

1 ENGROSSED SENATE AMENDMENT
TO

2 ENGROSSED HOUSE
3 BILL NO. 2646

By: Echols and Davis of the
House

4 and

5 Taylor of the Senate

6
7
8 An Act relating to medical marijuana; ***authorizing
9 the State Department of Health to deny patient
10 license applications; *** medical marijuana processor
11 licensing requirements; State Department of Health
12 businesses to submit certain documentation when
13 requesting a change in location***authorizing
14 licensees to request a hearing; clarifying privacy
15 requirements for handling records of patients and
16 caregivers; deleting references to certain federal
17 *** businesses; directing license renewal applicants
18 to comply with certain requirements; requirement;
19 ***duties related to the development of testing
20 practices and research methods; providing employment
21 of certain persons; removing mandate that prohibits
22 indirect beneficial owners from owning a ***
23 authorizing the Department to appoint additional
24 members to the Medical Marijuana Advisory Council;
specifying makeup of Council; *** requirements shall
be measured for waste disposal facilities; removing
***revolving fund; providing for codification; and
providing an effective date.

AUTHOR: Add the following Senate Coauthor: Rogers

AMENDMENT NO. 1. Page 1, strike the title, enacting clause and
entire bill and insert

"An Act relating to medical marijuana; amending
Section 1, State Question No. 788, Initiative
Petition No. 412, as last amended by Section 44,

1 Chapter 161, O.S.L. 2020 (63 O.S. Supp. 2020, Section
2 420), which relates to patient and caregiver
3 licensing requirements; modifying language;
4 specifying measurements in grams; clarifying scope of
5 certain offense; updating references to licensees;
6 specifying biannual payment of application fees for
7 patient licenses; providing for reprints of licenses;
8 setting fee amount; providing a temporary medical
9 marijuana patient license for nonresident medical
10 marijuana licensee; authorizing the State Department
11 of Health to deny patient license applications;
12 removing certain recordkeeping requirement;
13 specifying types of records the Department shall seal
14 to protect privacy; updating statutory references;
15 clarifying application requirements; amending Section
16 2, State Question No. 788, Initiative Petition No.
17 412 (63 O.S. Supp. 2020, Section 421), which relates
18 to dispensary licensing requirements; updating
19 language; increasing time limitation for reviewing
20 dispensary license applications; authorizing the
21 Department to deny dispensary license applications;
22 deleting penalties for inaccurate reports and
23 fraudulent sales; authorizing licensed dispensaries
24 to sell pre-rolled marijuana; specifying types of
products that can be used for pre-rolled marijuana;
providing testing, packaging and labeling
requirements; prohibiting physical handling of
products; providing handling exception for certain
sealed products and by employees; amending Section 3,
State Question No. 788, Initiative Petition No. 412
(63 O.S. Supp. 2020, Section 422), which relates to
commercial grower licensing requirements; modifying
language; increasing time limitation for reviewing
commercial grower license applications; authorizing
the Department to deny commercial grower license
applications; authorizing licensed commercial growers
to sell to other licensed commercial growers;
deleting penalties for inaccurate reports and
fraudulent sales; authorizing licensed commercial
growers to sell pre-rolled marijuana; specifying
types of products that can be used for pre-rolled
marijuana; providing testing, packaging and labeling
requirements; amending Section 4, State Question No.
788, Initiative Petition No. 412 (63 O.S. Supp. 2020,
Section 423), which relates to medical marijuana
processor licensing requirements; updating language;
increasing time limitation for reviewing processor

1 license applications; authorizing the Department to
2 deny processor license applications; providing for
3 twice-yearly inspections of processing operations;
4 deleting penalties for inaccurate reports and
5 fraudulent sales; specifying name of council
6 responsible for creating certain standards; amending
7 Section 6, State Question No. 788, Initiative
8 Petition No. 412, as last amended by Section 46,
9 Chapter 161, O.S.L. 2020 (63 O.S. Supp. 2020, Section
10 425), which relates to protections for medical
11 marijuana patient licensees; updating language;
12 deleting certain definition; specifying manner by
13 which distances between certain properties shall be
14 measured; providing exceptions; specifying name of
15 certain act; amending Section 7, State Question No.
16 788, Initiative Petition No. 412 (63 O.S. Supp. 2020,
17 Section 426), which relates to the taxation of
18 medical marijuana; updating language and name of
19 state agency; amending Section 4, Chapter 509, O.S.L.
20 2019 (63 O.S. Supp. 2020, Section 426.1), which
21 relates to license revocations and hearings; deleting
22 certain exception; updating language and statutory
23 references; modifying information the State
24 Department of Health may share with law enforcement;
providing for an online verification system;
directing the Department to share list of marijuana-
licensed premises with state agencies; directing
marijuana-licensed businesses to submit certain
documentation when requesting a change in location;
amending Section 2, Chapter 11, O.S.L. 2019, as last
amended by Section 48, Chapter 161, O.S.L. 2020,
Section 3, Chapter 11, O.S.L. 2019, as amended by
Section 6, Chapter 477, O.S.L. 2019, Section 4,
Chapter 11, O.S.L. 2019, Section 6, Chapter 11,
O.S.L. 2019, as amended by Section 7, Chapter 477,
O.S.L. 2019, Section 7, Chapter 11, O.S.L. 2019, as
amended by Section 5, Chapter 509, O.S.L. 2019,
Section 9, Chapter 11, O.S.L. 2019, Section 10,
Chapter 11, O.S.L. 2019, as amended by Section 2,
Chapter 390, O.S.L. 2019, Section 11, Chapter 11,
O.S.L. 2019, Section 13, Chapter 11, O.S.L. 2019,
Section 14, Chapter 11, O.S.L. 2019, as last amended
by Section 51, Chapter 161, O.S.L. 2020, Section 16,
Chapter 11, O.S.L. 2019, Section 17, Chapter 11,
O.S.L. 2019, as amended by Section 4, Chapter 312,
O.S.L. 2019, Section 18, Chapter 11, O.S.L. 2019,
Section 19, Chapter 11, O.S.L. 2019, Section 20,

1 Chapter 11, O.S.L. 2019, Section 22, Chapter 11,
2 O.S.L. 2019 and Section 23, Chapter 11, O.S.L. 2019,
3 as amended by Section 11, Chapter 477, O.S.L. 2019
4 (63 O.S. Supp. 2020, Sections 427.2, 427.3, 427.4,
5 427.6, 427.7, 427.9, 427.10, 427.11, 427.13, 427.14,
6 427.16, 427.17, 427.18, 427.19, 427.20, 427.22 and
7 427.23), which relate to the Oklahoma Medical
8 Marijuana and Patient Protection Act; updating
9 references to certain named act; modifying scope of
10 certain definitions; deleting certain definitions;
11 clarifying duties of the Oklahoma Medical Marijuana
12 Authority; authorizing the Authority to establish fee
13 schedule and collect fees; removing notice
14 requirement for inspections; providing for
15 regulations on information to be submitted;
16 specifying information to be submitted; requiring
17 medical marijuana business licensees to submit
18 samples to a quality assurance laboratory under
19 certain circumstances; limiting samples to certain
20 number per year; providing for cost of submitted
21 samples; allowing for on-site inspections and
22 investigations of medical marijuana businesses and
23 certain facilities; authorizing the State Department
24 of Health to enter certain facilities; providing for
post licensure inspections; providing for additional
inspections under certain circumstances; deleting
notice provision; removing option for licensees to
obtain legal representation prior to certain
interview; providing for the suspension or revocation
of licenses for nonpayment of penalties; establishing
penalties for inaccurate or fraudulent reports;
authorizing the issuance of written orders for
alleged violations; specifying contents of written
orders; authorizing the Department to impose
disciplinary actions and monetary penalties; allowing
licensees to request an administrative hearing;
directing the Department to initiate administrative
proceedings upon such request; authorizing the
Department to issue certain emergency order without
notice or hearing; requiring immediate compliance
with provisions of the order; providing for the
assessment of penalties; authorizing licensees to
request a hearing; clarifying privacy requirements
for handling records of patients and caregivers;
deleting references to certain federal act; directing
the Authority to protect patient and caregiver
records and information; authorizing the Authority to

1 contact recommending physicians of patient licensees;
2 expanding certain criminal and civil protections to
3 podiatrists; directing the Department to immediately
4 void licenses under certain circumstances; allowing
5 patients to request the withdrawal of a caregiver
6 license; providing for such withdrawal without the
7 right to a hearing; requiring certain facilities to
8 keep transaction records and utilize seed-to-sale
9 tracking system; directing medical marijuana
10 businesses and facilities that retain inventory
11 tracking records to comply with state and federal
12 privacy laws; deleting inventory tracking records
13 retention requirement; clarifying term of application
14 fee for medical marijuana businesses; directing
15 license renewal applicants to comply with certain
16 requirements; clarifying criteria provisions for
17 licensees; requiring criminal history background
18 checks for license renewal applicants; modifying
19 certain identification document requirement;
20 modifying list of identification documents necessary
21 for licensure; providing for the denial of business
22 license applications; providing for the denial of
23 resubmitted applications under certain circumstances;
24 prohibiting the issuance of research, education and
waste disposal facility licenses to certain persons;
removing directive to consider additional information
about applicants with criminal history records;
requesting licensees to provide certain information
to the Authority; requiring medical marijuana
research, education and waste disposal facility
licensees to pay licensure fees prior to receiving
license; establishing renewal fee for expired
licenses; making late renewal fees nonrefundable;
prohibiting the renewal of certain expired licenses;
prohibiting medical marijuana businesses, research,
education and waste disposal facilities from
operating without a valid, unexpired license;
allowing certain licensed medical marijuana
facilities to obtain medical marijuana transporter
licenses; reducing fee amount of annual transporter
agent license; establishing transporter agent license
reprint fee; clarifying residency requirement;
deleting certain inventory manifest requirement;
extending time limitation for maintaining copies of
inventory manifests and logs; modifying scope of
duties related to the development of testing
practices and research methods; providing

