child or other person under legal age to consume 21 marijuana, or includes:

a. objects such as toys or cartoon or other characters,
 which suggest the presence of a child, or any other
 depiction designed in any manner to be especially

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- appealing to children or other persons under legal age to consume marijuana, or
- b. any manner or design that would be especially
  appealing to children or other persons under eighteen
  (18) years of age.

C. Upon the effective date of this act Beginning on November 1, 6 7 2022, all medical marijuana commercial grower licensees shall be required to post signage at the site of the commercial grow 8 9 operation. Signage shall be located at the perimeter of the property with dimensions measuring no less than eighteen (18) inches 10 by twenty-four (24) inches with a font size of no less than two (2) 11 inches. Information required to be displayed on the sign shall be 12 13 in black standardized font on a white background. The Oklahoma Medical Marijuana Authority shall promulgate rules as necessary 14 regarding the size, placement, issuance and specifications of the 15 required signage. The following information shall be included on 16 17 the required signage:

18 1. Business name;

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19 2. Physical address of the licensed business;

20 3. Phone number of the licensed business; and

21 4. Medical marijuana business license number.

The required signage shall also comply with county regulations and local ordinances related to the real property where the commercial grow operation is located. Failure to erect the proper

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1 signage within sixty (60) days after the renewal of each application for a medical marijuana commercial grower license in accordance with 2 the provisions of this subsection shall result in the immediate 3 4 revocation of the medical marijuana commercial grower license. Upon 5 issuance of a temporary license, all medical marijuana commercial grower licensees shall be required to comply with the provisions of 6 this subsection prior to the prelicensure inspection conducted by 7 the Authority. 8

9 D. It shall be unlawful to host or advertise medical marijuana-10 related events requiring admission fees or open to the general public, other than for the purposes of providing education to a 11 physician on the list of approved providers and as permitted by the 12 13 appropriate licensing board. The Authority shall promulgate rules to issue or deny permits for events not hosted by the Authority and 14 related to education of providers. 15 SECTION 4. This act shall become effective January 1, 2024. 16

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1	Passed the Senate the 23rd day of March, 2023.
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4	Presiding Officer of the Senate
5	Passed the House of Representatives the day of,
6	2023.
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8	Presiding Officer of the House
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