

1 **SENATE FLOOR VERSION**

2 April 7, 2021

3 **AS AMENDED**

4 ENGROSSED HOUSE

5 BILL NO. 2646

6 By: Echols and Davis of the  
7 House

8 and

9 Taylor and Rogers of the  
10 Senate

11 [ medical marijuana - patient and caregiver licensing  
12 requirements - dispensary licensing requirements -  
13 commercial grower licensing requirements -  
14 protections for medical marijuana patient licensees -  
15 taxation of medical marijuana - license revocations  
16 and hearings - Oklahoma Medical Marijuana and Patient  
17 Protection Act - Oklahoma Medical Marijuana Waste  
18 Management Act - codification - 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;

1 3. Legally possess six mature marijuana plants and the  
2 harvested marijuana therefrom;

3 4. Legally possess six seedling plants;

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

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

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

11 8. Legally possess seventy-two ounces (72) ounces of topical  
12 marijuana.

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

1 the person in the appropriate court. Upon receiving the written  
2 promise of the alleged violator to answer as specified in the  
3 citation, the law enforcement officer shall release the person upon  
4 personal recognizance unless there has been a violation of another  
5 provision of law.

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

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

21 E. A short-term medical marijuana patient license application  
22 shall also be made available on the website of the State Department  
23 of Health. A short-term medical marijuana patient license shall be  
24 granted to any applicant who can meet the requirements for a two-

1 year medical marijuana patient license, but whose physician  
2 recommendation for medical marijuana is only valid for sixty (60)  
3 days. Short-term medical marijuana patient licenses shall be issued  
4 for sixty (60) days. The fee for a short-term medical marijuana  
5 patient license, reprints of the short-term medical marijuana  
6 patient license, and the procedure for extending or renewing the  
7 license shall be determined by the Department.

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

21 G. Medical marijuana patient license applicants shall submit  
22 ~~his or her~~ their applications to the State Department of Health for  
23 approval. The applicant shall be ~~an~~ a resident of Oklahoma ~~state~~

24

1 ~~resident~~ and shall prove residency by a valid driver license,  
2 utility bills, or other accepted methods.

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

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

- 15 1. ~~A digital photograph of the license holder;~~
- 16 2. ~~The expiration date of the license;~~
- 17 3. ~~The county where the card was issued; and~~
- 18 4. ~~A unique 24-character identification number assigned to the~~  
19 ~~license.~~

20 ~~J.~~ The State Department of Health shall make available, both on  
21 its website and through a telephone verification system, an easy  
22 method to validate the authenticity of the medical marijuana patient  
23 license by the unique 24-character identification number.

24

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

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

22       **M.** **L.** All applicants for a medical marijuana patient license  
23 shall be eighteen (18) years of age or older. A special exception  
24 shall be granted to an applicant under the age of eighteen (18);

1 however, these applications shall be signed by two physicians and  
2 the parent or legal guardian of the applicant.

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

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

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

20 Section 421. A. The ~~Oklahoma~~ State Department of Health shall,  
21 within thirty (30) days of passage of this initiative, make  
22 available~~7~~ on ~~their~~ its website~~7~~, in an ~~easy to find~~ easy-to-find  
23 location~~7~~, an application for a medical marijuana dispensary license.  
24 The application fee shall be Two Thousand Five Hundred Dollars

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

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 ~~five 5 (years)~~ the last five (5) years, inmates in the  
6 custody of the Department of Corrections, or any person currently  
7 incarcerated ~~may~~ shall not qualify for a medical marijuana  
8 dispensary license.

9       C. ~~Retailers will~~ Licensed medical marijuana dispensaries shall  
10 be required to complete a monthly sales report to the ~~Oklahoma~~ State  
11 Department of Health. This report ~~will~~ shall be due on the 15<sup>th</sup>  
12 fifteenth of each month and provide reporting on the previous month.  
13 This report ~~will~~ shall detail the weight of marijuana purchased at  
14 wholesale and the weight of marijuana sold to ~~card holders~~ licensed  
15 medical marijuana patients and licensed caregivers, and account for  
16 any waste. The report ~~will~~ shall show total sales in dollars, tax  
17 collected in dollars, and tax due in dollars. The ~~Oklahoma~~ State  
18 Department of Health ~~will~~ shall have oversight and auditing  
19 responsibilities to ensure that all marijuana being grown is  
20 accounted for. ~~A retailer will only be subject to a penalty if a~~  
21 ~~gross discrepancy exists and cannot be explained. Penalties for~~  
22 ~~fraudulent reporting occurring within any 2 year time period will be~~  
23 ~~an initial fine of Five Thousand Dollars (\$5,000.00) (first) and~~  
24 ~~revocation of licensing (second).~~

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

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

21 Section 422. A. The ~~Oklahoma~~ State Department of Health ~~will~~  
22 shall, within thirty (30) days of passage of this initiative, make  
23 available~~7~~ on ~~their~~ its website~~7~~ in an ~~easy-to-find~~ easy-to-find  
24 location~~7~~ an application for a commercial grower license. The

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

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

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

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

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

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

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

22 6. All applicants must disclose all ownership; interests in the  
23 commercial grower operation.

24

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

6       C. A licensed commercial grower may sell marijuana to a  
7 licensed ~~retailer~~, dispensary or a licensed ~~packager~~ processor.  
8 Further, ~~these sales will~~ by a licensed commercial grower shall be  
9 considered wholesale sales and shall not be subject to taxation.  
10 Under no circumstances may a licensed commercial grower sell  
11 marijuana directly to a licensed medical marijuana ~~license holder~~  
12 patient or licensed caregiver. A licensed commercial grower may  
13 only sell at the wholesale level to a licensed ~~retailer~~ dispensary,  
14 a licensed grower or a licensed processor. If the federal  
15 government lifts restrictions on buying and selling marijuana  
16 between states, then a licensed commercial grower would be allowed  
17 to sell and buy marijuana wholesale from, or to, an ~~out-of-state~~  
18 out-of-state wholesale provider. A licensed commercial grower ~~will~~  
19 shall be required to complete a monthly yield and sales report to  
20 the ~~Oklahoma~~ State Department of Health. This report ~~will~~ shall be  
21 due on the ~~15<sup>th</sup>~~ fifteenth of each month and provide reporting on the  
22 previous month. This report ~~will~~ shall detail the amount of  
23 marijuana harvested in pounds, the amount of drying or dried  
24 marijuana on hand, the amount of marijuana sold to licensed

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

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

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

24

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

4 Section 423. A. The ~~Oklahoma~~ State Department of Health shall,  
5 within thirty (30) days of passage of this initiative, make  
6 available~~7~~ on ~~their~~ its website~~7~~, in an ~~easy-to-find~~ easy-to-find  
7 location~~7~~, an application for a medical marijuana processing license.  
8 The Department shall be authorized to issue two types of medical  
9 marijuana processor licenses:

10 1. Nonvolatile, which involves using any solvent in the  
11 extraction process that is not a volatile solvent, including carbon  
12 dioxide; and

13 2. Volatile, which involves using any solvent that is or  
14 produces a flammable gas or vapor that, when present in the air in  
15 sufficient quantities, will create explosive or ignitable mixtures  
16 and may also include extraction using nonvolatile solvents or no  
17 solvents.

18 The application fee for a nonvolatile or volatile medical marijuana  
19 processor license shall be Two Thousand Five Hundred Dollars  
20 (\$2,500.00) ~~and methods~~. A method of payment ~~will~~ shall be provided  
21 on the website of the Department. The ~~Oklahoma~~ State Department of  
22 Health shall have ~~two (2) weeks~~ ninety (90) days to review the  
23 application~~7~~; approve ~~or~~, reject or deny the application~~7~~; and mail  
24 the ~~approval/rejection~~ approval, rejection or denial letter ~~(if~~

1 ~~rejected,~~ stating the reasons for rejection) the rejection or denial  
2 to the applicant.

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

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

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

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

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

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

16 6. All applicants must disclose all ownership; interests in the  
17 processing operation.

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

23

24

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

4 2. As required by subsection D of this section, the ~~Oklahoma~~  
5 State Department of Health ~~will~~ shall, within sixty (60) days of  
6 passage of this initiative, make available a set of standards which  
7 ~~will~~ shall be used by licensed processors in the preparation of  
8 edible marijuana products. ~~This~~ The standards should be in line  
9 with current food preparation guidelines ~~and no.~~ No excessive or  
10 punitive rules may be established by the ~~Oklahoma~~ State Department  
11 of Health. ~~Once~~

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

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

23 5. Under no circumstances may a licensed processor sell  
24 marijuana~~,~~ or any marijuana product~~,~~ directly to a licensed medical



1 marijuana ~~license holder~~ patient or licensed caregiver. However, a  
2 licensed processor may process cannabis into a concentrated form,  
3 for a licensed medical license holder, marijuana patient for a fee.  
4 ~~Processors will~~

5 6. Licensed processors shall be required to complete a monthly  
6 yield and sales report to the ~~Oklahoma~~ State Department of Health.  
7 This report ~~will~~ shall be due on the 15<sup>th</sup> fifteenth of each month and  
8 shall provide reporting on the previous month. This report ~~will~~  
9 shall detail the amount of marijuana and medical marijuana products  
10 purchased in pounds, the amount of marijuana cooked or processed in  
11 pounds, and the amount of waste in pounds. Additionally, this  
12 report ~~will~~ shall show total wholesale sales in dollars. The  
13 ~~Oklahoma~~ State Department of Health ~~will~~ shall have oversight and  
14 auditing responsibilities to ensure that all marijuana being ~~grown~~  
15 processed is accounted for. ~~A licensed processor will only be~~  
16 ~~subject to a penalty if a gross discrepancy exists and cannot be~~  
17 ~~explained. Penalties for fraudulent reporting occurring within any~~  
18 ~~2 year time period will be an initial fine of Five Thousand Dollars~~  
19 ~~(\$5,000.00) (first) and revocation of licensing (second).~~

20 D. The Department shall oversee the inspection and compliance  
21 of licensed processors producing products with marijuana as an  
22 additive. The ~~Oklahoma~~ State Department of Health ~~will~~ shall be  
23 compelled to, within thirty (30) days of passage of this initiative,  
24 appoint ~~a board of~~ twelve (12) Oklahoma residents to the Medical

1 Marijuana Advisory Council, who are marijuana industry experts, to  
2 create a list of food safety standards for processing and handling  
3 medical marijuana in Oklahoma. These standards ~~will~~ shall be  
4 adopted by the ~~agency~~ Department and the ~~agency can~~ Department may  
5 enforce these standards for licensed processors. The ~~agency will~~  
6 Department shall develop a standards review procedure and these  
7 standards can be altered by calling another ~~board~~ council of twelve  
8 (12) Oklahoma marijuana industry experts. A signed letter of twenty  
9 ~~(20)~~ operating, licensed processors ~~would~~ shall constitute a need  
10 for a new ~~board~~ council and ~~standard~~ standards review.