1 restrictions on laboratory ownership and the
2 employment of certain persons; removing mandate that
3 prohibits indirect beneficial owners from owning a
4 laboratory; allowing medical marijuana testing
5 laboratories to conduct certain research; authorizing
6 medical marijuana testing laboratories to accept
7 samples from licensed research and education
8 facilities; prohibiting the testing of samples from
9 certain businesses; directing the Department to
10 develop standards and policies for the immediate
11 recall of medical marijuana products; increasing time
12 limitation for medical marijuana testing laboratories
13 to retain test results; requiring test of individual
14 harvest batch; providing test exception for certain
15 plant materials of certain weight; changing batch
16 weight; construing term for final products; limiting
17 testing to certain final products of certain grams of
18 THC; increasing number of inspections required for
19 medical marijuana testing laboratories; allowing for
20 additional investigations and inspections of testing
21 laboratories under certain circumstances; modifying
22 accreditation requirements for testing laboratories;
23 making renewal subject to accreditation; requiring
24 accreditation for licensure beginning on certain
date; allowing licensed commercial growers to
transfer certain product to licensed processors for
decontamination or remediation; prohibiting the sale
or transfer of kief; eliminating certain labeling
requirement; clarifying terms of application fee for
medical marijuana research license and medical
marijuana education facility license; clarifying
certain application process requirement for medical
marijuana education facility license applicants;
declaring all medical marijuana patient and caregiver
records confidential and exempt from the Oklahoma
Open Records Act; making certain records submitted to
the Department confidential and exempt from the
Oklahoma Open Records Act; authorizing the Department
to share confidential information with other state
agencies; modifying name of entity that recommends
certain rules to the State Commissioner of Health;
authorizing the Department to appoint additional
members to the Medical Marijuana Advisory Council;
specifying makeup of Council; authorizing the
Department to tag or mark medical marijuana and
medical marijuana product under certain conditions;
authorizing the Department to embargo medical

1 marijuana and medical marijuana product; making the
2 removal or disposal of embargoed medical marijuana
3 and medical marijuana product without permission
4 unlawful; allowing the State Commissioner of Health
5 to institute actions in district court for the
6 condemnation and destruction of embargoed medical
7 marijuana and medical marijuana product that fails to
8 meet certain requirements; providing for the removal
9 of embargo after certain determination by the
10 Commissioner; providing exemption from liability;
11 providing for the destruction of medical marijuana
12 and medical marijuana product upon findings made by
13 the court; requiring expenses associated with
14 destruction, court costs and fees to be paid by owner
15 or defendant; authorizing courts to order delivery of
16 medical marijuana and medical marijuana product to
17 owner or defendant under certain circumstances;
18 directing expenses for supervision be paid to
19 Commissioner by certain person; amending Sections 2,
20 3 and 4, Chapter 337, O.S.L. 2019 (63 O.S. Supp.
21 2020, Sections 428.1, 429 and 430), which relate to
22 the Oklahoma Medical Marijuana Waste Management Act;
23 updating name of act; modifying scope of certain
24 definitions; authorizing the destruction of marijuana
roots and stalks; deleting documentation requirements
for entities that engage in the disposal of medical
marijuana waste; deleting requirement to maintain
disposal records; clarifying scope of certain
prohibited act; specifying manner by which distance
requirements shall be measured for waste disposal
facilities; removing alternative options for
liability insurance requirement; providing for annual
permits; directing the deposit of license and permit
fees into different revolving fund; amending 63 O.S.
2011, Section 2-302, as last amended by Section 57,
Chapter 161, O.S.L. 2020 (63 O.S. Supp. 2020, Section
2-302), which relates to regulation of manufacturing;
requiring certain manufacturer registration; making
manufacturer subject to same jurisdiction authority
as registrant; amending 63 O.S. 2011, Section 2-304,
as amended by Section 1, Chapter 1, O.S.L. 2015 (63
O.S. Supp. 2020, Section 2-304), which relates to
revocation of manufacturer registration; providing
criminal and administrative penalties for providing
false information; amending 63 O.S. 2011, Section 2-
305, which relates to order to show cause before
revocation of registration; including administrative

1 action on non-registrant engaged in manufacturing a
2 controlled dangerous substance; providing for
3 codification; and providing an effective date.

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

5 SECTION 1. AMENDATORY Section 1, State Question No. 788,
6 Initiative Petition No. 412, as last amended by Section 44, Chapter
7 161, O.S.L. 2020 (63 O.S. Supp. 2020, Section 420), is amended to
8 read as follows:

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

- 11 1. Consume marijuana legally;
- 12 2. Legally possess up to three (3) ounces or eighty-four and
13 nine-tenths (84.9) grams of marijuana on their person;
- 14 3. Legally possess six mature marijuana plants and the
15 harvested marijuana therefrom;
- 16 4. Legally possess six seedling plants;
- 17 5. Legally possess one (1) ounce or twenty-eight and three-
18 tenths (28.3) grams of concentrated marijuana;
- 19 6. Legally possess seventy-two (72) ounces or two thousand
20 thirty-seven and six-tenths (2,037.6) grams of edible marijuana; ~~and~~
- 21 7. Legally possess up to eight (8) ounces or two hundred
22 twenty-six and four-tenths (226.4) grams of marijuana in their
23 residence; and

1 8. Legally possess seventy-two ounces (72) ounces of topical
2 marijuana.

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

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

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

10 E. A short-term medical marijuana patient license application
11 shall also be made available on the website of the State Department
12 of Health. A short-term medical marijuana patient license shall be
13 granted to any applicant who can meet the requirements for a two-
14 year medical marijuana patient license, but whose physician
15 recommendation for medical marijuana is only valid for sixty (60)
16 days. Short-term medical marijuana patient licenses shall be issued
17 for sixty (60) days. The fee for a short-term medical marijuana
18 patient license, reprints of the short-term medical marijuana
19 patient license, and the procedure for extending or renewing the
20 license shall be determined by the Department.

21 F. A temporary medical marijuana patient license application
22 shall also be ~~made~~ available on the website of the State Department
23 of Health for residents of other states. A temporary medical
24 marijuana patient license shall be granted to any medical marijuana

1 license holder from other states, provided that the state has a
2 state-regulated medical marijuana program, and the applicant can
3 prove he or she is a member of such program. Temporary medical
4 marijuana patient licenses shall be issued for thirty (30) days.
5 The cost for a temporary medical marijuana patient license shall be
6 One Hundred Dollars (\$100.00). Renewal shall be granted with
7 resubmission of a new application. No additional criteria shall be
8 required. Reprints of the temporary medical marijuana patient
9 license shall be Twenty Dollars (\$20.00).

10 G. Medical marijuana patient license applicants shall submit
11 ~~his or her~~ their applications to the State Department of Health for
12 approval. The applicant shall be ~~an~~ a resident of Oklahoma ~~state~~
13 ~~resident~~ and shall prove residency by a valid driver license,
14 utility bills, or other accepted methods.

15 H. The State Department of Health shall review the medical
16 marijuana patient license application, ~~approve or~~ approve or deny
17 the application, ~~and~~ and mail the approval ~~or~~ rejection or denial
18 letter stating any reasons for the rejection or denial to the
19 applicant within fourteen (14) business days of receipt of the
20 application. Approved applicants shall be issued a medical
21 marijuana patient license which shall act as proof of his or her
22 approved status. Applications may only be rejected or denied based
23 on the applicant not meeting stated criteria or improper completion
24 of the application.

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

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

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

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

6 4. ~~A unique 24-character identification number assigned to the~~
7 ~~license.~~

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

12 ~~K.~~ J. The State Department of Health shall ensure that all
13 ~~application~~ medical marijuana patient and caregiver records and
14 information are sealed to protect the privacy of medical marijuana
15 patient license applicants.

16 ~~L.~~ K. A caregiver license shall be made available for qualified
17 caregivers of a medical marijuana patient license holder who is
18 homebound. As provided in Section ~~11~~ 427.11 of ~~Enrolled House Bill~~
19 ~~No. 2612 of the 1st Session of the 57th Oklahoma Legislature~~ this
20 title, the caregiver license shall provide the caregiver the same
21 rights as the medical marijuana patient licensee, including the
22 ability to possess marijuana, marijuana products and mature and
23 immature plants pursuant to the Oklahoma Medical Marijuana and
24 Patient Protection Act, but excluding the ability to use marijuana

1 or marijuana products unless the caregiver has a medical marijuana
2 patient license. ~~An applicant~~ Applicants for a caregiver license
3 shall submit proof of the license status and homebound status of the
4 medical marijuana patient and proof that the applicant is the
5 designee of the medical marijuana patient. The applicant shall also
6 submit proof that he or she is eighteen (18) years of age or older
7 and proof of his or her Oklahoma residency. ~~This shall be the only~~
8 ~~criteria for a caregiver license.~~

9 ~~M. L.~~ All applicants for a medical marijuana patient license
10 shall be eighteen (18) years of age or older. A special exception
11 shall be granted to an applicant under the age of eighteen (18);
12 however, these applications shall be signed by two physicians and
13 the parent or legal guardian of the applicant.

14 ~~N. M.~~ All applications for a medical marijuana patient license
15 shall be signed by an Oklahoma physician licensed by and in good
16 standing with the State Board of Medical Licensure and Supervision
17 or the State Board of Osteopathic Examiners. There are no
18 qualifying conditions. A medical marijuana patient license ~~must~~
19 shall be recommended according to the accepted standards a
20 reasonable and prudent physician would follow when recommending or
21 approving any medication. No physician may be unduly stigmatized or
22 harassed for signing a medical marijuana patient license
23 application.

24

1 ~~0.~~ N. Counties and cities may enact medical marijuana
2 guidelines allowing medical marijuana patient license holders or
3 ~~caregivers~~ caregiver license holders to exceed the state limits set
4 forth in subsection A of this section.