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

13 F. Any device used for the processing or consumption of medical  
14 marijuana shall be considered legal to be sold, manufactured,  
15 distributed~~7~~ and possessed. No merchant, wholesaler, manufacturer~~7~~  
16 or individual may ~~unduly~~ be unduly harassed or prosecuted for  
17 selling, manufacturing~~7~~ or ~~possession of medical~~ possessing  
18 marijuana paraphernalia.

19 SECTION 5. AMENDATORY Section 6, State Question No. 788,  
20 Initiative Petition No. 412, as last amended by Section 46, Chapter  
21 161, O.S.L. 2020 (63 O.S. Supp. 2020, Section 425), is amended to  
22 read as follows:

23 Section 425. A. No school or landlord may refuse to enroll or  
24 lease to and may not otherwise penalize a person solely for his or

1 her status as a medical marijuana ~~license holder~~ patient licensee,  
2 unless failing to do so would cause the school or landlord the  
3 potential to lose a monetary or licensing-related benefit under  
4 federal law or regulations.

5 B. Unless a failure to do so would cause an employer the  
6 potential to lose a monetary or licensing-related benefit under  
7 federal law or regulations, an employer may not discriminate against  
8 a person in hiring, termination or imposing any term or condition of  
9 employment or otherwise penalize a person based upon ~~either:~~

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

12 2. patient licensee. Employers may take action against a ~~holder~~  
13 ~~of a~~ medical marijuana ~~license~~ patient licensee if the ~~holder~~  
14 licensee uses or possesses marijuana while in his or her place of  
15 employment or during the hours of employment. Employers may not  
16 take action against ~~the holder of~~ a medical marijuana ~~license~~  
17 patient licensee solely based upon the status of an employee as a  
18 medical marijuana ~~license holder~~ patient licensee or the results of  
19 a drug test showing positive for marijuana or its components.

20 C. For the purposes of medical care, including organ  
21 transplants, the authorized use of marijuana by a medical marijuana  
22 ~~license holder~~ patient licensee shall be considered the equivalent  
23 of the use of any other medication under the direction of a  
24 physician and does not constitute the use of an illicit substance or

1 otherwise disqualify a registered qualifying patient from medical  
2 care.

3 D. No medical marijuana ~~license holder~~ patient licensee may be  
4 denied custody of or visitation or parenting time with a minor  
5 child, and there is no presumption of neglect or child endangerment  
6 for conduct allowed under this law, unless the behavior of the  
7 ~~person~~ medical marijuana patient licensee creates an unreasonable  
8 danger to the safety of the minor child.

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

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

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

21 Municipalities may follow their standard planning and zoning  
22 procedures to determine if certain zones or districts would be  
23 appropriate for locating marijuana-licensed premises, medical  
24 marijuana businesses or any other premises where marijuana or its

1 by-products are cultivated, grown, processed, stored or  
2 manufactured.

3 3. ~~For purposes of this section, "retail marijuana~~  
4 ~~establishment" means an entity licensed by the State Department of~~  
5 ~~Health as a medical marijuana dispensary. Retail~~ A medical  
6 ~~marijuana establishment~~ dispensary does not include those other  
7 entities licensed by the Department as marijuana-licensed premises,  
8 medical marijuana businesses or other facilities or locations where  
9 marijuana or any product containing marijuana or its by-products are  
10 cultivated, grown, processed, stored or manufactured.

11 G. The location of any ~~retail~~ medical marijuana ~~establishment~~  
12 dispensary is specifically prohibited within one thousand (1,000)  
13 feet of any public or private school ~~entrance~~. The distance  
14 indicated in this section shall be measured from the nearest  
15 property line of such public or private school to the nearest  
16 perimeter wall of the licensed premises of such medical marijuana  
17 dispensary. If a medical marijuana dispensary met the requirements  
18 of this subsection at the time of its initial licensure, the medical  
19 marijuana dispensary licensee shall be permitted to continue  
20 operating at the licensed premises in the same manner, and not be  
21 subject to nonrenewal or revocation, despite subsequent events or  
22 changes in regulations occurring after licensure that would render  
23 the medical marijuana dispensary in violation by being within one  
24 thousand (1,000) feet of a public or private school. If any public

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

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

23

24

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

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

7 B. This tax ~~will~~ shall be collected at the point of sale. Tax  
8 proceeds ~~will~~ shall be applied primarily to finance the regulatory  
9 office.

10 C. If proceeds from the levy authorized by subsection A of this  
11 section exceed the budgeted amount for running the regulatory  
12 office, any surplus shall be apportioned with seventy-five percent  
13 (75%) going to the General Revenue Fund and may only be expended for  
14 common education. Twenty-five percent (25%) shall be apportioned to  
15 the ~~Oklahoma~~ State Department of Health and earmarked for drug and  
16 alcohol rehabilitation and prevention.

17 SECTION 7. AMENDATORY Section 4, Chapter 509, O.S.L.  
18 2019 (63 O.S. Supp. 2020, Section 426.1), is amended to read as  
19 follows:

20 Section 426.1. A. ~~Except for revocation hearings concerning~~  
21 ~~licensed patients, as defined in Section 2 of Enrolled House Bill~~  
22 ~~No. 2612 of the 1st Session of the 57th Oklahoma Legislature, all~~  
23 All licensure revocation hearings conducted pursuant to marijuana  
24 licenses established in the Oklahoma Statutes shall be recorded. A

1 party may request a copy of the recording of the proceedings.  
2 Copies shall be provided to local law enforcement if the revocation  
3 was based on alleged criminal activity.

4 B. The State Department of Health shall assist any law  
5 enforcement officer in the performance of his or her duties upon  
6 such request by the law enforcement officer or the request of other  
7 local officials having jurisdiction. Except for license information  
8 concerning licensed patients, as defined in Section ~~2~~ 427.2 of  
9 ~~Enrolled House Bill No. 2612 of the 1st Session of the 57th Oklahoma~~  
10 ~~Legislature~~ this title, the Department shall share information with  
11 law enforcement agencies upon request without a subpoena or search  
12 warrant.

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

18 D. The Department shall make available to Oklahoma state  
19 agencies and political subdivisions a list of marijuana-licensed  
20 premises, medical marijuana businesses or any other premises where  
21 marijuana or its by-products are licensed to be cultivated, grown,  
22 processed, stored or manufactured to aid Oklahoma state agencies and  
23 county and municipal governments in identifying locations within  
24



1 their jurisdiction and ~~ensure~~ ensuring compliance with ~~local~~  
2 applicable law, rules and regulations.

3 E. All marijuana-licensed premises, medical marijuana  
4 businesses or any other premises where marijuana or its by-products  
5 are licensed to be cultivated, grown, processed, stored or  
6 manufactured shall submit with their application or request to  
7 change location, after notifying the political subdivision of their  
8 intent, a certificate of compliance from the political subdivision  
9 where the facility of the applicant or ~~use~~ licensee is to be located  
10 certifying compliance with zoning classifications, applicable  
11 municipal ordinances and all applicable safety, electrical, fire,  
12 plumbing, waste, construction and building specification codes.

13 SECTION 8. AMENDATORY Section 2, Chapter 11, O.S.L.  
14 2019, as last amended by Section 48, Chapter 161, O.S.L. 2020 (63  
15 O.S. Supp. 2020, Section 427.2), is amended to read as follows:

16 Section 427.2. As used in ~~this act~~ the Oklahoma Medical  
17 Marijuana and Patient Protection Act:

18 1. "Advertising" means the act of providing consideration for  
19 the publication, dissemination, solicitation, or circulation, of  
20 visual, oral, or written communication to induce directly or  
21 indirectly any person to patronize a particular medical marijuana  
22 business, or to purchase particular medical marijuana or a medical  
23 marijuana product. Advertising includes marketing, but does not  
24 include packaging and labeling;

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

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

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

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

10       6. "Child-resistant" means special packaging that is:

11           a. designed or constructed to be significantly difficult  
12           for children under five (5) years of age to open and  
13           not difficult for normal adults to use properly as  
14           defined by 16 C.F.R. 1700.15 (1995) and 16 C.F.R.  
15           1700.20 (1995),

16           b. opaque so that the outermost packaging does not allow  
17           the product to be seen without opening the packaging  
18           material, and

19           c. resealable to maintain its child-resistant  
20           effectiveness for multiple openings for any product  
21           intended for more than a single use or containing  
22           multiple servings;

1           7. "Clone" means a nonflowering plant cut from a mother plant  
2 that is capable of developing into a new plant and has shown no  
3 signs of flowering;

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

5           9. "Complete application" means a document prepared in  
6 accordance with the provisions set forth in ~~this act~~ the Oklahoma  
7 Medical Marijuana and Patient Protection Act, rules promulgated  
8 pursuant thereto, and the forms and instructions provided by the  
9 Department, including any supporting documentation required and the  
10 applicable license application fee;

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

12          11. "Director" means the Executive Director of the Oklahoma  
13 Medical Marijuana Authority;

14          12. "Dispense" means the selling of medical marijuana or a  
15 medical marijuana product to a qualified patient or the designated  
16 caregiver of the patient that is packaged in a suitable container  
17 appropriately labeled for subsequent administration to or use by a  
18 qualifying patient;

19          13. "Dispensary" means a medical marijuana dispensary, an  
20 entity that has been licensed by the Department pursuant to ~~this act~~  
21 the Oklahoma Medical Marijuana and Patient Protection Act to  
22 purchase medical marijuana or medical marijuana products from a  
23 licensed medical marijuana commercial grower or licensed medical  
24 marijuana processor, to prepare and package non-infused pre-rolled

1 medical marijuana, and to sell medical marijuana or medical  
2 marijuana products to licensed patients and caregivers as defined  
3 ~~under in~~ this ~~act~~ section, or sell or transfer products to another  
4 licensed dispensary;

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

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

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

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

19 18. "Food-based medical marijuana concentrate" means a medical  
20 marijuana concentrate that was produced by extracting cannabinoids  
21 from medical marijuana through the use of propylene glycol,  
22 glycerin, butter, olive oil, coconut oil or other typical food-safe  
23 cooking fats;

24

1       19. ~~"Good cause" for purposes of an initial, renewal or~~  
2 ~~reinstatement license application, or for purposes of discipline of~~  
3 ~~a licensee, means:~~

- 4           a. ~~the licensee or applicant has violated, does not meet,~~  
5 ~~or has failed to comply with any of the terms,~~  
6 ~~conditions or provisions of the act, any rules~~  
7 ~~promulgated pursuant thereto, or any supplemental~~  
8 ~~relevant state or local law, rule or regulation,~~
- 9           b. ~~the licensee or applicant has failed to comply with~~  
10 ~~any special terms or conditions that were placed upon~~  
11 ~~the license pursuant to an order of the State~~  
12 ~~Department of Health, Oklahoma Medical Marijuana~~  
13 ~~Authority or the municipality, or~~
- 14           c. ~~the licensed premises of a medical marijuana business~~  
15 ~~or applicant have been operated in a manner that~~  
16 ~~adversely affects the public health or welfare or the~~  
17 ~~safety of the immediate vicinity in which the~~  
18 ~~establishment is located;~~

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

1       ~~21.~~ 20. "Harvested marijuana" means ~~post-flowering~~  
2 postflowering medical marijuana not including trim, concentrate or  
3 waste;

4       ~~22.~~ 21. "Heat- or pressure-based medical marijuana concentrate"  
5 means a medical marijuana concentrate that was produced by  
6 extracting cannabinoids from medical marijuana through the use of  
7 heat or pressure;

8       ~~23.~~ 22. "Immature plant" means a nonflowering marijuana plant  
9 that has not demonstrated signs of flowering;

10       ~~24.~~ 23. "Inventory tracking system" means the required tracking  
11 system that accounts for the entire life span of medical marijuana  
12 ~~from either the seed or immature plant stage until the medical~~  
13 ~~marijuana or~~ and medical marijuana product is sold to a patient at a  
14 products, including any testing samples thereof and medical  
15 marijuana dispensary, ~~transferred to a medical marijuana research~~  
16 ~~facility, destroyed by a medical marijuana business or used in a~~  
17 ~~research project by a medical marijuana research facility~~ waste;

18       ~~25.~~ 24. "Licensed patient" or "patient" means a person who has  
19 been issued a medical marijuana patient license by the State  
20 Department of Health or Oklahoma Medical Marijuana Authority;

21       ~~26.~~ 25. "Licensed premises" means the premises specified in an  
22 application for a medical marijuana business license, medical  
23 marijuana research facility license or medical marijuana education  
24 facility license pursuant to ~~this act~~ the Oklahoma Medical Marijuana

1 and Patient Protection Act that are owned or in possession of the  
2 licensee and within which the licensee is authorized to cultivate,  
3 manufacture, distribute, sell, store, transport, test or research  
4 medical marijuana or medical marijuana products in accordance with  
5 the provisions of ~~this act~~ the Oklahoma Medical Marijuana and  
6 Patient Protection Act and rules promulgated pursuant thereto;

7 ~~27.~~ 26. "Manufacture" means the production, propagation,  
8 compounding or processing of a medical marijuana product, excluding  
9 marijuana plants, either directly or indirectly by extraction from  
10 substances of natural or synthetic origin, or independently by means  
11 of chemical synthesis, or by a combination of extraction and  
12 chemical synthesis;

13 ~~28.~~ 27. "Marijuana" shall have the same meaning as such term is  
14 defined in Section 2-101 of ~~Title 63 of the Oklahoma Statutes~~ this  
15 title;

16 ~~29.~~ 28. "Material change" means any change that would ~~require a~~  
17 ~~substantive revision to the standard operating procedures of a~~  
18 ~~licensee for the cultivation or production of medical marijuana,~~  
19 ~~medical marijuana concentrate or medical marijuana products~~ affect  
20 the qualifications for licensure of an applicant or licensee;

21 ~~30.~~ 29. "Mature plant" means a harvestable female marijuana  
22 plant that is flowering;

23 ~~31.~~ 30. "Medical marijuana business (MMB)" means a licensed  
24 medical marijuana dispensary, medical marijuana processor, medical

1 marijuana commercial grower, medical marijuana laboratory, medical  
2 marijuana business operator, or a medical marijuana transporter;

3 ~~32.~~ 31. "Medical marijuana concentrate" or "concentrate" means  
4 a specific subset of medical marijuana that was produced by  
5 extracting cannabinoids from medical marijuana. Categories of  
6 medical marijuana concentrate include water-based medical marijuana  
7 concentrate, food-based medical marijuana concentrate, solvent-based  
8 medical marijuana concentrate, and heat- or pressure-based medical  
9 marijuana concentrate;

10 ~~33.~~ 32. "Medical marijuana commercial grower" or "commercial  
11 grower" means an entity licensed to cultivate, prepare and package  
12 medical marijuana or package medical marijuana as pre-rolls, and  
13 transfer or contract for transfer medical marijuana and medical  
14 marijuana pre-rolls to a medical marijuana dispensary, medical  
15 marijuana processor, any other medical marijuana commercial grower,  
16 medical marijuana research facility, ~~and~~ and medical marijuana education  
17 facility ~~and pesticide manufacturers.~~ A commercial grower may sell  
18 seeds, flower or clones to commercial growers pursuant to ~~this act~~  
19 the Oklahoma Medical Marijuana and Patient Protection Act;

20 ~~34.~~ 33. "Medical marijuana education facility" or "education  
21 facility" means a person or entity approved pursuant to ~~this act~~ the  
22 Oklahoma Medical Marijuana and Patient Protection Act to operate a  
23 facility providing training and education to individuals involving  
24 the cultivation, growing, harvesting, curing, preparing, packaging



1 or testing of medical marijuana, or the production, manufacture,  
2 extraction, processing, packaging or creation of medical-marijuana-  
3 infused products or medical marijuana products as described in ~~this~~  
4 ~~act~~ the Oklahoma Medical Marijuana and Patient Protection Act;

5 ~~35.~~ 34. "Medical-marijuana-infused product" means a product  
6 infused with medical marijuana including, but not limited to, edible  
7 products, ointments and tinctures;

8 ~~36.~~ 35. "Medical marijuana product" or "product" means a  
9 product that contains cannabinoids that have been extracted from  
10 plant material or the resin therefrom by physical or chemical means  
11 and is intended for administration to a qualified patient including,  
12 but not limited to, oils, tinctures, edibles, pills, topical forms,  
13 gels, creams, vapors, patches, liquids, and forms administered by a  
14 nebulizer, excluding live plant forms which are considered medical  
15 marijuana;

16 ~~37.~~ 36. "Medical marijuana processor" means a person or entity  
17 licensed pursuant to ~~this act~~ the Oklahoma Medical Marijuana and  
18 Patient Protection Act to operate a business including the  
19 production, manufacture, extraction, processing, packaging or  
20 creation of concentrate, medical-marijuana-infused products or  
21 medical marijuana products as described in ~~this act~~ the Oklahoma  
22 Medical Marijuana and Patient Protection Act;

23 ~~38.~~ 37. "Medical marijuana research facility" or "research  
24 facility" means a person or entity approved pursuant to ~~this act~~ the

1 Oklahoma Medical Marijuana and Patient Protection Act to conduct  
2 medical marijuana research. A medical marijuana research facility  
3 is not a medical marijuana business;

4 ~~39.~~ 38. "Medical marijuana testing laboratory" or "laboratory"  
5 means a public or private laboratory licensed pursuant to ~~this act~~  
6 the Oklahoma Medical Marijuana and Patient Protection Act, to  
7 conduct testing and research on medical marijuana and medical  
8 marijuana products;

9 ~~40.~~ 39. "Medical marijuana transporter" or "transporter" means  
10 a person or entity that is licensed pursuant to ~~this act~~ the  
11 Oklahoma Medical Marijuana and Patient Protection Act. A medical  
12 marijuana transporter does not include a medical marijuana business  
13 that transports its own medical marijuana, medical marijuana  
14 concentrate or medical marijuana products to a property or facility  
15 adjacent to or connected to the licensed premises if the property is  
16 another licensed premises of the same medical marijuana business;

17 ~~41.~~ 40. "Medical marijuana waste" or "waste" means unused,  
18 surplus, returned or out-of-date marijuana, plant debris of the  
19 plant of the genus Cannabis, including dead plants and all unused  
20 plant parts and roots, except the term shall not include roots,  
21 stems, stalks and fan leaves;

22 ~~42.~~ 41. "Medical use" means the acquisition, possession, use,  
23 delivery, transfer or transportation of medical marijuana, medical  
24 marijuana products, medical marijuana devices or paraphernalia

1 relating to the administration of medical marijuana to treat a  
2 licensed patient;

3 ~~43.~~ 42. "Mother plant" means a marijuana plant that is grown or  
4 maintained for the purpose of generating clones, and that will not  
5 be used to produce plant material for sale to a medical marijuana  
6 processor or medical marijuana dispensary;

7 ~~44.~~ 43. "Oklahoma physician" or "physician" means a physician  
8 licensed by and in good standing with the State Board of Medical  
9 Licensure and Supervision, the State Board of Osteopathic Examiners  
10 or the Board of Podiatric Medical Examiners;

11 ~~45.~~ 44. "Oklahoma resident" means an individual who can provide  
12 proof of residency as required by ~~this act~~ the Oklahoma Medical  
13 Marijuana and Patient Protection Act;

14 ~~46.~~ 45. "Owner" means, except where the context otherwise  
15 requires, a direct beneficial owner including, but not limited to,  
16 all persons or entities as follows:

- 17 a. all shareholders owning an interest of a corporate  
18 entity and all officers of a corporate entity,
- 19 b. all partners of a general partnership,
- 20 c. all general partners and all limited partners that own  
21 an interest in a limited partnership,
- 22 d. all members that own an interest in a limited  
23 liability company,

24

- 1 e. all beneficiaries that hold a beneficial interest in a  
2 trust and all trustees of a trust,  
3 f. all persons or entities that own interest in a joint  
4 venture,  
5 g. all persons or entities that own an interest in an  
6 association,  
7 h. the owners of any other type of legal entity, and  
8 i. any other person holding an interest or convertible  
9 note in any entity which owns, operates or manages a  
10 licensed facility;

11 ~~47.~~ 46. "Package" or "packaging" means any container or wrapper  
12 that may be used by a medical marijuana business to enclose or  
13 contain medical marijuana;

14 ~~48.~~ 47. "Person" means a natural person, partnership,  
15 association, business trust, company, corporation, estate, limited  
16 liability company, trust or any other legal entity or organization,  
17 or a manager, agent, owner, director, servant, officer or employee  
18 thereof, except that "person" does not include any governmental  
19 organization;

20 ~~49.~~ 48. "Pesticide" means any substance or mixture of  
21 substances intended for preventing, destroying, repelling or  
22 mitigating any pest or any substance or mixture of substances  
23 intended for use as a plant regulator, defoliant or desiccant,  
24 except that the term "pesticide" shall not include any article that

1 is a "new animal drug" as designated by the United States Food and  
2 Drug Administration;

3 ~~50.~~ 49. "Production batch" means:

4 a. any amount of medical marijuana concentrate of the  
5 same category and produced using the same extraction  
6 methods, standard operating procedures and an  
7 identical group of harvest batch of medical marijuana,  
8 or

9 b. any amount of medical marijuana product of the same  
10 exact type, produced using the same ingredients,  
11 standard operating procedures and the same production  
12 batch of medical marijuana concentrate;

13 ~~51.~~ 50. "Public institution" means any entity established or  
14 controlled by the federal government, state government, or a local  
15 government or municipality including, but not limited to,  
16 institutions of higher education or related research institutions;

17 ~~52.~~ 51. "Public money" means any funds or money obtained by the  
18 holder from any governmental entity including, but not limited to,  
19 research grants;

20 ~~53.~~ 52. "Recommendation" means a document that is signed or  
21 electronically submitted by a physician on behalf of a patient for  
22 the use of medical marijuana pursuant to ~~this act~~ the Oklahoma  
23 Medical Marijuana and Patient Protection Act;