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

8 Section 421. A. The ~~Oklahoma~~ State Department of Health shall,
9 within thirty (30) days of passage of this initiative, make
10 available~~7~~ on ~~their~~ its website~~7~~, in an ~~easy-to-find~~ easy-to-find
11 location~~7~~, an application for a medical marijuana dispensary license.
12 The application fee shall be Two Thousand Five Hundred Dollars
13 (\$2,500.00) ~~and a.~~ A method of payment ~~will~~ shall be provided on
14 the website of the Department. ~~Retail~~ Dispensary applicants must
15 all be ~~Oklahoma state~~ residents of Oklahoma. Any entity applying
16 for a ~~retail~~ dispensary license must be owned by an Oklahoma ~~state~~
17 resident and must be registered to do business in Oklahoma. The
18 ~~Oklahoma~~ State Department of Health shall have ~~two (2) weeks~~ ninety
19 (90) business days to review the application~~7~~; approve ~~or~~, reject or
20 deny the application~~7~~; and mail the ~~approval/rejection~~ approval,
21 rejection or denial letter (~~if rejected~~~~7~~, stating reasons for
22 ~~rejection~~) the rejection or denial to the applicant.

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

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

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

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

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

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

12 6. All applicants must disclose all ownership ~~+~~ interests in the
13 dispensary.

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

20 C. ~~Retailers will~~ Licensed medical marijuana dispensaries shall
21 be required to complete a monthly sales report to the ~~Oklahoma~~ State
22 Department of Health. This report ~~will~~ shall be due on the ~~15th~~
23 fifteenth of each month and provide reporting on the previous month.
24 This report ~~will~~ shall detail the weight of marijuana purchased at

1 wholesale and the weight of marijuana sold to ~~card holders~~ licensed
2 medical marijuana patients and licensed caregivers, and account for
3 any waste. The report ~~will~~ shall show total sales in dollars, tax
4 collected in dollars, and tax due in dollars. The ~~Oklahoma~~ State
5 Department of Health ~~will~~ shall have oversight and auditing
6 responsibilities to ensure that all marijuana being grown is
7 accounted for. ~~A retailer will only be subject to a penalty if a~~
8 ~~gross discrepancy exists and cannot be explained. Penalties for~~
9 ~~fraudulent reporting occurring within any 2 year time period will be~~
10 ~~an initial fine of Five Thousand Dollars (\$5,000.00) (first) and~~
11 ~~revocation of licensing (second).~~

12 D. Only a licensed medical marijuana ~~retailer~~ dispensary may
13 conduct retail sales of marijuana, or marijuana derivatives ~~in the~~
14 ~~form provided by licensed processors, and these products can only be~~
15 ~~sold to a medical marijuana license holder or their caregiver.~~
16 ~~Penalties for fraudulent sales occurring within any 2 year time~~
17 ~~period will be an initial fine of Five Thousand Dollars (\$5,000.00)~~
18 ~~(first) and revocation of licensing (second).~~ Beginning on the
19 effective date of this act, licensed medical marijuana dispensaries
20 shall be authorized to package and sell pre-rolled marijuana to
21 licensed medical marijuana patients and licensed caregivers. The
22 products described in this subsection shall contain only the ground
23 parts of the marijuana plant and shall not include marijuana
24 concentrates or derivatives. The total net weight of each pre-roll

1 packaged and sold by a medical marijuana dispensary shall not exceed
2 one (1) gram. These products shall be tested, packaged and labeled
3 in accordance with Oklahoma law and rules promulgated by the State
4 Commissioner of Health.

5 E. No dispensary shall display, offer or allow handling, smell
6 or otherwise physical contact with any marijuana product not
7 contained in a sealed or separate package by a marijuana patient
8 licensee or caregiver licensee or other member of the public.

9 Provided, such prohibition shall not preclude an employee of the
10 dispensary from handling loose or non-packaged marijuana product to
11 be placed in packaging consistent with the Oklahoma Medical
12 Marijuana and Patient Protection Act and the rules promulgated by
13 the Authority for the packaging of marijuana products for retail
14 sale.

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

18 Section 422. A. The ~~Oklahoma~~ State Department of Health ~~will~~
19 shall, within thirty (30) days of passage of this initiative, make
20 available, ~~on their~~ its website, ~~in an easy-to-find~~ easy-to-find
21 location, ~~an application for a commercial grower license. The~~
22 application fee ~~will~~ shall be Two Thousand Five Hundred Dollars
23 (\$2,500.00) ~~and methods.~~ A method of payment ~~will~~ shall be provided
24 on the website of the Department. The ~~Oklahoma~~ State Department of

1 Health ~~has two (2) weeks~~ shall have ninety (90) days to review the
2 application~~;~~; approve ~~or~~, reject or deny the application~~;~~; and mail
3 the ~~approval/rejection~~ approval, rejection or denial letter ~~(if~~
4 ~~rejected,~~ stating the reasons for ~~rejection)~~ the rejection or denial
5 to the applicant.

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

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

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

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

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

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

19 6. All applicants must disclose all ownership~~;~~ interests in the
20 commercial grower operation.

21 ~~7. Applicant(s)~~ Applicants with ~~only~~ a nonviolent felony
22 ~~conviction(s)~~ conviction in the last two (2) years, any other felony
23 conviction in the last five (5) years, inmates in the custody of the
24

1 Department of Corrections, or any person currently incarcerated ~~may~~
2 shall not qualify for a commercial grower license.

3 C. A licensed commercial grower may sell marijuana to a
4 licensed ~~retailer~~, dispensary or a licensed ~~packager~~ processor.

5 Further, ~~these~~ sales ~~will~~ by a licensed commercial grower shall be
6 considered wholesale sales and shall not be subject to taxation.

7 Under no circumstances may a licensed commercial grower sell
8 marijuana directly to a licensed medical marijuana ~~license holder~~
9 patient or licensed caregiver. A licensed commercial grower may

10 only sell at the wholesale level to a licensed ~~retailer~~ dispensary,
11 a licensed grower or a licensed processor. If the federal

12 government lifts restrictions on buying and selling marijuana
13 between states, then a licensed commercial grower would be allowed

14 to sell and buy marijuana wholesale from, or to, an ~~out-of-state~~
15 out-of-state wholesale provider. A licensed commercial grower ~~will~~

16 shall be required to complete a monthly yield and sales report to
17 the ~~Oklahoma~~ State Department of Health. This report ~~will~~ shall be

18 due on the ~~15th~~ fifteenth of each month and provide reporting on the
19 previous month. This report ~~will~~ shall detail the amount of

20 marijuana harvested in pounds, the amount of drying or dried

21 marijuana on hand, the amount of marijuana sold to licensed

22 processors in pounds, the amount of waste in pounds, and the amount

23 of marijuana sold to ~~retailers~~ licensed dispensaries in ~~lbs~~ pounds.

24 Additionally, this report ~~will~~ shall show total wholesale sales in

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

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

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

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

24

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

- 8 1. Non-hazardous medical marijuana processor license; and
- 9 2. Hazardous medical marijuana processor license.

10 The application fee for a non-hazardous or hazardous medical
11 marijuana processor license shall be Two Thousand Five Hundred
12 Dollars (\$2,500.00) ~~and methods~~. A method of payment will shall be
13 provided on the website of the Department. The ~~Oklahoma~~ State
14 Department of Health shall have ~~two (2) weeks~~ ninety (90) days to
15 review the application~~7~~; approve ~~or~~, reject or deny the
16 application~~7~~; and mail the ~~approval/rejection~~ approval, rejection or
17 denial letter ~~(if rejected, stating the reasons for rejection)~~ the
18 rejection or denial to the applicant.

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

- 21 ~~Applicant~~ The applicant must be ~~age~~ twenty-five (25) years
22 of age or older;
- 23 ~~Any~~ The applicant, if applying as an individual, must show
24 residency in the State of Oklahoma;

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

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

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

8 6. All applicants must disclose all ownership ~~+~~ interests in the
9 processing operation.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

11 2. For purposes of this subsection, an undue change or
12 restriction of municipal zoning laws means an act which entirely
13 prevents ~~retail~~ medical marijuana ~~establishments~~ dispensaries from
14 operating within municipal boundaries as a matter of law.
15 Municipalities may follow their standard planning and zoning
16 procedures to determine if certain zones or districts would be
17 appropriate for locating marijuana-licensed premises, medical
18 marijuana businesses or any other premises where marijuana or its
19 by-products are cultivated, grown, processed, stored or
20 manufactured.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

24

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

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

5 a. designed or constructed to be significantly difficult
6 for children under five (5) years of age to open and
7 not difficult for normal adults to use properly as
8 defined by 16 C.F.R. 1700.15 (1995) and 16 C.F.R.
9 1700.20 (1995),

10 b. opaque so that the outermost packaging does not allow
11 the product to be seen without opening the packaging
12 material, and

13 c. resealable to maintain its child-resistant
14 effectiveness for multiple openings for any product
15 intended for more than a single use or containing
16 multiple servings;

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

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

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

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

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

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

6 12. "Dispense" means the selling of medical marijuana or a
7 medical marijuana product to a qualified patient or the designated
8 caregiver of the patient that is packaged in a suitable container
9 appropriately labeled for subsequent administration to or use by a
10 qualifying patient;

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

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

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

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

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

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

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

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

- 1 ~~b. the licensee or applicant has failed to comply with~~
2 ~~any special terms or conditions that were placed upon~~
3 ~~the license pursuant to an order of the State~~
4 ~~Department of Health, Oklahoma Medical Marijuana~~
5 ~~Authority or the municipality, or~~
6 ~~c. the licensed premises of a medical marijuana business~~
7 ~~or applicant have been operated in a manner that~~
8 ~~adversely affects the public health or welfare or the~~
9 ~~safety of the immediate vicinity in which the~~
10 ~~establishment is located;~~

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

24

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 6. Inspect and examine, ~~with notice provided in accordance with~~
2 ~~this act,~~ all licensed premises of medical marijuana businesses,
3 research facilities ~~and,~~ education facilities and waste disposal
4 facilities in which medical marijuana is cultivated, manufactured,
5 sold, stored, transported, tested ~~or,~~ distributed or disposed of;

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

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

13 9. Establish a fee schedule and collect fees for performing
14 background checks as the Commissioner deems appropriate. The fees
15 charged pursuant to this paragraph shall not exceed the actual cost
16 incurred for each background check; ~~and~~

17 10. ~~Require verification for sources of finance for medical~~
18 ~~marijuana businesses~~ Establish a fee schedule and collect fees for
19 material changes requested by the licensee; and

20 11. Establish regulations which require a medical marijuana
21 business to submit information to the Oklahoma Medical Marijuana
22 Authority deemed reasonably necessary to assist the Authority in the
23 prevention of diversion of medical marijuana by a licensed medical
24

1 marijuana business. Such information required by the Authority may
2 include, but shall not be limited to:

- 3 a. the square footage of the licensed premise,
- 4 b. a diagram of the licensed premise,
- 5 c. the number and type of lights at the licensed medical
6 marijuana commercial grower business,
- 7 d. the number, type and production capacity of equipment
8 located at the medical marijuana processing facility,
- 9 e. the names, addresses and telephone numbers of
10 employees or agents of a medical marijuana business,
- 11 f. employment manuals and standard operating procedures
12 for the medical marijuana business, and
- 13 g. any other information as the Authority reasonably
14 deems necessary.