24

1       ~~54.~~ 53. "Registered to conduct business" means a person that  
2 has provided proof that the business applicant or licensee is in  
3 good standing with the Oklahoma Secretary of State ~~and Oklahoma Tax~~  
4 ~~Commission;~~

5       ~~55.~~ 54. "Remediation" means the process by which ~~the medical~~  
6 ~~marijuana flower or trim, which has failed microbial~~ a harvest batch  
7 or production batch that fails testing, ~~is processed into solvent-~~  
8 ~~based medical marijuana concentrate~~ undergoes a procedure to remedy  
9 the harvest batch or production batch and is retested ~~as required by~~  
10 ~~this act~~ in accordance with Oklahoma laws, rules and regulations;

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

22       ~~57.~~ 56. "Revocation" means the final decision by the Department  
23 that any license issued pursuant to ~~this act~~ the Oklahoma Medical  
24 Marijuana and Patient Protection Act is rescinded because the

1 individual or entity does not comply with the applicable  
2 requirements set forth in ~~this act~~ the Oklahoma Medical Marijuana  
3 and Patient Protection Act or rules promulgated pursuant thereto;

4 ~~58.~~ 57. "School" means a ~~public or private preschool or a~~  
5 public or private elementary, middle or ~~secondary~~ high school used  
6 for school classes and instruction. A homeschool, daycare or child-  
7 care facility shall not be considered a "school" as used in ~~this act~~  
8 the Oklahoma Medical Marijuana and Patient Protection Act;

9 ~~59.~~ 58. "Shipping container" means a hard-sided container with  
10 a lid or other enclosure that can be secured in place. A shipping  
11 container is used solely for the transport of medical marijuana,  
12 medical marijuana concentrate, or medical marijuana products between  
13 medical marijuana businesses, a medical marijuana research facility,  
14 or a medical marijuana education facility;

15 ~~60.~~ 59. "Solvent-based medical marijuana concentrate" means a  
16 medical marijuana concentrate that was produced by extracting  
17 cannabinoids from medical marijuana through the use of a solvent  
18 approved by the Department;

19 ~~61.~~ 60. "State Question" means Oklahoma State Question No. 788,  
20 Initiative Petition No. 412, approved by a majority vote of the  
21 citizens of Oklahoma on June 26, 2018;

22 ~~62.~~ 61. "Strain" means the ~~classification~~ name given to a  
23 particular variety of medical marijuana ~~or cannabis plants in either~~  
24 ~~pure sativa, indica, afghanica, ruderalis or hybrid varieties~~ that

1 is based on a combination of factors which may include, but is not  
2 limited to, botanical lineage, appearance, chemical profile and  
3 accompanying effects. An example of a "strain" would be "OG Kush"  
4 or "Pineapple Express";

5 ~~63.~~ 62. "THC" means tetrahydrocannabinol, which is the primary  
6 psychotropic cannabinoid in marijuana formed by decarboxylation of  
7 naturally tetrahydrocannabinolic acid, which generally occurs by  
8 exposure to heat;

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

18 ~~65.~~ 63. "Transporter agent" means a person who transports  
19 medical marijuana or medical marijuana products for a licensed  
20 transporter and holds a transporter agent license pursuant to ~~this~~  
21 ~~act~~ the Oklahoma Medical Marijuana and Patient Protection Act;

22 ~~66.~~ 64. "Universal symbol" means the image established by the  
23 State Department of Health or Oklahoma Medical Marijuana Authority  
24



1 and made available to licensees through its website indicating that  
2 the medical marijuana or the medical marijuana product contains THC;

3 ~~67.~~ 65. "Usable marijuana" means the dried leaves, flowers,  
4 oils, vapors, waxes and other portions of the marijuana plant and  
5 any mixture or preparation thereof, excluding ~~seed~~ seeds, roots,  
6 stems, stalks and fan leaves; and

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

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

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

21 B. The Department shall provide support staff to perform  
22 designated duties of the Authority. The Department shall also  
23 provide office space for meetings of the Authority.

24

1 C. The Department shall implement the provisions of ~~this act~~  
2 the Oklahoma Medical Marijuana and Patient Protection Act  
3 consistently with the voter-approved State Question No. 788,  
4 Initiative Petition No. 412, subject to the provisions of ~~this act~~  
5 the Oklahoma Medical Marijuana and Patient Protection Act.

6 D. The Department shall exercise its respective powers and  
7 perform its respective duties and functions as specified in ~~this act~~  
8 the Oklahoma Medical Marijuana and Patient Protection Act and Title  
9 ~~63 of the Oklahoma Statutes~~ this title including, but not limited  
10 to, the following:

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

- 15 a. public health policy and public safety policy,
- 16 b. agronomic and horticultural best practices, and
- 17 c. medical and pharmacopoeia best practices;

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

22 3. Upon complaint or upon its own motion and upon a completed  
23 investigation, levy fines as prescribed in ~~this act~~ applicable laws,

1 rules and regulations and suspend ~~or~~, revoke or not renew licenses  
2 pursuant to ~~this act~~ applicable laws, rules and regulations;

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

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

9 6. Inspect and examine, ~~with notice provided in accordance with~~  
10 ~~this act~~, all licensed premises of medical marijuana businesses,  
11 research facilities ~~and~~, education facilities and waste disposal  
12 facilities in which medical marijuana is cultivated, manufactured,  
13 sold, stored, transported, tested ~~or~~, distributed or disposed of;

14 7. Upon action by the federal government by which the  
15 production, sale and use of marijuana in Oklahoma does not violate  
16 federal law, work with the Oklahoma State Banking Department and the  
17 State Treasurer to develop good practices and standards for banking  
18 and finance for medical marijuana businesses;

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

21 9. Establish a fee schedule and collect fees for performing  
22 background checks as the Commissioner deems appropriate. The fees  
23 charged pursuant to this paragraph shall not exceed the actual cost  
24 incurred for each background check; and

1       10. ~~Require verification for sources of finance for medical~~  
2 ~~marijuana businesses~~ Establish a fee schedule and collect fees for  
3 material changes requested by the licensee.

4       SECTION 10.       AMENDATORY       Section 4, Chapter 11, O.S.L.  
5 2019 (63 O.S. Supp. 2020, Section 427.4), is amended to read as  
6 follows:

7       Section 427.4. A. The Oklahoma Medical Marijuana Authority, in  
8 conjunction with the State Department of Health, shall employ an  
9 Executive Director and other personnel as necessary to assist the  
10 Authority in carrying out its duties.

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

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

15       2. The individual or his or her spouse, parent, child, spouse  
16 of a child, sibling, or spouse of a sibling has an application for a  
17 medical marijuana business license pending before the Department or  
18 is a member of the board of directors of a medical marijuana  
19 business, or is an individual financially interested in any licensee  
20 or medical marijuana business.

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

1 D. The Commissioner may delegate to any officer or employee of  
2 the Department any of the powers of the Executive Director and may  
3 designate any officer or employee of the Department to perform any  
4 of the duties of the Executive Director.

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

8 F. The Department is hereby authorized to create employment  
9 positions necessary for the implementation of its obligations  
10 pursuant to ~~this act~~, the Oklahoma Medical Marijuana and Patient  
11 Protection Act including, but not limited to, Authority  
12 investigators and a senior director of enforcement. The Department  
13 and the Authority, the senior director of enforcement, the Executive  
14 Director, and Department investigators shall have all the powers of  
15 any peace officer to:

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

19 2. Serve all warrants, summonses, subpoenas, administrative  
20 citations, notices or other processes relating to the enforcement of  
21 laws regulating medical marijuana, concentrate, and medical  
22 marijuana product;

23  
24

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

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

10           5. Require applicants to submit complete and current  
11 applications, information required by ~~this act~~ the Oklahoma Medical  
12 Marijuana and Patient Protection Act, the Oklahoma Medical Marijuana  
13 Waste Management Act and Sections 420 through 426.1 of this title,  
14 and fees, and approve material changes made by the applicant or  
15 licensee;

16           6. Require medical marijuana business licensees to submit a  
17 sample or unit of medical marijuana or medical marijuana product to  
18 the quality assurance laboratory when the Department has reason to  
19 believe the medical marijuana or medical marijuana product may be  
20 unsafe for patient consumption or inhalation or has not been tested  
21 in accordance with the provisions of the Oklahoma Medical Marijuana  
22 and Patient Protection Act and the rules and regulations of the  
23 Department. The licensee shall provide the samples or units of  
24

1 medical marijuana or medical marijuana products at its own expense  
2 but shall not be responsible for the costs of testing; and

3 7. Require medical marijuana business licensees to periodically  
4 submit samples or units of medical marijuana or medical marijuana  
5 products to the quality assurance lab for quality assurance  
6 purposes. Licensed growers, processors, dispensaries and  
7 transporters shall not be required to submit samples or units of  
8 medical marijuana or medical marijuana products more than twice a  
9 year. The licensee shall provide the samples or units of medical  
10 marijuana or medical marijuana products at its own expense but shall  
11 not be responsible for the costs of testing.

12 SECTION 11. AMENDATORY Section 6, Chapter 11, O.S.L.  
13 2019, as amended by Section 7, Chapter 477, O.S.L. 2019 (63 O.S.  
14 Supp. 2020, Section 427.6), is amended to read as follows:

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

19 B. 1. The Department or its designee may perform on-site  
20 ~~assessments~~ inspections or investigations of a licensee or applicant  
21 for any medical marijuana business license ~~issued pursuant to this~~  
22 ~~act,~~ research facility, education facility or waste disposal  
23 facility to determine compliance with ~~this act~~ applicable laws,  
24 rules and regulations or submissions made pursuant to this section.

1 The Department may enter the licensed premises of a medical  
2 marijuana business, research facility, education facility or waste  
3 disposal facility licensee or applicant to assess or monitor  
4 compliance.

5 2. ~~Inspections~~ Postlicensure inspections shall be limited to  
6 twice per calendar year and ~~twenty-four (24) hours of notice shall~~  
7 ~~be provided to a medical marijuana business applicant or licensee~~  
8 ~~prior to an on-site assessment.~~ However, investigations and  
9 additional inspections may occur when the Department ~~shows that~~  
10 believes an investigation or additional inspection is necessary due  
11 to a possible violation of this act applicable laws, rules or  
12 regulations. ~~Such inspection may be without notice if the~~  
13 ~~Department believes that such notice will result in the destruction~~  
14 ~~of evidence.~~

15 3. The Department may review relevant records of a licensed  
16 medical marijuana business, licensed medical marijuana research  
17 facility ~~or~~, licensed medical marijuana education facility or  
18 licensed medical marijuana waste disposal facility, and may require  
19 and conduct interviews with such persons or entities and persons  
20 affiliated with such entities, for the purpose of determining  
21 compliance with Department requirements and applicable laws.  
22 ~~However, prior to conducting any interviews with the medical~~  
23 ~~marijuana business, research facility or education facility, the~~  
24 ~~licensee shall be afforded sufficient time to secure legal~~



1 ~~representation during such questioning if requested by the business~~  
2 ~~or facility or any of its agents or employees or contractors.~~

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

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

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

13 E. Disciplinary actions may be imposed upon a medical marijuana  
14 business licensee for:

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

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

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

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

23

24

1 5. Failure to submit or disclose information required by ~~this~~  
2 ~~section~~ applicable laws, rules or regulations or otherwise requested  
3 by the Department;

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

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

8 8. Failure to pay a required monetary penalty;

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

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

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

15 F. Disciplinary actions against a licensee may include the  
16 imposition of monetary penalties, which may be assessed by the  
17 Department. The Department may suspend or revoke a license for  
18 failure to pay any monetary penalty lawfully assessed by the  
19 Department against a licensee.