15 SECTION 10. AMENDATORY Section 4, Chapter 11, O.S.L.
16 2019 (63 O.S. Supp. 2020, Section 427.4), is amended to read as
17 follows:

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

22 B. The Authority shall not employ an individual if any of the
23 following circumstances exist:
24

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

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

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

12 D. The Commissioner may delegate to any officer or employee of
13 the Department any of the powers of the Executive Director and may
14 designate any officer or employee of the Department to perform any
15 of the duties of the Executive Director.

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

19 F. The Department is hereby authorized to create employment
20 positions necessary for the implementation of its obligations
21 pursuant to ~~this act~~, the Oklahoma Medical Marijuana and Patient
22 Protection Act including, but not limited to, Authority
23 investigators and a senior director of enforcement. The Department
24 and the Authority, the senior director of enforcement, the Executive

1 Director, and Department investigators shall have all the powers of
2 any peace officer to:

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

6 2. Serve all warrants, summonses, subpoenas, administrative
7 citations, notices or other processes relating to the enforcement of
8 laws regulating medical marijuana, concentrate, and medical
9 marijuana product;

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

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

19 5. Require applicants and licensees to submit complete and
20 current applications, information and fees required by ~~this act~~ the
21 Oklahoma Medical Marijuana and Patient Protection Act, the Oklahoma
22 Medical Marijuana Waste Management Act and Sections 420 through
23 426.1 of this title, and fees, and approve material changes made by
24 the applicant or licensee;

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

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

20 SECTION 11. AMENDATORY Section 6, Chapter 11, O.S.L.
21 2019, as amended by Section 7, Chapter 477, O.S.L. 2019 (63 O.S.
22 Supp. 2020, Section 427.6), is amended to read as follows:

23 Section 427.6. A. The State Department of Health shall address
24 issues related to the medical marijuana program in Oklahoma

1 including, but not limited to, monitoring and disciplinary actions
2 as they relate to the medical marijuana program.

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

13 2. ~~Inspections~~ Post licensure inspections shall be limited to
14 twice per calendar year ~~and twenty-four (24) hours of notice shall~~
15 ~~be provided to a medical marijuana business applicant or licensee~~
16 ~~prior to an on-site assessment.~~ However, investigations and
17 additional inspections may occur when the Department ~~shows that~~
18 believes an investigation or additional inspection is necessary due
19 to a possible violation of ~~this act~~ applicable laws, rules or
20 regulations. ~~Such inspection may be without notice if the~~
21 ~~Department believes that such notice will result in the destruction~~
22 ~~of evidence~~ The State Commissioner of Health may adopt rules
23 imposing penalties including, but not limited to, monetary fines and
24 suspension or revocation of licensure for failure to allow the

1 Authority reasonable access to the licensed premise for purposes of
2 conducting an inspection.

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

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

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

23
24

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

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

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

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

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

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

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

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

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

21 8. Failure to pay a required monetary penalty;

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

24

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

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

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

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

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

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

6 2. The second offense for impermissible diversion of medical
7 marijuana, concentrate, or products by a patient or caregiver to an
8 unauthorized person shall not be punished under a criminal statute
9 but may be subject to a fine of not to exceed Five Hundred Dollars
10 (\$500.00) and may result in revocation of the license upon a showing
11 that the violation was willful or grossly negligent.

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

15 1. ~~A medical marijuana business, research facility or education~~
16 ~~facility licensee whose license has been summarily suspended or who~~
17 ~~has received a notice of contemplated action to suspend or revoke a~~
18 ~~license or take other,~~ pursuant to its rules and regulations, may
19 issue a written order to any licensee the Department has reason to
20 believe has violated Sections 420 through 426.1 of this title, the
21 Oklahoma Medical Marijuana and Patient Protection Act, the Oklahoma
22 Medical Marijuana Waste Management Act, or any rules promulgated by
23 the State Commissioner of Health and to whom the Department has
24

1 served, not less than thirty (30) days previously, a written notice
2 of violation of such statutes or rules.

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

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

11 2. Any order issued pursuant to the provisions of this section
12 shall become a final order unless, not more than thirty (30) days
13 after the order is served to the licensee, the licensee requests an
14 administrative hearing in accordance with the rules and regulations
15 of the Department. Upon such request, the Department shall promptly
16 initiate administrative proceedings.

17 J. Whenever the Department finds that an emergency exists
18 requiring immediate action in order to protect the health or welfare
19 of the public, the Department may issue an order, without providing
20 notice or hearing, stating the existence of said emergency and
21 requiring that action be taken as the Department deems necessary to
22 meet the emergency. Such action may include, but is not limited to,
23 ordering the licensee to immediately cease and desist operations by
24 the licensee. The order shall be effective immediately upon

1 issuance. Any person to whom the order is directed shall comply
2 immediately with the provisions of the order. The Department may
3 assess a penalty not to exceed Ten Thousand Dollars (\$10,000.00) per
4 day of noncompliance with the order. In assessing such a penalty,
5 the Department shall consider the seriousness of the violation and
6 any efforts to comply with applicable requirements. Upon
7 application to the Department, the licensee shall be offered a
8 hearing within ten (10) days of the issuance of the order.

9 K. All hearings held pursuant to this section shall be in
10 accordance with the Oklahoma Administrative Procedures Act, ~~Section~~
11 ~~250 et seq. of Title 75 of the Oklahoma Statutes.~~

12 SECTION 12. AMENDATORY Section 7, Chapter 11, O.S.L.
13 2019, as amended by Section 5, Chapter 509, O.S.L. 2019 (63 O.S.
14 Supp. 2020, Section 427.7), is amended to read as follows:

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

22 B. The medical marijuana use registry shall be accessible to:
23
24

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

4 2. Any court in this state.

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

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

18 E. The ~~Department~~ Authority shall ensure that all ~~application~~
19 medical marijuana patient and caregiver records and information are
20 sealed to protect the privacy of medical marijuana patient license
21 applicants and licensees.

22 SECTION 13. AMENDATORY Section 9, Chapter 11, O.S.L.
23 2019 (63 O.S. Supp. 2020, Section 427.9), is amended to read as
24 follows:

1 Section 427.9. A. The Oklahoma Medical Marijuana Authority may
2 contact the recommending physician of an applicant for a medical
3 marijuana patient license or current holder of a medical marijuana
4 patient license to verify the need of the applicant or licensee for
5 the license and the information submitted with the application.

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

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

20 SECTION 14. AMENDATORY Section 10, Chapter 11, O.S.L.
21 2019, as amended by Section 2, Chapter 390, O.S.L. 2019 (63 O.S.
22 Supp. 2020, Section 427.10), is amended to read as follows:

23 Section 427.10. A. Only licensed Oklahoma allopathic,
24 osteopathic and podiatric physicians may provide a medical marijuana

1 recommendation for a medical marijuana patient license under ~~this~~
2 ~~act~~ the Oklahoma Medical Marijuana and Patient Protection Act.

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

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

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

1 E. If the physician determines the continued use of medical
2 marijuana by the patient no longer meets the requirements set forth
3 in ~~this act~~ the Oklahoma Medical Marijuana and Patient Protection
4 Act, the physician shall notify the Department and ~~the Authority~~
5 ~~shall immediately revoke~~ the license shall be immediately voided
6 without right to an individual proceeding.

7 SECTION 15. AMENDATORY Section 11, Chapter 11, O.S.L.
8 2019 (63 O.S. Supp. 2020, Section 427.11), is amended to read as
9 follows:

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

22 B. An individual caregiver shall be limited to exercising the
23 marijuana cultivation rights of no more than five licensed patients
24

1 as prescribed by ~~this act~~ the Oklahoma Medical Marijuana and Patient
2 Protection Act.

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

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

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

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

19 B. 1. The Authority shall have oversight and auditing
20 responsibilities to ensure that all marijuana being grown in
21 Oklahoma is accounted for and shall implement an inventory tracking
22 system. Pursuant to these duties, the Authority shall require that
23 each medical marijuana business, medical marijuana research
24 facility, medical marijuana education facility and medical marijuana

1 waste disposal facility keep records for every transaction with
2 another medical marijuana business, patient or caregiver. Inventory
3 shall be tracked and updated after each individual sale and reported
4 to the Authority.

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

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

23 3. Each medical marijuana business, medical marijuana research
24 facility, medical marijuana education facility and medical marijuana

1 waste disposal facility shall use a seed-to-sale tracking system or
2 integrate its own seed-to-sale tracking system with the seed-to-sale
3 tracking system established by the Authority.

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

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

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

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

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

14 e. the date of the transaction,

15 f. the total spent in dollars,

16 g. all point-of-sale records,

17 h. marijuana excise tax records, and

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

20 5. All inventory tracking records retained by a medical
21 marijuana business, medical marijuana research facility, medical
22 marijuana education facility or medical marijuana waste disposal
23 facility containing medical marijuana patient or caregiver
24 information shall comply with all relevant state and federal laws

1 including, but not limited to, the Health Insurance Portability and
2 Accountability Act of 1996 (HIPAA), ~~and shall not be retained by any~~
3 ~~medical marijuana business for more than sixty (60) days.~~

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

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

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

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

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

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

24

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

18 14. All applicants shall submit an applicant photograph.

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

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

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

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

1 which an application was submitted properly⁷ but a delay in
2 processing the application occurred.

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

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

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

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

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

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

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

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

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

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

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

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

16 a. unlawful sales or purchases,

17 b. any fraudulent acts, falsification of records or
18 misrepresentation to the Authority, medical marijuana
19 patient licensees, caregiver licensees or medical
20 marijuana business licensees,

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~~ consistent with the zoning
13 where such business is located as described in the most recent
14 versions of the Oklahoma Uniform Building Code, the International
15 Building Code and the International Fire Code, unless granted an
16 exemption by ~~the Authority or~~ a municipality or appropriate code
17 enforcement entity.

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

23 N. A medical marijuana business, medical marijuana research
24 facility, medical marijuana education facility or medical marijuana

1 waste disposal facility that attempts to renew its license after the
2 expiration date of the license shall pay a late renewal fee in an
3 amount to be determined by the Department to reinstate the license.
4 Late renewal fees are nonrefundable. A license that has been
5 expired for more than ninety (90) days shall not be renewed.

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

11 SECTION 18. AMENDATORY Section 16, Chapter 11, O.S.L.
12 2019 (63 O.S. Supp. 2020, Section 427.16), is amended to read as
13 follows:

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

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

24

1 marijuana testing laboratories upon issuance of such license and
2 upon renewal.

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

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

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

23 F. A medical marijuana transporter licensee may contract with
24 multiple licensed medical marijuana businesses.

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

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

15 I. A licensed medical marijuana transporter may maintain and
16 operate one or more warehouses in the state to handle medical
17 marijuana, medical marijuana concentrate and medical marijuana
18 products. Each location shall be registered and inspected by the
19 Authority prior to its use.

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

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

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

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

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

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

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

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

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

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

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

5 4. Possession of a valid Oklahoma driver license;

6 5. Verification of employment with a licensed transporter;

7 6. The application and affiliated fee; and

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

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

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

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

21 R. The Department may revoke or suspend the transporter license
22 of a transporter that the Department determines knowingly aided or
23 facilitated a violation of any provision of this section, and the
24

1 ~~license holder~~ license holder is subject to any other penalties
2 established in law for the violation.

3 S. Vehicles used in the transport of medical marijuana or
4 medical marijuana product shall be:

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

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

7 3. In possession of a shipping container as defined in Section
8 427.2 of this act title capable of securing all transported ~~product~~
9 products.

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

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

16 a. the licensee number for the commercial grower,
17 processor or dispensary,

18 b. address of origination of transport, and

19 c. name and contact information for the originating
20 licensee;

21 2. For the end recipient license holder of the medical
22 marijuana:

23

24

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

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

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

5. The arrival date and estimated time of arrival;

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

7. Notation of the transporting licensee.

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

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

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

1 4. A receiving licensee shall refuse to accept any medical
2 marijuana, medical marijuana concentrate or ~~product~~ medical
3 marijuana products that ~~is~~ are not accompanied by an inventory
4 manifest.

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

8 SECTION 19. AMENDATORY Section 17, Chapter 11, O.S.L.
9 2019, as amended by Section 4, Chapter 312, O.S.L. 2019 (63 O.S.
10 Supp. 2020, Section 427.17), is amended to read as follows:

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

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

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

3 2. Any individual or his or her spouse, parent, child, spouse
4 of a child, sibling or spouse of a sibling that has an application
5 for a medical marijuana business license pending before the
6 Department or is a member of the board of directors of a medical
7 marijuana business, or is an individual financially interested in
8 any licensee or medical marijuana business located within this
9 state.

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

16 D. A person who is a direct beneficial owner ~~or an indirect~~
17 ~~beneficial owner~~ of a medical marijuana dispensary, medical
18 marijuana commercial grower, or medical marijuana processor shall
19 not be an owner of a laboratory.

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

23 F. A separate license shall be required for each specific
24 laboratory.

1 G. A medical marijuana testing laboratory license may be issued
2 to a person who performs testing ~~and research~~ on medical marijuana
3 and medical marijuana products for medical marijuana businesses,
4 medical marijuana research facilities, medical marijuana education
5 facilities, and testing ~~and research~~ on marijuana and marijuana
6 products grown or produced by a patient or caregiver on behalf of a
7 patient, upon verification of registration. A medical marijuana
8 testing laboratory may also conduct research related to the
9 development and improvement of its testing practices and procedures.

10 No state-approved medical marijuana testing facility shall operate
11 unless a medical laboratory director is on site during operational
12 hours.

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

19 I. A medical marijuana testing laboratory may accept samples of
20 medical marijuana, medical marijuana concentrate or medical
21 marijuana product from a medical marijuana business, medical
22 marijuana research facility or medical marijuana education facility
23 for testing ~~and research~~ purposes only, which purposes may include
24 the provision of testing services for samples submitted by a medical

1 marijuana business for product development. The Department may
2 require a medical marijuana business to submit a sample of medical
3 marijuana, medical marijuana concentrate or medical marijuana
4 product to a medical marijuana testing or quality assurance
5 laboratory upon demand.

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

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

14 2. The medical marijuana testing laboratory shall require the
15 patient or caregiver to produce a valid patient license and current
16 and valid photo identification.

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

22 L. A medical marijuana testing laboratory may utilize a
23 licensed medical marijuana transporter to transport samples of
24 medical marijuana, medical marijuana concentrate and medical

1 marijuana product for testing, in accordance with ~~this act~~ the
2 Oklahoma Medical Marijuana and Patient Protection Act and the rules
3 adopted pursuant thereto, between the originating medical marijuana
4 business requesting testing services and the destination laboratory
5 performing testing services.

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

23
24

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

4 1. The cleanliness and orderliness of a laboratory premises and
5 the location of the laboratory in a secure location, and inspection,
6 cleaning and maintenance of any equipment or utensils used for the
7 analysis of test samples;

8 2. Testing procedures, testing standards for cannabinoid and
9 terpenoid potency and safe levels of contaminants, and remediation
10 procedures;

11 3. Controlled access areas for storage of medical marijuana and
12 medical marijuana product test samples, waste and reference
13 standards;

14 4. Records to be retained and computer systems to be utilized
15 by the laboratory;

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

18 6. A certificate of analysis (COA) for each lot of reference
19 standard;

20 7. The transport and disposal of unused marijuana, marijuana
21 products and waste;

22 8. The mandatory use by a laboratory of an inventory tracking
23 system to ensure all ~~test~~ harvest and production batches or samples
24 containing medical marijuana, medical marijuana concentrate or

1 medical marijuana products are identified and tracked from the point
2 they are transferred from a medical marijuana business, a patient or
3 a caregiver through the point of transfer, destruction or disposal.
4 The inventory tracking system reporting shall include the results of
5 any tests that are conducted on medical marijuana, medical marijuana
6 concentrate or medical marijuana product;

7 9. Standards of performance;

8 10. The employment of laboratory personnel;

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

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

14 13. The establishment of and adherence to a quality assurance
15 and quality control program to ensure sufficient monitoring of
16 laboratory processes and quality of results reported;

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

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

23 ~~15.~~ 16. The establishment by the laboratory of a system to
24 retain and maintain all required records, including business

1 records, and processes to ensure results are reported in a timely
2 and accurate manner; and

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

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

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

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

24 1. Microbials;

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

7 R. ~~A test batch shall not exceed ten (10) pounds of usable~~
8 ~~marijuana or licensed medical marijuana product, as appropriate~~
9 testing laboratory shall test each individual harvest batch. A
10 grower shall separate each harvest lot of usable marijuana into
11 harvest batches containing no more than ten (10) pounds, with the
12 exception of any plant material to be sold to a licensed processor
13 for the purposes of turning the plant material into concentrate
14 which may be separated into harvest batches of no more than fifty
15 (50) pounds. A processor shall separate each medical marijuana
16 production lot into production batches containing no more than ~~ten~~
17 ~~(10) pounds~~ four (4) liters of concentrate and for final products,
18 the Oklahoma Medical Marijuana Authority shall be authorized to
19 promulgate rules on final products as necessary. Provided, however,
20 the Authority shall not require testing of final products less often
21 than every two hundred (200) grams of THC. As used in this
22 subsection, "final products" shall include, but not be limited to,
23 cookies, brownies, candies, gummies, beverages and chocolates.
24

1 S. Medical marijuana testing laboratory licensure shall be
2 contingent upon successful on-site inspection, successful
3 participation in proficiency testing and ongoing compliance with the
4 applicable requirements in this section.

5 T. A medical marijuana testing laboratory shall be inspected
6 prior to initial licensure and annually up to two (2) times per year
7 thereafter by an inspector approved by the Authority. The Authority
8 may enter the licensed premises of a testing laboratory to conduct
9 investigations and additional inspections when the Authority
10 believes an investigation or additional inspection is necessary due
11 to a possible violation of applicable laws, rules or regulations.

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

24

1 V. A Unless authorized by the provisions of this section, a
2 commercial grower shall not transfer or sell medical marijuana and a
3 processor shall not transfer, sell or process into a concentrate or
4 product any medical marijuana, medical marijuana concentrate or
5 medical marijuana product unless samples from each harvest batch or
6 production batch from which that medical marijuana, medical
7 marijuana concentrate or medical marijuana product was derived has
8 been tested by a medical marijuana testing ~~facility for contaminants~~
9 laboratory and passed all contaminant tests required by ~~this act~~ the
10 Oklahoma Medical Marijuana and Patient Protection Act and applicable
11 laws, rules and regulations. A licensed commercial grower may
12 transfer medical marijuana that has failed testing to a licensed
13 processor only for the purposes of decontamination or remediation
14 and only in accordance with the provisions of the Oklahoma Medical
15 Marijuana and Patient Protection Act and the rules and regulations
16 of the Department. Remediated and decontaminated products shall be
17 returned only to the originating licensed commercial grower.