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

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

9 H. 1. First offense for intentional and impermissible  
10 diversion of medical marijuana, concentrate, or products by a  
11 patient or caregiver to an unauthorized person shall not be punished  
12 under a criminal statute but may be subject to a fine of Two Hundred  
13 Dollars (\$200.00).

14 2. The second offense for impermissible diversion of medical  
15 marijuana, concentrate, or products by a patient or caregiver to an  
16 unauthorized person shall not be punished under a criminal statute  
17 but may be subject to a fine of not to exceed Five Hundred Dollars  
18 (\$500.00) and may result in revocation of the license upon a showing  
19 that the violation was willful or grossly negligent.

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

23 1. ~~A medical marijuana business, research facility or education~~  
24 ~~facility licensee whose license has been summarily suspended or who~~

1 ~~has received a notice of contemplated action to suspend or revoke a~~  
2 ~~license or take other,~~ pursuant to its rules and regulations, may  
3 issue a written order to any licensee the Department has reason to  
4 believe has violated Sections 420 through 426.1 of this title, the  
5 Oklahoma Medical Marijuana and Patient Protection Act, the Oklahoma  
6 Medical Marijuana Waste Management Act, or any rules promulgated by  
7 the State Commissioner of Health and to whom the Department has  
8 served, not less than thirty (30) days previously, a written notice  
9 of violation of such statutes or rules.

10 1. The written order shall state with specificity the nature of  
11 the violation. The Department may impose any disciplinary action,  
12 ~~and~~

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

18 2. Any order issued pursuant to the provisions of this section  
19 shall become a final order unless, not more than thirty (30) days  
20 after the order is served to the licensee, the licensee requests an  
21 administrative hearing in accordance with the rules and regulations  
22 of the Department. Upon such request, the Department shall promptly  
23 initiate administrative proceedings.

24

1       J. Whenever the Department finds that an emergency exists  
2 requiring immediate action in order to protect the health or welfare  
3 of the public, the Department may issue an order, without providing  
4 notice or hearing, stating the existence of said emergency and  
5 requiring that action be taken as the Department deems necessary to  
6 meet the emergency. Such action may include, but is not limited to,  
7 ordering the licensee to immediately cease and desist operations by  
8 the licensee. The order shall be effective immediately upon  
9 issuance. Any person to whom the order is directed shall comply  
10 immediately with the provisions of the order. The Department may  
11 assess a penalty not to exceed Ten Thousand Dollars (\$10,000.00) per  
12 day of noncompliance with the order. In assessing such a penalty,  
13 the Department shall consider the seriousness of the violation and  
14 any efforts to comply with applicable requirements. Upon  
15 application to the Department, the licensee shall be offered a  
16 hearing within ten (10) days of the issuance of the order.

17       K. All hearings held pursuant to this section shall be in  
18 accordance with the Oklahoma Administrative Procedures Act, ~~Section~~  
19 ~~250 et seq. of Title 75 of the Oklahoma Statutes.~~

20       SECTION 12.       AMENDATORY       Section 7, Chapter 11, O.S.L.  
21 2019, as amended by Section 5, Chapter 509, O.S.L. 2019 (63 O.S.  
22 Supp. 2020, Section 427.7), is amended to read as follows:

23       Section 427.7. A. The Oklahoma Medical Marijuana Authority  
24 shall create a medical marijuana use registry of patients and

1 caregivers as provided under this section. The handling of any  
2 records maintained in the registry shall comply with all ~~relevant~~  
3 applicable state and federal privacy laws ~~including, but not limited~~  
4 ~~to, the Health Insurance Portability and Accountability Act of 1996~~  
5 ~~(HIPAA).~~

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

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

10 2. Any court in this state.

11 C. All other records regarding a medical marijuana patient or  
12 caregiver licensee shall be maintained by the Authority and shall be  
13 deemed confidential. The handling of any records maintained by the  
14 Authority shall comply with all ~~relevant~~ applicable state and  
15 federal privacy laws ~~including, but not limited to, the Health~~  
16 ~~Insurance Portability and Accountability Act of 1996 (HIPAA).~~ Such  
17 records shall be marked as confidential, shall not be made available  
18 to the public, and shall only be made available to the licensee,  
19 designee of the licensee, any physician of the licensee or the  
20 caregiver of the licensee.

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

24

1 E. The ~~Department~~ Authority shall ensure that all ~~application~~  
2 medical marijuana patient and caregiver records and information are  
3 sealed to protect the privacy of medical marijuana patient license  
4 applicants and licensees.

5 SECTION 13. AMENDATORY Section 9, Chapter 11, O.S.L.  
6 2019 (63 O.S. Supp. 2020, Section 427.9), is amended to read as  
7 follows:

8 Section 427.9. A. The Oklahoma Medical Marijuana Authority may  
9 contact the recommending physician of an applicant for a medical  
10 marijuana patient license or current holder of a medical marijuana  
11 patient license to verify the need of the applicant or licensee for  
12 the license and the information submitted with the application.

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

23 C. The patient license shall be valid for up to two (2) years  
24 from the date of issuance, unless the recommendation of the

1 physician is terminated pursuant to ~~this act~~ the Oklahoma Medical  
2 Marijuana and Patient Protection Act or revoked by the Department.

3 SECTION 14. AMENDATORY Section 10, Chapter 11, O.S.L.  
4 2019, as amended by Section 2, Chapter 390, O.S.L. 2019 (63 O.S.  
5 Supp. 2020, Section 427.10), is amended to read as follows:

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

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

14 C. No physician shall be subject to arrest, prosecution or  
15 penalty in any manner or denied any right or privilege under  
16 Oklahoma state, municipal or county statute, ordinance or  
17 resolution, including without limitation a civil penalty or  
18 disciplinary action by the State Board of Medical Licensure and  
19 Supervision ~~or~~, the State Board of Osteopathic Examiners, the Board  
20 of Podiatric Medical Examiners, or by any other business, occupation  
21 or professional licensing board or bureau, solely for providing a  
22 medical marijuana recommendation for a patient or for monitoring,  
23 treating or prescribing scheduled medication to patients who are  
24 medical marijuana licensees. The provisions of this subsection



1 shall not prevent the relevant professional licensing boards from  
2 sanctioning a physician for failing to properly evaluate the medical  
3 condition of a patient or for otherwise violating the applicable  
4 physician-patient standard of care.

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

8 E. If the physician determines the continued use of medical  
9 marijuana by the patient no longer meets the requirements set forth  
10 in ~~this act~~ the Oklahoma Medical Marijuana and Patient Protection  
11 Act, the physician shall notify the Department and ~~the Authority~~  
12 ~~shall immediately revoke~~ the license shall be immediately voided  
13 without right to an individual proceeding.

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

17 Section 427.11. A. The caregiver license shall provide the  
18 caregiver the same rights as the medical marijuana patient licensee,  
19 including the ability to possess marijuana, marijuana products, and  
20 mature and immature plants pursuant to ~~this act~~ the Oklahoma Medical  
21 Marijuana and Patient Protection Act, but excluding the ability to  
22 use marijuana or marijuana products unless the caregiver has a  
23 medical marijuana patient license. Caregivers shall be authorized  
24 to deliver marijuana and products to their authorized patients.

1 Caregivers shall be authorized to possess medical marijuana and  
2 medical marijuana products up to the sum of the possession limits  
3 for the patients under his or her care pursuant to ~~this act~~ the  
4 Oklahoma Medical Marijuana and Patient Protection Act.

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

9 C. The license of a caregiver shall not extend beyond the  
10 expiration date of the underlying patient license regardless of the  
11 issue date.

12 D. A medical marijuana patient license holder may request, at  
13 any time, to withdraw the license of his or her caregiver. In the  
14 event that such a request is made or upon the expiration of the  
15 medical marijuana license of the patient, the license of the  
16 caregiver shall be immediately withdrawn by the Department without  
17 the right to a hearing.

18 SECTION 16. AMENDATORY Section 13, Chapter 11, O.S.L.  
19 2019 (63 O.S. Supp. 2020, Section 427.13), is amended to read as  
20 follows:

21 Section 427.13. A. All medical marijuana and medical marijuana  
22 products shall be purchased solely from an Oklahoma-licensed medical  
23 marijuana business, and shall not be purchased from any out-of-state  
24 providers.

1 B. 1. The Authority shall have oversight and auditing  
2 responsibilities to ensure that all marijuana being grown in  
3 Oklahoma is accounted for and shall implement an inventory tracking  
4 system. Pursuant to these duties, the Authority shall require that  
5 each medical marijuana business, medical marijuana research  
6 facility, medical marijuana education facility and medical marijuana  
7 waste disposal facility keep records for every transaction with  
8 another medical marijuana business, patient or caregiver. Inventory  
9 shall be tracked and updated after each individual sale and reported  
10 to the Authority.

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

- 14 a. notification of when marijuana seeds and clones are  
15 planted,
- 16 b. notification of when marijuana plants are harvested  
17 and destroyed,
- 18 c. notification of when marijuana is transported, sold,  
19 stolen, diverted or lost,
- 20 d. a complete inventory of all marijuana, seeds, plant  
21 tissue, clones, plants, usable marijuana or trim,  
22 leaves and other plant matter, batches of extract, and  
23 marijuana concentrates,

24

- e. all samples sent to a testing laboratory, an unused portion of a sample returned to a licensee, all samples utilized by licensee for purposes of negotiating a sale, and
- f. all samples used for quality testing by a licensee.

3. Each medical marijuana business, medical marijuana research facility, medical marijuana education facility and medical marijuana waste disposal facility shall use a seed-to-sale tracking system or integrate its own seed-to-sale tracking system with the seed-to-sale tracking system established by the Authority.

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

- a. the name and license number of the medical marijuana business that cultivated, manufactured or sold the medical marijuana or medical marijuana product,
- b. the address and phone number of the medical marijuana business that cultivated, manufactured or sold the medical marijuana or medical marijuana product,
- c. the type of product received during the transaction,
- d. the batch number of the marijuana plant used,
- e. the date of the transaction,
- f. the total spent in dollars,
- g. all point-of-sale records,
- h. marijuana excise tax records, and

1 i. any additional information as may be reasonably  
2 required by the Department.