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

20 SECTION 20. AMENDATORY Section 18, Chapter 11, O.S.L.
21 2019 (63 O.S. Supp. 2020, Section 427.18), is amended to read as
22 follows:

23 Section 427.18. A. An Oklahoma medical marijuana business
24 shall not sell, transfer or otherwise distribute medical marijuana

1 or medical marijuana product that has not been packaged and labeled
2 in accordance with this section and rules promulgated by the State
3 Commissioner of Health.

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

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

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

21 3. Labels on a container shall not include any false or
22 misleading statements.

23 4. No container shall be intentionally or knowingly labeled so
24 as to cause a reasonable patient confusion as to whether the medical

1 marijuana, medical marijuana concentrate or medical marijuana
2 product is a trademarked product or labeled in a manner that
3 violates any federal trademark law or regulation.

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

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

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

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

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

19 ~~3.~~ 2. A statement indicating that the product has been tested
20 for contaminants;

21 ~~4.~~ 3. One or more product warnings to be determined by the
22 Department; and

23 ~~5.~~ 4. Any other information the Department deems necessary.
24

1 SECTION 21. AMENDATORY Section 19, Chapter 11, O.S.L.
2 2019 (63 O.S. Supp. 2020, Section 427.19), is amended to read as
3 follows:

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

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

13 C. A medical marijuana research license may be issued for the
14 following research purposes:

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

24

1 D. 1. As part of the application process for a medical
2 marijuana research license, an applicant shall submit to the
3 Authority a description of the research that the applicant intends
4 to conduct and whether the research will be conducted with a public
5 institution or using public money. If the research will not be
6 conducted with a public institution or with public money, the
7 Authority shall grant the application if it determines that the
8 applicant meets the criteria in this section.

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

- 13 a. the quality, study design, value or impact of the
14 project,
- 15 b. whether the applicant has the appropriate personnel,
16 expertise, facilities, infrastructure, funding and
17 human, animal or other approvals in place to
18 successfully conduct the project, and
- 19 c. whether the amount of marijuana to be grown by the
20 applicant is consistent with the scope and goals of
21 the project.

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

1 E. A medical marijuana research licensee may only transfer, by
2 sale or donation, marijuana grown within its operation to other
3 medical marijuana research licensees. The Department may revoke a
4 medical marijuana research license for violations of this section
5 and any other violation of ~~this act~~ the Oklahoma Medical Marijuana
6 and Patient Protection Act.

7 F. A medical marijuana research licensee may contract to
8 perform research in conjunction with a public higher education
9 research institution or another medical marijuana research licensee.

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

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

1 SECTION 22. AMENDATORY Section 20, Chapter 11, O.S.L.
2 2019 (63 O.S. Supp. 2020, Section 427.20), is amended to read as
3 follows:

4 Section 427.20. A. There is hereby created a medical marijuana
5 education facility license.

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

9 C. A medical marijuana education facility license may only be
10 granted to a not-for-profit organization structured under Section
11 501(c) (3) of the Internal Revenue Code, operating as an Oklahoma
12 not-for-profit registered organization with the Office of the
13 Secretary of State.

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

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

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

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

23 3. To demonstrate the application and use of product
24 manufacturing technologies;

1 4. To conduct genomic, horticultural or agricultural research;
2 and

3 5. To conduct research on marijuana-affiliated products or
4 systems.

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

- 16 1. The quality, study design, value or impact of the project;
- 17 2. Whether the applicant has the appropriate personnel,
18 expertise, facilities, infrastructure, funding, and human, animal or
19 other approvals in place to successfully conduct the project; and
- 20 3. Whether the amount of marijuana to be grown by the applicant
21 is consistent with the scope and goals of the project.

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

1 G. A medical marijuana education facility licensee may only
2 transfer, by sale or donation, marijuana grown within its operation
3 to medical marijuana research licensees. The Department may revoke
4 a medical marijuana education facility license for violations of
5 this section and any other violation of ~~this act~~ applicable laws,
6 rules and regulations.

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

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

20 SECTION 23. AMENDATORY Section 22, Chapter 11, O.S.L.
21 2019 (63 O.S. Supp. 2020, Section 427.22), is amended to read as
22 follows:

23 Section 427.22. A. ~~An~~ All medical marijuana patient and
24 caregiver records and information including, but not limited to, any

1 application or renewal and supporting information submitted by a
2 qualifying patient or designated caregiver under the provisions of
3 ~~this act including, without limitation,~~ the Oklahoma Medical
4 Marijuana and Patient Protection Act and information regarding the
5 physician of the qualifying patient shall be considered confidential
6 medical records that are exempt from the Oklahoma Open Records Act.

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

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

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

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

24

1 F. All monthly report, inventory tracking and seed-to-sale
2 information, data and records submitted to the Department shall be
3 treated as confidential records and are exempt from the Oklahoma
4 Open Records Act.

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

9 SECTION 24. AMENDATORY Section 23, Chapter 11, O.S.L.
10 2019, as amended by Section 11, Chapter 477, O.S.L. 2019 (63 O.S.
11 Supp. 2020, Section 427.23), is amended to read as follows:

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

17 B. ~~The Food Safety Standards Board~~ Medical Marijuana Advisory
18 Council, in addition to the powers and duties granted in Section 423
19 of ~~Title 63 of the Oklahoma Statutes~~ this title, may recommend to
20 the State Commissioner of Health rules relating to all aspects ~~of~~
21 ~~the~~ regarding the safe cultivation and ~~manufacture~~ manufacturing of
22 medical marijuana products. In addition to the twelve members
23 required in Section 423 of this title, the State Department of
24

1 Health may appoint up to eight additional members. The makeup of
2 the Council shall include medical marijuana industry representation.

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

6 A. Whenever an authorized agent of the State Department of
7 Health finds, in whole or in part, that the medical marijuana or
8 medical marijuana product fails to meet the requirements of Sections
9 420 through 426.1 of Title 63 of the Oklahoma Statutes or the
10 Oklahoma Medical Marijuana and Patient Protection Act as it relates
11 to health and safety, the medical marijuana or medical marijuana
12 product is handled in violation of applicable laws or rules and
13 regulations of the Department, or the medical marijuana or medical
14 marijuana product may be poisonous, deleterious to health or is
15 otherwise unsafe, an electronic or physical tag or other appropriate
16 marking or hold shall be affixed to the medical marijuana or medical
17 marijuana product which shall give notice that the medical marijuana
18 or medical marijuana product is or is suspected of being
19 manufactured, produced, transferred, sold or offered for sale in
20 violation of applicable laws or rules and regulations of the
21 Department and is embargoed. The notice shall further provide a
22 warning to all persons not to remove or dispose of the medical
23 marijuana or medical marijuana product until permission for removal
24 or disposal is given by the Department. It shall be unlawful for

1 any person to remove or dispose of the medical marijuana or medical
2 marijuana product embargoed without permission by the Department.

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

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

1 marijuana or medical marijuana product shall be destroyed at the
2 expense of the defendant under the supervision of the Commissioner.
3 All court costs, fees, costs of storage and disposal and other
4 proper expenses shall be paid by the defendant of the medical
5 marijuana or medical marijuana product.

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

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

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

18 SECTION 26. AMENDATORY Section 2, Chapter 337, O.S.L.
19 2019 (63 O.S. Supp. 2020, Section 428.1), is amended to read as
20 follows:

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

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

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 and unrecognizable through physical destruction or a recycling
7 process;

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

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

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

15 7. "Medical marijuana waste" shall mean:

16 a. unused, surplus, returned or out-of-date marijuana and
17 plant debris of the plant of the genus Cannabis,
18 including dead plants and all unused plant parts,
19 except the term shall not include seeds, roots, stems,
20 stalks and fan leaves, ~~and~~ and

21 b. all product which is deemed to fail laboratory testing
22 and cannot be remediated or decontaminated; and

23
24

1 8. "Medical marijuana waste disposal license" shall mean a
2 license issued by the Oklahoma Medical Marijuana Authority, or
3 successor agency.

4 SECTION 27. AMENDATORY Section 3, Chapter 337, O.S.L.
5 2019 (63 O.S. Supp. 2020, Section 429), is amended to read as
6 follows:

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

15 B. Commercial licensees, medical marijuana research facilities
16 and medical marijuana education facilities shall be authorized to
17 destroy the following marijuana plant parts without being required
18 to utilize the services of a medical marijuana waste disposal
19 facility:

- 20 1. ~~Root balls~~ Roots;
- 21 2. Stems;
- 22 3. Fan leaves; ~~and~~
- 23 4. Seeds; and
- 24 5. Stalks.

1 Unless restricted by local ordinance, commercial licensees,
2 medical marijuana research facilities and medical marijuana
3 education facilities shall be authorized to destroy the above-listed
4 marijuana plant parts ~~on-site~~ on site by open burning, incineration,
5 burying, mulching, composting or any other technique approved by the
6 Department of Environmental Quality.

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

20 SECTION 28. AMENDATORY Section 4, Chapter 337, O.S.L.
21 2019 (63 O.S. Supp. 2020, Section 430), is amended to read as
22 follows:

23 Section 430. A. There is hereby created and authorized a
24 medical marijuana waste disposal license. A person or entity in

1 possession of a medical marijuana waste disposal license shall be
2 entitled to possess, transport and dispose of medical marijuana
3 waste. No person or entity shall ~~possess, transport or~~ dispose of
4 medical marijuana waste without a valid medical marijuana waste
5 disposal license. The Oklahoma Medical Marijuana Authority shall
6 issue licenses upon proper application by a licensee and
7 determination by the Authority that the proposed site and facility
8 are physically and technically suitable. Upon a finding that a
9 proposed medical marijuana waste disposal facility is not physically
10 or technically suitable, the Authority shall deny the license. The
11 Authority may, upon determining that public health or safety
12 requires emergency action, issue a temporary license for treatment
13 or storage of medical marijuana waste for a period not to exceed
14 ninety (90) days. The Authority shall not, for the first year of
15 the licensure program, issue more than ten medical marijuana waste
16 disposal licenses. Upon the conclusion of the first year, the
17 Authority shall assess the need for additional medical marijuana
18 waste disposal licenses and shall, if demonstrated, increase the
19 number of licenses as deemed necessary by the Authority.

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

22 1. Complete an application form, as prescribed by the
23 Authority, which shall include:
24

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

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

- a. the first, middle and last name of the applicant and suffix, if applicable,
- b. the residence address and mailing address of the applicant,
- c. the date of birth of the applicant,
- d. the preferred telephone number and email address of the applicant,

- e. an attestation that the information provided by the applicant is true and correct, and
- f. a statement signed by the applicant pledging not to divert marijuana to any individual or entity that is not lawfully entitled to possess marijuana; and

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

- a. a list of all persons or entities that have an ownership interest in the entity,
- b. a certificate of good standing from the Oklahoma Secretary of State, if applicable,
- c. an Affidavit of Lawful Presence for each owner,
- d. proof that the proposed location of the disposal facility is at least one thousand (1,000) feet from a public or private school. The distance indicated in this subparagraph shall be measured from ~~any entrance of the nearest property line of such public or private school to the nearest property line point perimeter wall of the premises of such disposal facility.~~ If any public or private school is established within one thousand (1,000) feet of any disposal facility after such disposal facility has been licensed, the provisions of this subparagraph shall not be a

1 deterrent to the renewal of such license or warrant
2 revocation of the license, and

3 e. documents establishing the applicant, the members,
4 managers and board members, if applicable, and
5 seventy-five percent (75%) of the ownership interests
6 are Oklahoma residents as established in Section 420
7 et seq. of ~~Title 63 of the Oklahoma Statutes~~ this
8 title, as it relates to proof of residency.

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

23 D. Submission of an application for a medical marijuana waste
24 disposal license shall constitute permission for entry to and

1 inspection of the facility of the licensee during hours of operation
2 and other reasonable times. Refusal to permit such entry of
3 inspection shall constitute grounds for the nonrenewal, suspension
4 or revocation of a license. The Authority may perform an annual
5 unannounced on-site inspection of the operations and any facility of
6 the licensee. If the Authority receives a complaint concerning
7 noncompliance by a licensee with the provisions of ~~this act~~ the
8 Oklahoma Medical Marijuana Waste Management Act, the Authority may
9 conduct additional unannounced, on-site inspections beyond an annual
10 inspection. The Authority ~~shall~~ may refer all complaints alleging
11 criminal activity that are made against a licensed facility to
12 appropriate state or local law enforcement authorities.

13 E. The Authority shall issue ~~a~~ an annual permit for each
14 medical marijuana waste disposal facility operated by a licensee. A
15 permit shall be issued only upon proper application by a licensee
16 and determination by the Authority that the proposed site and
17 facility are physically and technically suitable. Upon a finding
18 that a proposed medical marijuana waste disposal facility is not
19 physically or technically suitable, the Authority shall deny the
20 permit. The Authority shall have the authority to revoke a permit
21 upon a finding that the site and facility are not physically and
22 technically suitable for processing. The Authority may, upon
23 determining that public health or safety requires emergency action,
24

1 issue a temporary permit for treatment or storage of medical
2 marijuana waste for a period not to exceed ninety (90) days.

3 F. The cost of a medical marijuana waste disposal license shall
4 be Five Thousand Dollars (\$5,000.00) for the initial license. The
5 cost of a medical marijuana waste disposal facility permit shall be
6 Five Hundred Dollars (\$500.00). A medical marijuana waste disposal
7 facility permit that has been revoked shall be reinstated upon
8 remittance of a reinstatement fee of Five Hundred Dollars (\$500.00)
9 to restore the facility permit. All license and permit fees shall
10 be deposited into the ~~Public Health Special~~ Oklahoma Medical
11 Marijuana Authority Revolving Fund as provided in Section ~~1-107~~
12 427.5 of ~~Title 63 of the Oklahoma Statutes~~ this title.

13 G. The holder of a medical marijuana waste disposal license
14 shall not be required to obtain a medical marijuana transporter
15 license provided for in the Oklahoma Medical Marijuana and Patient
16 Protection Act for purposes of transporting medical marijuana waste.

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

21 I. The State Commissioner of Health shall promulgate rules for
22 the implementation of ~~this act~~ the Oklahoma Medical Marijuana Waste
23 Management Act. Promulgated rules shall address disposal process
24

1 standards, site security and any other subject matter deemed
2 necessary by the Authority.

3 SECTION 29. AMENDATORY 63 O.S. 2011, Section 2-302, as
4 last amended by Section 57, Chapter 161, O.S.L. 2020 (63 O.S. Supp.
5 2020, Section 2-302), is amended to read as follows:

6 Section 2-302. A. Every person who manufactures, distributes,
7 dispenses, prescribes, administers or uses for scientific purposes
8 any controlled dangerous substance within or into this state, or who
9 proposes to engage in the manufacture, distribution, dispensing,
10 prescribing, administering or use for scientific purposes of any
11 controlled dangerous substance within or into this state shall
12 obtain a registration issued by the Director of the Oklahoma State
13 Bureau of Narcotics and Dangerous Drugs Control, in accordance with
14 rules promulgated by the Director. Persons registered by the
15 Director under Section 2-101 et seq. of this title to manufacture,
16 distribute, dispense~~r~~ or conduct research with controlled dangerous
17 substances may possess, manufacture, distribute, dispense~~r~~ or
18 conduct research with those substances to the extent authorized by
19 their registration and in conformity with the other provisions of
20 the Uniform Controlled Dangerous Substances Act. Every wholesaler,
21 manufacturer or distributor of any drug product containing
22 pseudoephedrine or phenylpropanolamine, or their salts, isomers~~r~~ or
23 salts of isomers shall obtain a registration issued by the Director
24 of the Oklahoma State Bureau of Narcotics and Dangerous Drugs

1 Control in accordance with rules promulgated by the Director and as
2 provided for in Section 2-332 of this title. Any person who
3 manufactures, distributes, dispenses, prescribes, administers or
4 uses for scientific purposes any controlled dangerous substances
5 within or into this state without first obtaining a registration
6 issued by the Director of the Oklahoma State Bureau of Narcotics and
7 Dangerous Drugs Control shall be subject to the same statutory and
8 administrative jurisdiction of the Director as if that person were
9 an applicant or registrant.

10 B. Out-of-state pharmaceutical suppliers who provide controlled
11 dangerous substances to individuals within this state shall obtain a
12 registration issued by the Director of the Oklahoma State Bureau of
13 Narcotics and Dangerous Drugs Control, in accordance with rules
14 promulgated by the Director. This provision shall also apply to
15 wholesale distributors who distribute controlled dangerous
16 substances to pharmacies or other entities registered within this
17 state in accordance with rules promulgated by the Director.

18 C. Every person who owns in whole or in part a public or
19 private medical facility for which a majority of patients are issued
20 on a reoccurring monthly basis a prescription for opioids,
21 benzodiazepines, barbiturates or carisoprodol, but not including
22 Suboxone or buprenorphine, shall obtain a registration issued by the
23 Director of the Oklahoma State Bureau of Narcotics and Dangerous
24 Drugs Control.

1 D. Every manufacturer and distributor required to register
2 under the provisions of this section shall provide all data required
3 pursuant to 21 U.S.C., Section 827(d)(1) on a monthly basis to the
4 Oklahoma State Bureau of Narcotics and Dangerous Drugs Control.
5 Controlled dangerous substances in Schedule I shall be reported in
6 accordance with rules promulgated by the Director. Reporting of
7 controlled dangerous substances pursuant to 21 U.S.C., Section
8 827(d)(1) shall include, but not be limited to:

9 1. The manufacturer's or distributor's name, address, phone
10 number, DEA registration number and controlled dangerous substance
11 registration number issued by the Bureau;

12 2. The name, address and DEA registration number of the entity
13 to whom the controlled dangerous substance was sold;

14 3. The date of the sale of the controlled dangerous substance;

15 4. The name and National Drug Code of the controlled dangerous
16 substance sold; and

17 5. The number of containers and the strength and quantity of
18 controlled dangerous substances in each container sold.

19 E. The information maintained and provided pursuant to
20 subsection D of this section shall be confidential and not open to
21 the public. Access to the information shall, at the discretion of
22 the Director, be limited to:

23 1. Peace officers certified pursuant to the provisions of
24 Section 3311 of Title 70 of the Oklahoma Statutes who are employed

1 as investigative agents of the Oklahoma State Bureau of Narcotics
2 and Dangerous Drugs Control or the Office of the Attorney General;

3 2. The United States Drug Enforcement Administration Diversion
4 Group Supervisor; and

5 3. A multicounty grand jury properly convened pursuant to the
6 provisions of the Multicounty Grand Jury Act.

7 F. Manufacturers, distributors, home care agencies, hospices,
8 home care services, medical facility owners referred to in
9 subsection C of this section and scientific researchers shall obtain
10 a registration annually. Other practitioners shall obtain a
11 registration for a period to be determined by the Director that will
12 be for a period not less than one (1) year nor more than three (3)
13 years.

14 G. Every trainer or handler of a canine controlled dangerous
15 substances detector who, in the ordinary course of such trainer's or
16 handler's profession, desires to possess any controlled dangerous
17 substance, annually, shall obtain a registration issued by the
18 Director for a fee of Seventy Dollars (\$70.00). Such persons shall
19 be subject to all applicable provisions of Section 2-101 et seq. of
20 this title and such applicable rules promulgated by the Director for
21 those individuals identified in subparagraph a of paragraph 32 of
22 Section 2-101 of this title. Persons registered by the Director
23 pursuant to this subsection may possess controlled dangerous
24 substances to the extent authorized by their registration and in

1 conformity with the other provisions of the Uniform Controlled
2 Dangerous Substances Act.