3 5. All inventory tracking records retained by a medical  
4 marijuana business, medical marijuana research facility, medical  
5 marijuana education facility or medical marijuana waste disposal  
6 facility containing medical marijuana patient or caregiver  
7 information shall comply with all relevant state and federal laws  
8 including, but not limited to, the Health Insurance Portability and  
9 Accountability Act of 1996 (HIPAA), ~~and shall not be retained by any~~  
10 ~~medical marijuana business for more than sixty (60) days.~~

11 SECTION 17. AMENDATORY Section 14, Chapter 11, O.S.L.  
12 2019, as last amended by Section 51, Chapter 161, O.S.L. 2020 (63  
13 O.S. Supp. 2020, Section 427.14), is amended to read as follows:

14 Section 427.14. A. There is hereby created the medical  
15 marijuana business license, which shall include the following  
16 categories:

- 17 1. Medical marijuana commercial grower;
- 18 2. Medical marijuana processor;
- 19 3. Medical marijuana dispensary;
- 20 4. Medical marijuana transporter; and
- 21 5. Medical marijuana testing laboratory.

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

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

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

7 E. All applicants seeking licensure or licensure renewal as a  
8 medical marijuana business shall comply with the following general  
9 requirements:

10 1. All applications for licenses and registrations authorized  
11 pursuant to this section shall be made upon forms prescribed by the  
12 Authority;

13 2. Each application shall identify the city or county in which  
14 the applicant seeks to obtain licensure as a medical marijuana  
15 business;

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

18 4. All applications shall be complete and accurate in every  
19 detail;

20 5. All applications shall include all attachments or  
21 supplemental information required by the forms supplied by the  
22 Authority;

23

24

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

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

6           a. ~~all applicants shall be age~~ twenty-five (25) years of  
7           age or older,

8           b. ~~any applicant if~~ applying as an individual ~~shall show,~~  
9           proof that the applicant is an Oklahoma resident  
10          pursuant to paragraph 11 of this subsection,

11          c. ~~any applicant if~~ applying as an entity ~~shall show,~~  
12          proof that seventy-five percent (75%) of all members,  
13          managers, executive officers, partners, board members  
14          or any other form of business ownership are Oklahoma  
15          residents pursuant to paragraph 11 of this subsection,

16          d. ~~all if~~ applying ~~individuals~~ as an individual or  
17          ~~entities shall be~~ entity, proof that the individual or  
18          entity is registered to conduct business in the State  
19          of Oklahoma,

20          e. ~~all applicants shall disclose~~ disclosure of all  
21          ownership interests pursuant to ~~this act~~ the Oklahoma  
22          Medical Marijuana and Patient Protection Act, and

23          f. ~~applicants shall~~ proof that the medical marijuana  
24          business, medical marijuana research facility, medical

1            marijuana education facility and medical marijuana  
2            waste disposal facility applicant or licensee has not  
3            ~~have~~ been convicted of a nonviolent felony in the last  
4            two (2) years, ~~and~~ or any other felony conviction  
5            within the last five (5) years, ~~shall~~ is not be a  
6            ~~current inmates~~ inmate in the custody of the  
7            Department of Corrections, or currently incarcerated  
8            in a jail or corrections facility;

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

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

24           a. individual applicants applying on their own behalf,



- b. individuals applying on behalf of an entity,
- c. all principal officers of an entity, and
- d. all owners of an entity as defined by ~~this act~~ the Oklahoma Medical Marijuana and Patient Protection Act;

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

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

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

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

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

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

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

22 14. All applicants shall submit an applicant photograph.

23 F. The Authority shall review the medical marijuana business  
24 application; approve or ~~reject~~ or deny the application; and mail

1 the approval, rejection, denial or status-update letter to the  
2 applicant within ninety (90) business days of receipt of the  
3 application.

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

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

1           3. Status-update letters shall provide a reason for delay in  
2 either approval ~~or~~, rejection or denial should a situation arise in  
3 which an application was submitted properly~~7~~ but a delay in  
4 processing the application occurred.

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

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

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

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

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

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

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

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

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

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

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

- 18 a. unlawful sales or purchases,  
19 b. any fraudulent acts, falsification of records or  
20 misrepresentation to the Department or consumers,  
21 c. any grossly inaccurate or fraudulent reporting,  
22 d. threatening or harming any medical marijuana patient,  
23 caregiver, medical practitioner or employee of the  
24 Department,

- 1           e. knowingly or intentionally refusing to permit the  
2           Department access to premises or records,  
3           f. using a prohibited, hazardous substance for processing  
4           in a residential area,  
5           g. criminal acts relating to the operation of a medical  
6           marijuana business, or  
7           h. any violations that endanger public health and safety  
8           or product safety.

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

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

1 K. All applicants and licensees shall submit information to the  
2 Department and Authority in a full, faithful, truthful and fair  
3 manner. The Department and Authority may recommend denial of an  
4 application where the applicant or licensee made misstatements,  
5 omissions, misrepresentations or untruths in the application or in  
6 connection with the background investigation of the applicant. This  
7 type of conduct may be ~~considered as the basis~~ grounds for  
8 ~~additional~~ administrative action against the applicant or licensee.  
9 Typos and scrivener errors shall not be grounds for denial.

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

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

21 N. A medical marijuana business, medical marijuana research  
22 facility, medical marijuana education facility or medical marijuana  
23 waste disposal facility that attempts to renew its license after the  
24 expiration date of the license shall pay a late renewal fee in an

1 amount to be determined by the Department to reinstate the license.  
2 Late renewal fees are nonrefundable. A license that has been  
3 expired for more than ninety (90) days shall not be renewed.

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

9 SECTION 18. AMENDATORY Section 16, Chapter 11, O.S.L.  
10 2019 (63 O.S. Supp. 2020, Section 427.16), is amended to read as  
11 follows:

12 Section 427.16. A. There is hereby created a medical marijuana  
13 transporter license as a category of the medical marijuana business  
14 license.

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

24



1 C. A medical marijuana transporter license may also be issued  
2 to qualifying applicants who are registered with the Oklahoma  
3 Secretary of State and otherwise meet the requirements for a medical  
4 marijuana business license set forth in ~~this act~~ the Oklahoma  
5 Medical Marijuana and Patient Protection Act and the requirements  
6 set forth in this section to provide logistics, distribution and  
7 storage of medical marijuana, medical marijuana concentrate and  
8 medical marijuana products.

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

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

21 F. A medical marijuana transporter licensee may contract with  
22 multiple licensed medical marijuana businesses.

23 G. A medical marijuana transporter may maintain a licensed  
24 premises to temporarily store medical marijuana, medical marijuana

1 concentrate and medical marijuana products and to use as a  
2 centralized distribution point. A medical marijuana transporter may  
3 store and distribute medical marijuana, medical marijuana  
4 concentrate and medical marijuana products from the licensed  
5 premises. The licensed premises shall meet all security  
6 requirements applicable to a medical marijuana business.

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

13 I. A licensed medical marijuana transporter may maintain and  
14 operate one or more warehouses in the state to handle medical  
15 marijuana, medical marijuana concentrate and medical marijuana  
16 products.

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

22 1. In vehicles equipped with Global Positioning System (GPS)  
23 trackers;

24

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

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

5           K. A transporter agent may possess marijuana at any location  
6 while the transporter agent is transferring marijuana to or from a  
7 licensed medical marijuana business, licensed medical marijuana  
8 research facility or licensed medical marijuana education facility.  
9 The Department shall administer and enforce the provisions of this  
10 section concerning transportation.

11           L. The Authority shall issue a transporter agent license to  
12 individual agents, employees, officers or owners of a transporter  
13 license in order for the individual to qualify to transport medical  
14 marijuana, medical marijuana concentrate or ~~product~~ medical  
15 marijuana products.

16           M. The annual fee for a transporter agent license shall be ~~One~~  
17 ~~Hundred Dollars (\$100.00)~~ Twenty-five Dollars (\$25.00) and shall be  
18 paid by the transporter license holder or the individual applicant.  
19 Transporter license reprints shall be Twenty Dollars (\$20.00).

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

22           1. The name, address and date of birth of the person;

23           2. Proof of current Oklahoma residency ~~as required for a~~  
24 ~~medical marijuana business license;~~

1           3. Proof of identity as required for a medical marijuana  
2 business license;

3           4. Possession of a valid Oklahoma driver license;

4           5. Verification of employment with a licensed transporter;

5           6. The application and affiliated fee; and

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

8           O. If the transporter agent application is denied, the  
9 Department shall notify the transporter in writing of the reason for  
10 denying the registry identification card.

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

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

19          R. The Department may revoke or suspend the transporter license  
20 of a transporter that the Department determines knowingly aided or  
21 facilitated a violation of any provision of this section, and the  
22 ~~license holder~~ license holder is subject to any other penalties  
23 established in law for the violation.

24

1 S. Vehicles used in the transport of medical marijuana or  
2 medical marijuana product shall be:

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

4 2. Capable of securing medical marijuana during transport; and

5 3. In possession of a shipping container as defined in Section  
6 427.2 of this act title capable of securing all transported ~~product~~  
7 products.

8 T. Prior to the transport of any medical marijuana, medical  
9 marijuana concentrate or medical marijuana products, an inventory  
10 manifest shall be prepared at the origination point of the medical  
11 marijuana. The inventory manifest shall include the following  
12 information:

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

14 a. the licensee number for the commercial grower,  
15 processor or dispensary,

16 b. address of origination of transport, and

17 c. name and contact information for the originating  
18 licensee;

19 2. For the end recipient license holder of the medical  
20 marijuana:

21 a. the license number for the dispensary, commercial  
22 grower, processor, research facility or education  
23 facility destination,

24 b. address of the destination, and

1 c. name and contact information for the destination  
2 licensee;

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

5 4. The date of the transport and the approximate time of  
6 departure;

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

8 6. Printed names and signatures of the personnel accompanying  
9 the transport; and

10 7. Notation of the transporting licensee.

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

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

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

20 4. A receiving licensee shall refuse to accept any medical  
21 marijuana, medical marijuana concentrate or ~~product~~ medical  
22 marijuana products that ~~is~~ are not accompanied by an inventory  
23 manifest.

1        ~~5.~~ 4. Originating and receiving licensees shall maintain copies  
2 of inventory manifests and logs of quantities of medical marijuana  
3 received for ~~three (3)~~ seven (7) years from date of receipt.

4            SECTION 19.            AMENDATORY            Section 17, Chapter 11, O.S.L.  
5 2019, as amended by Section 4, Chapter 312, O.S.L. 2019 (63 O.S.  
6 Supp. 2020, Section 427.17), is amended to read as follows:

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

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

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

23            2. Any individual or his or her spouse, parent, child, spouse  
24 of a child, sibling, or spouse of a sibling that has an application

1 for a medical marijuana business license pending before the  
2 Department or is a member of the board of directors of a medical  
3 marijuana business, or is an individual financially interested in  
4 any licensee or medical marijuana business located within the State  
5 of Oklahoma.

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

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

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

19 F. A separate license shall be required for each specific  
20 laboratory.

21 G. A medical marijuana testing laboratory license may be issued  
22 to a person who performs testing ~~and research~~ on medical marijuana  
23 and medical marijuana products for medical marijuana businesses,  
24 medical marijuana research facilities, medical marijuana education



1 facilities, and testing ~~and research~~ on marijuana and marijuana  
2 products grown or produced by a patient or caregiver on behalf of a  
3 patient, upon verification of registration. A medical marijuana  
4 testing laboratory may also conduct research related to the  
5 development and improvement of its testing practices and procedures.

6 No state-approved medical marijuana testing facility shall operate  
7 unless a medical laboratory director is on site during operational  
8 hours.

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

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

24

1 product to a medical marijuana testing or quality assurance  
2 laboratory upon demand.

3 J. A medical marijuana testing laboratory may accept samples of  
4 medical marijuana, medical marijuana concentrate or medical  
5 marijuana product from an individual person for testing only under  
6 the following conditions:

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

11 2. The medical marijuana testing laboratory shall require the  
12 patient or caregiver to produce a valid patient license and current  
13 and valid photo identification.

14 K. A medical marijuana testing laboratory may transfer samples  
15 to another medical marijuana testing laboratory for testing. All  
16 laboratory reports provided to or by a medical marijuana business or  
17 to a patient or caregiver shall identify the medical marijuana  
18 testing laboratory that actually conducted the test.

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

1 business requesting testing services and the destination laboratory  
2 performing testing services.

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

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

23 1. The cleanliness and orderliness of a laboratory premises and  
24 the location of the laboratory in a secure location, and inspection,

1 cleaning and maintenance of any equipment or utensils used for the  
2 analysis of test samples;

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

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

9 4. Records to be retained and computer systems to be utilized  
10 by the laboratory;

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

13 6. A certificate of analysis (COA) for each lot of reference  
14 standard;

15 7. The transport and disposal of unused marijuana, marijuana  
16 products and waste;

17 8. The mandatory use by a laboratory of an inventory tracking  
18 system to ensure all ~~test~~ harvest and production batches or samples  
19 containing medical marijuana, medical marijuana concentrate or  
20 medical marijuana products are identified and tracked from the point  
21 they are transferred from a medical marijuana business, a patient or  
22 a caregiver through the point of transfer, destruction or disposal.  
23 The inventory tracking system reporting shall include the results of  
24

1 any tests that are conducted on medical marijuana, medical marijuana  
2 concentrate or medical marijuana product;

3 9. Standards of performance;

4 10. The employment of laboratory personnel;

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

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

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

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

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

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

23

24

1        ~~16.~~ 17. Any other aspect of laboratory testing of medical  
2 marijuana or medical marijuana product deemed necessary by the  
3 Department.

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

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

17        Q. A medical marijuana testing laboratory shall test samples  
18 from each harvest batch or product batch, as appropriate, of medical  
19 marijuana, medical marijuana concentrate and medical marijuana  
20 product for each of the following categories of testing, consistent  
21 with standards developed by the Commissioner:

- 22        1. Microbials;
- 23        2. Mycotoxins;
- 24        3. Residual solvents;

- 1 4. Pesticides;
- 2 5. Tetrahydrocannabinol (THC) and other cannabinoid potency;
- 3 6. Terpenoid ~~potency~~ type and concentration; and
- 4 7. Heavy metals.

5 R. A test batch shall not exceed ten (10) pounds of usable  
6 marijuana or medical marijuana product, as appropriate. A grower  
7 shall separate each harvest lot of usable marijuana into harvest  
8 batches containing no more than ~~ten (10)~~ twenty-five (25) pounds. A  
9 processor shall separate each medical marijuana production lot into  
10 production batches containing no more than ~~ten (10) pounds~~ four (4)  
11 liters of distillate and for final products, the Oklahoma Medical  
12 Marijuana Authority shall be authorized to promulgate rules on final  
13 products as necessary. Provided, however, the Authority shall not  
14 require testing of final products more often than every two hundred  
15 (200) grams of THC, unless the batch size processed is less than two  
16 hundred (200) grams of THC. As used in this subsection, "final  
17 products" shall include, but not be limited to, cookies, brownies,  
18 candies, gummies and chocolates.

19 S. Medical marijuana testing laboratory licensure shall be  
20 contingent upon successful on-site inspection, successful  
21 participation in proficiency testing and ongoing compliance with the  
22 applicable requirements in this section.

23 T. A medical marijuana testing laboratory shall be inspected  
24 prior to initial licensure and ~~annually~~ up to two (2) times per year

1 thereafter by an inspector approved by the Authority. The Authority  
2 may enter the licensed premises of a testing laboratory to conduct  
3 investigations and additional inspections when the Authority  
4 believes an investigation or additional inspection is necessary due  
5 to a possible violation of applicable laws, rules or regulations.

6 U. ~~Beginning on a date determined by the Commissioner, not~~  
7 ~~later than January 1, 2020, medical~~ Medical marijuana testing  
8 ~~laboratory licensure laboratories shall be contingent upon obtain~~  
9 accreditation by ~~the NELAC Institute (TNI), ANSI/ASQ National~~  
10 ~~Accreditation Board or another~~ an accrediting body approved by the  
11 Commissioner, ~~and any applicable standards as determined by the~~  
12 ~~Department~~ within one (1) year of the date the initial license is  
13 issued. Renewal of any medical marijuana testing laboratory license  
14 shall be contingent upon accreditation in accordance with this  
15 subsection. Beginning November 1, 2021, all medical marijuana  
16 testing laboratories shall obtain accreditation prior to applying  
17 for and receiving a medical marijuana testing laboratory license.

18 V. A Unless authorized by the provisions of this section, a  
19 commercial grower shall not transfer or sell medical marijuana and a  
20 processor shall not transfer, sell or process into a concentrate or  
21 product any medical marijuana, medical marijuana concentrate or  
22 medical marijuana product unless samples from each harvest batch or  
23 production batch from which that medical marijuana, medical  
24 marijuana concentrate or medical marijuana product was derived has



1 been tested by a medical marijuana testing ~~facility for contaminants~~  
2 laboratory and passed all contaminant tests required by ~~this act~~ the  
3 Oklahoma Medical Marijuana and Patient Protection Act and applicable  
4 laws, rules and regulations.

5 1. A licensed commercial grower may transfer medical marijuana  
6 that has failed testing to a licensed processor only for the  
7 purposes of decontamination or remediation and only in accordance  
8 with the provisions of the Oklahoma Medical Marijuana and Patient  
9 Protection Act and the rules and regulations of the Department.

10 2. Licensed commercial growers and licensed processors who  
11 achieve process validation under the rules and regulations set forth  
12 by the State Department of Health may transfer, sell or process  
13 medical marijuana and medical marijuana products in accordance with  
14 those rules and regulations.

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

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

20 Section 427.18. A. An Oklahoma medical marijuana business  
21 shall not sell, transfer or otherwise distribute medical marijuana  
22 or medical marijuana product that has not been packaged and labeled  
23 in accordance with this section and rules promulgated by the State  
24 Commissioner of Health.

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

10 C. 1. Medical marijuana packaging shall be packaged to  
11 minimize its appeal to children and shall not depict images other  
12 than the business name logo of the medical marijuana producer and  
13 image of the product.

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

18 3. Labels on a container shall not include any false or  
19 misleading statements.

20 4. No container shall be intentionally or knowingly labeled so  
21 as to cause a reasonable patient confusion as to whether the medical  
22 marijuana, medical marijuana concentrate or medical marijuana  
23 product is a trademarked product or labeled in a manner that  
24 violates any federal trademark law or regulation.

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

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

6 D. The State Department of Health shall develop minimum  
7 standards for packaging and labeling of medical marijuana and  
8 medical marijuana products. Such standards shall include, but not  
9 be limited to, the required contents of labels to be affixed to all  
10 medical marijuana and medical marijuana products prior to transfer  
11 to a licensed patient or caregiver, which shall include, at a  
12 minimum:

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

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

16 ~~3.~~ 2. A statement indicating that the product has been tested  
17 for contaminants;

18 ~~4.~~ 3. One or more product warnings to be determined by the  
19 Department; and

20 ~~5.~~ 4. Any other information the Department deems necessary.

21 SECTION 21. AMENDATORY Section 19, Chapter 11, O.S.L.  
22 2019 (63 O.S. Supp. 2020, Section 427.19), is amended to read as  
23 follows:  
24

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

6 B. The annual fee for a medical marijuana research license  
7 shall be Five Hundred Dollars (\$500.00) and shall be payable by an  
8 applicant for a medical marijuana research license upon submission  
9 of his or her application to the Authority.

10 C. A medical marijuana research license may be issued for the  
11 following research purposes:

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

21 D. 1. As part of the application process for a medical  
22 marijuana research license, an applicant shall submit to the  
23 Authority a description of the research that the applicant intends  
24 to conduct and whether the research will be conducted with a public

1 institution or using public money. If the research will not be  
2 conducted with a public institution or with public money, the  
3 Authority shall grant the application if it determines that the  
4 applicant meets the criteria in this section.

5 2. If the research will be conducted with a public institution  
6 or public money, the Department shall review the research project of  
7 the applicant to determine if it meets the requirements of this  
8 section and to assess the following:

9 a. the quality, study design, value or impact of the  
10 project,

11 b. whether the applicant has the appropriate personnel,  
12 expertise, facilities, infrastructure, funding and  
13 human, animal or other approvals in place to  
14 successfully conduct the project, and

15 c. whether the amount of marijuana to be grown by the  
16 applicant is consistent with the scope and goals of  
17 the project.

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

21 E. A medical marijuana research licensee may only transfer, by  
22 sale or donation, marijuana grown within its operation to other  
23 medical marijuana research licensees. The Department may revoke a  
24 medical marijuana research license for violations of this section

1 and any other violation of ~~this act~~ the Oklahoma Medical Marijuana  
2 and Patient Protection Act.

3 F. A medical marijuana research licensee may contract to  
4 perform research in conjunction with a public higher education  
5 research institution or another medical marijuana research licensee.

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

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

21 SECTION 22. AMENDATORY Section 20, Chapter 11, O.S.L.  
22 2019 (63 O.S. Supp. 2020, Section 427.20), is amended to read as  
23 follows:  
24

1 Section 427.20. A. There is hereby created a medical marijuana  
2 education facility license.

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

6 C. A medical marijuana education facility license may only be  
7 granted to a not-for-profit organization structured under Section  
8 501(c)(3) of the Internal Revenue Code, operating as an Oklahoma  
9 not-for-profit registered organization with the Office of the  
10 Secretary of State.

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

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

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

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

20 3. To demonstrate the application and use of product  
21 manufacturing technologies;

22 4. To conduct genomic, horticultural or agricultural research;  
23 and

24

1           5. To conduct research on marijuana-affiliated products or  
2 systems.

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

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

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

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

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

23           G. A medical marijuana education facility licensee may only  
24 transfer, by sale or donation, marijuana grown within its operation



1 to medical marijuana research licensees. The Department may revoke  
2 a medical marijuana education facility license for violations of  
3 this section and any other violation of ~~this act~~ applicable laws,  
4 rules and regulations.

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

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

18 SECTION 23. AMENDATORY Section 22, Chapter 11, O.S.L.  
19 2019 (63 O.S. Supp. 2020, Section 427.22), is amended to read as  
20 follows:

21 Section 427.22. A. ~~An~~ All medical marijuana patient and  
22 caregiver records and information including, but not limited to, any  
23 application or renewal and supporting information submitted by a  
24 qualifying patient or designated caregiver under the provisions of

1 ~~this act including, without limitation, the Oklahoma Medical~~  
2 Marijuana and Patient Protection Act and information regarding the  
3 physician of the qualifying patient shall be considered confidential  
4 medical records that are exempt from the Oklahoma Open Records Act.

5 B. The dispensary records with patient information shall be  
6 treated as confidential records that are exempt from the Oklahoma  
7 Open Records Act.

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

12 D. All information provided by an applicant or a licensee that  
13 constitutes private business information shall be treated as  
14 confidential records that are exempt from the Oklahoma Open Records  
15 Act.

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

22 F. All monthly report, inventory tracking and seed-to-sale  
23 information, data and records submitted to the Department shall be  
24

1 treated as confidential records and are exempt from the Oklahoma  
2 Open Records Act.

3 G. Except for license information concerning licensed patients,  
4 the Department may share confidential information with the other  
5 Oklahoma state agencies to assist those agencies in ensuring  
6 compliance with applicable laws, rules and regulations.

7 SECTION 24. AMENDATORY Section 23, Chapter 11, O.S.L.  
8 2019, as amended by Section 11, Chapter 477, O.S.L. 2019 (63 O.S.  
9 Supp. 2020, Section 427.23), is amended to read as follows:

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

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

24

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

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

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

18           C. Except as otherwise provided in subsection D of this  
19 section, if the court finds that the embargoed medical marijuana or  
20 medical marijuana product, in whole or in part, is in violation of  
21 any applicable laws or rules and regulations of the Department or is  
22 poisonous, deleterious to health, or otherwise unsafe, the medical  
23 marijuana or medical marijuana product shall be destroyed at the  
24 expense of the defendant under the supervision of the Commissioner.

1 All court costs, fees, costs of storage and disposal and other  
2 proper expenses shall be paid by the defendant of the medical  
3 marijuana or medical marijuana product.

4 D. The court may order that the medical marijuana or medical  
5 marijuana product be delivered to the defendant for appropriate  
6 labeling or processing under the supervision of the Commissioner  
7 only if:

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

13 The expense of supervision shall be paid to the Commissioner by  
14 the person obtaining release of the medical marijuana or medical  
15 marijuana product under bond.

16 SECTION 26. AMENDATORY Section 2, Chapter 337, O.S.L.  
17 2019 (63 O.S. Supp. 2020, Section 428.1), is amended to read as  
18 follows:

19 Section 428.1. As used in ~~this act~~ the Oklahoma Medical  
20 Marijuana Waste Management Act:

- 21 1. "Authority" shall mean the Oklahoma Medical Marijuana  
22 Authority, or successor agency;

23  
24

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

4           3. "Disposal" shall mean the ~~final~~ disposition of medical  
5 marijuana waste by ~~either~~ a process which renders the waste unusable  
6 through physical destruction or a recycling process;

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

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

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

14          7. "Medical marijuana waste" shall mean unused, surplus,  
15 returned or out-of-date marijuana and plant debris of the plant of  
16 the genus Cannabis, including dead plants and all unused plant  
17 parts, except the term shall not include seeds, roots, stems, stalks  
18 and fan leaves; and

19          8. "Medical marijuana waste disposal license" shall mean a  
20 license issued by the Oklahoma Medical Marijuana Authority, or  
21 successor agency.

22          SECTION 27.           AMENDATORY           Section 3, Chapter 337, O.S.L.  
23 2019 (63 O.S. Supp. 2020, Section 429), is amended to read as  
24 follows:

1 Section 429. A. Medical marijuana waste shall be subject to  
2 the provisions of ~~this act~~ the Oklahoma Medical Marijuana Waste  
3 Management Act and shall not be subject to the provisions of the  
4 Uniform Controlled Dangerous Substances Act. Nothing in ~~this act~~  
5 the Oklahoma Medical Marijuana Waste Management Act shall alter or  
6 affect the jurisdictional areas of environmental responsibility of  
7 the Department of Environmental Quality as provided for in Title 27A  
8 of the Oklahoma Statutes.

9 B. Commercial licensees, medical marijuana research facilities  
10 and medical marijuana education facilities shall be authorized to  
11 destroy the following marijuana plant parts without being required  
12 to utilize the services of a medical marijuana waste disposal  
13 facility:

- 14 1. ~~Root balls~~ Roots;
- 15 2. Stems;
- 16 3. Fan leaves; ~~and~~
- 17 4. Seeds; and
- 18 5. Stalks.

19 Unless restricted by local ordinance, commercial licensees,  
20 medical marijuana research facilities and medical marijuana  
21 education facilities shall be authorized to destroy the above-listed  
22 marijuana plant parts ~~en-site~~ on site by open burning, incineration,  
23 burying, mulching, composting or any other technique approved by the  
24 Department of Environmental Quality.



1       ~~C. Commercial licensees, medical marijuana research facilities~~  
2 ~~and medical marijuana education facilities engaged in the disposal~~  
3 ~~of medical marijuana waste shall create and maintain documentation~~  
4 ~~on a form prescribed by the Oklahoma Medical Marijuana Authority~~  
5 ~~that includes precise weights or counts of medical marijuana waste~~  
6 ~~and the manner in which the medical marijuana waste is disposed.~~  
7 ~~Such documentation shall contain a witness affidavit and signature~~  
8 ~~attesting to the lawful disposal of the medical marijuana waste~~  
9 ~~under penalty of perjury. All disposal records shall be maintained~~  
10 ~~by commercial licensees, medical marijuana research facilities and~~  
11 ~~medical marijuana educational facilities for a period of five (5)~~  
12 ~~years and shall be subject to inspection and auditing by the~~  
13 ~~Authority.~~

14       SECTION 28.       AMENDATORY       Section 4, Chapter 337, O.S.L.  
15 2019 (63 O.S. Supp. 2020, Section 430), is amended to read as  
16 follows:

17       Section 430. A. There is hereby created and authorized a  
18 medical marijuana waste disposal license. A person or entity in  
19 possession of a medical marijuana waste disposal license shall be  
20 entitled to possess, transport and dispose of medical marijuana  
21 waste. No person or entity shall ~~possess, transport or~~ dispose of  
22 medical marijuana waste without a valid medical marijuana waste  
23 disposal license. The Oklahoma Medical Marijuana Authority shall  
24 issue licenses upon proper application by a licensee and

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

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

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

- 18 a. an attestation that the applicant is authorized to  
19 make application on behalf of the entity,
- 20 b. full name of the organization,
- 21 c. trade name, if applicable,
- 22 d. type of business organization,
- 23 e. complete mailing address,

24

- 1 f. an attestation that the commercial entity will not be
- 2 located on tribal land,
- 3 g. telephone number and email address of the entity, and
- 4 h. name, residential address and date of birth of each
- 5 owner and each member, manager and board member, if
- 6 applicable;

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

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

23 3. Each application shall be accompanied by the following  
24 documentation:

- 1 a. a list of all persons or entities that have an  
2 ownership interest in the entity,
- 3 b. a certificate of good standing from the Oklahoma  
4 Secretary of State, if applicable,
- 5 c. an Affidavit of Lawful Presence for each owner,
- 6 d. proof that the proposed location of the disposal  
7 facility is at least one thousand (1,000) feet from a  
8 public or private school. The distance indicated in  
9 this subparagraph shall be measured from ~~any entrance~~  
10 ~~of the~~ nearest property line of such public or private  
11 school to the nearest property line point perimeter  
12 wall of the premises of such disposal facility. If  
13 any public or private school is established within one  
14 thousand (1,000) feet of any disposal facility after  
15 such disposal facility has been licensed, the  
16 provisions of this subparagraph shall not be a  
17 deterrent to the renewal of such license or warrant  
18 revocation of the license, and
- 19 e. documents establishing the applicant, the members,  
20 managers and board members, if applicable, and  
21 seventy-five percent (75%) of the ownership interests  
22 are Oklahoma residents as established in Section 420  
23 et seq. of ~~Title 63 of the Oklahoma Statutes~~ this  
24 title, as it relates to proof of residency.

1 C. No license shall be issued except upon proof of sufficient  
2 liability insurance and financial responsibility. Liability  
3 insurance shall be provided by the applicant and shall apply to  
4 sudden and nonsudden bodily injury or property damage on, below or  
5 above the surface, as required by the rules of the Authority. Such  
6 insurance shall be maintained for the period of operation of the  
7 facility and shall provide coverage for damages resulting from  
8 operation of the facility during operation and after closing. ~~In~~  
9 ~~lieu of liability insurance required by this subsection, an~~  
10 ~~equivalent amount of cash, securities, bond or alternate financial~~  
11 ~~assurance, of a type and in an amount acceptable to the Authority,~~  
12 ~~may be substituted; provided, that such deposit shall be maintained~~  
13 ~~for a period of five (5) years after the date of last operation of~~  
14 ~~the facility.~~

15 D. Submission of an application for a medical marijuana waste  
16 disposal license shall constitute permission for entry to and  
17 inspection of the facility of the licensee during hours of operation  
18 and other reasonable times. Refusal to permit such entry of  
19 inspection shall constitute grounds for the nonrenewal, suspension  
20 or revocation of a license. The Authority may perform an annual  
21 unannounced on-site inspection of the operations and any facility of  
22 the licensee. If the Authority receives a complaint concerning  
23 noncompliance by a licensee with the provisions of ~~this act~~ the  
24 Oklahoma Medical Marijuana Waste Management Act, the Authority may

1 conduct additional unannounced, on-site inspections beyond an annual  
2 inspection. The Authority ~~shall~~ may refer all complaints alleging  
3 criminal activity that are made against a licensed facility to  
4 appropriate state or local law enforcement authorities.

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

18 F. The cost of a medical marijuana waste disposal license shall  
19 be Five Thousand Dollars (\$5,000.00) for the initial license. The  
20 cost of a medical marijuana waste disposal facility permit shall be  
21 Five Hundred Dollars (\$500.00). A medical marijuana waste disposal  
22 facility permit that has been revoked shall be reinstated upon  
23 remittance of a reinstatement fee of Five Hundred Dollars (\$500.00)  
24 to restore the facility permit. All license and permit fees shall

1 be deposited into the ~~Public Health Special~~ Oklahoma Medical  
2 Marijuana Authority Revolving Fund as provided in Section ~~1-107~~  
3 427.5 of ~~Title 63 of the Oklahoma Statutes~~ this title.

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

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

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

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

18 COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS  
19 April 7, 2021 - DO PASS AS AMENDED  
20  
21  
22  
23  
24