3 H. The following persons shall not be required to register and
4 may lawfully possess controlled dangerous substances under the
5 provisions of Section 2-101 et seq. of this title:

6 1. An agent, or an employee thereof, of any registered
7 manufacturer, distributor, dispenser or user for scientific purposes
8 of any controlled dangerous substance, if such agent is acting in
9 the usual course of such agent's or employee's business or
10 employment;

11 2. Any person lawfully acting under the direction of a person
12 authorized to administer controlled dangerous substances under
13 Section 2-312 of this title;

14 3. A common or contract carrier or warehouseman, or an employee
15 thereof, whose possession of any controlled dangerous substance is
16 in the usual course of such carrier's or warehouseman's business or
17 employment;

18 4. An ultimate user or a person in possession of any controlled
19 dangerous substance pursuant to a lawful order of a practitioner;

20 5. An individual pharmacist acting in the usual course of such
21 pharmacist's employment with a pharmacy registered pursuant to the
22 provisions of Section 2-101 et seq. of this title;

23 6. A nursing home licensed by this state;

24

1 7. Any Department of Mental Health and Substance Abuse Services
2 employee or any person whose facility contracts with the Department
3 of Mental Health and Substance Abuse Services whose possession of
4 any dangerous drug, as defined in Section 353.1 of Title 59 of the
5 Oklahoma Statutes, is for the purpose of delivery of a mental health
6 consumer's medicine to the consumer's home or residence;

7 8. Registered nurses and licensed practical nurses; and

8 9. An assisted living facility licensed by the State of
9 Oklahoma.

10 I. The Director may, by rule, waive the requirement for
11 registration or fee for registration of certain manufacturers,
12 distributors, dispensers, prescribers, administrators, or users for
13 scientific purposes if the Director finds it consistent with the
14 public health and safety.

15 J. A separate registration shall be required at each principal
16 place of business or professional practice where the applicant
17 manufactures, distributes, dispenses, prescribes, administers, or
18 uses for scientific purposes controlled dangerous substances.

19 K. The Director is authorized to inspect the establishment of a
20 registrant or applicant for registration in accordance with rules
21 promulgated by the Director.

22 L. No person engaged in a profession or occupation for which a
23 license to engage in such activity is provided by law shall be
24 registered under the Uniform Controlled Dangerous Substances Act

1 unless such person holds a valid license of such person's profession
2 or occupation.

3 M. Registrations shall be issued on the first day of November
4 of each year. Registrations may be issued at other times, however,
5 upon certification of the professional licensing board.

6 N. The licensing boards of all professions and occupations to
7 which the use of controlled dangerous substances is incidental shall
8 furnish a current list to the Director, not later than the first day
9 of October of each year, of the persons holding valid licenses. All
10 such persons except persons exempt from registration requirements
11 under subsection H of this section shall be subject to the
12 registration requirements of Section 2-101 et seq. of this title.

13 O. The licensing board of any professional defined as a mid-
14 level practitioner shall notify and furnish to the Director, not
15 later than the first day of October of each year, that such
16 professional holds a valid license, a current listing of individuals
17 licensed and registered with their respective boards to prescribe,
18 order, select, obtain and administer controlled dangerous
19 substances. The licensing board shall immediately notify the
20 Director of any action subsequently taken against any such
21 individual.

22 P. Beginning November 1, 2010, each registrant that prescribes,
23 administers or dispenses methadone shall be required to check the
24

1 prescription profile of the patient on the central repository of the
2 Oklahoma State Bureau of Narcotics and Dangerous Drugs Control.

3 SECTION 30. AMENDATORY 63 O.S. 2011, Section 2-304, as
4 amended by Section 1, Chapter 1, O.S.L. 2015 (63 O.S. Supp. 2020,
5 Section 2-304), is amended to read as follows:

6 Section 2-304. A. A registration, pursuant to Section 2-303 of
7 this title, to manufacture, distribute, dispense, prescribe,
8 administer or use for scientific purposes a controlled dangerous
9 substance shall be limited, conditioned, denied, suspended or
10 revoked by the Director upon a finding that the registrant:

11 1. Has materially falsified any application filed pursuant to
12 the Uniform Controlled Dangerous Substances Act or required by the
13 Uniform Controlled Dangerous Substances Act:

14 a. it shall be unlawful to knowingly and willfully:

15 (1) make false statements, include false data or omit
16 material information on an application for a
17 registration with the Oklahoma State Bureau of
18 Narcotics and Dangerous Drugs Control,

19 (2) provide false data or omit material information
20 in any records or reports required by rule or law
21 to be created, maintained or submitted to the
22 Bureau,

23 b. any registrant or applicant for a registration or any
24 official, agent or employee of any registrant or

1 applicant for a registration who violates the
2 provisions of this subsection shall be guilty of a
3 misdemeanor and additionally subject to administrative
4 action;

5 2. Has been found guilty of, entered a plea of guilty~~7~~ or
6 entered a plea of nolo contendere to a misdemeanor relating to any
7 substance defined herein as a controlled dangerous substance or any
8 felony under the laws of any state or the United States;

9 3. Has had his or her federal registration retired, suspended~~7~~
10 or revoked by a competent federal authority and is no longer
11 authorized by federal law to manufacture, distribute, dispense,
12 prescribe, administer or use for scientific purposes controlled
13 dangerous substances;

14 4. Has failed to maintain effective controls against the
15 diversion of controlled dangerous substances to unauthorized persons
16 or entities;

17 5. Has prescribed, dispensed or administered a controlled
18 dangerous substance from schedules other than those specified in his
19 or her state or federal registration;

20 6. Has had a restriction, suspension, revocation, limitation,
21 condition~~7~~ or probation placed on his or her professional license or
22 certificate or practice as a result of a proceeding pursuant to the
23 general statutes;

1 7. Is abusing or, within the past five (5) years, has abused or
2 excessively used drugs or controlled dangerous substances;

3 8. Has prescribed, sold, administered, or ordered any
4 controlled substance for an immediate family member, himself or
5 herself; provided that this shall not apply to a medical emergency
6 when no other doctor is available to respond to the emergency;

7 9. Has possessed, used, prescribed, dispensed or administered
8 drugs or controlled dangerous substances for other than legitimate
9 medical or scientific purposes or for purposes outside the normal
10 course of his or her professional practice;

11 10. Has been under the influence of alcohol or another
12 intoxicating substance which adversely affected the central nervous
13 system, vision, hearing or other sensory or motor functioning to
14 such degree the person was impaired during the performance of his or
15 her job; or

16 11. Has violated any federal law relating to any controlled
17 substances, any provision of the Uniform Controlled Dangerous
18 Substances Act, or any rules of the Oklahoma State Bureau of
19 Narcotics and Dangerous Drugs Control.

20 B. In the event the Director suspends or revokes a registration
21 granted under Section 2-303 of this title, all controlled dangerous
22 substances owned or possessed by the registrant pursuant to such
23 registration at the time of denial or suspension or the effective
24 date of the revocation order, as the case may be, may in the

1 discretion of the Director be impounded and preserved. No
2 disposition may be made of substances impounded and preserved until
3 the time for taking an appeal has elapsed or until all appeals have
4 been concluded unless a court, upon application therefor, orders the
5 sale of perishable substances and the deposit of the proceeds of the
6 sale with the court. Upon a revocation order becoming final, all
7 such controlled dangerous substances shall be forfeited to the
8 state.

9 C. The Drug Enforcement Administration shall promptly be
10 notified of all orders suspending or revoking registration and all
11 forfeitures of controlled dangerous substances.

12 D. In lieu of or in addition to any other remedies available to
13 the Director, if a finding is made that a registrant has committed
14 any act in violation of federal law relating to any controlled
15 substance, any provision of the Uniform Controlled Dangerous
16 Substances Act, or any rules of the Oklahoma State Bureau of
17 Narcotics and Dangerous Drugs Control, the Director is hereby
18 authorized to assess an administrative penalty not to exceed Two
19 Thousand Dollars (\$2,000.00) for each such act. The provisions of
20 this subsection shall not apply to violations of subsection G of
21 Section 2-309D of this title. Nothing in this section shall be
22 construed so as to permit the Director of the State Bureau of
23 Narcotics and Dangerous Drugs Control to assess administrative fines

24

1 for violations of the provisions of subsection G of Section 2-309D
2 of this title.

3 SECTION 31. AMENDATORY 63 O.S. 2011, Section 2-305, is
4 amended to read as follows:

5 Section 2-305. A. Before denying, suspending or revoking a
6 registration ~~or~~, refusing a renewal of registration or taking
7 administrative action on a non-registrant engaged in manufacturing,
8 distributing, dispensing, prescribing, administering or using for
9 scientific purposes, any controlled dangerous substance within or
10 into this state, the Director shall serve upon the applicant or
11 registrant an order to show cause why registration should not be
12 denied, revoked or suspended or why the renewal should not be
13 refused. The order to show cause shall contain a statement of the
14 basis therefor and shall call upon the applicant or registrant to
15 appear before the appropriate person or agency at a time and place
16 within thirty (30) days after the date of service of the order, but
17 in the case of a denial or renewal of registration the show cause
18 order shall be served within thirty (30) days before the expiration
19 of the registration. These proceedings shall be conducted in
20 accordance with the Administrative Procedures Act without regard to
21 any criminal prosecution or other proceeding. Proceedings to refuse
22 renewal of registration shall not abate the existing registration
23 which shall remain in effect pending the outcome of the
24 administrative hearing.

1 B. The Director shall suspend, without an order to show cause,
2 any registration simultaneously with the institution of proceedings
3 under Section 2-304 of this title, if he or she finds there is
4 imminent danger to the public health or safety which warrants this
5 action. The suspension shall continue in effect until the
6 conclusion of the proceedings, including judicial review thereof,
7 unless sooner withdrawn by the Director or dissolved by a court of
8 competent jurisdiction.

9 SECTION 32. This act shall become effective November 1, 2021.”

10 Passed the Senate the 22nd day of April, 2021.

11
12
13

Presiding Officer of the Senate

14 Passed the House of Representatives the ____ day of _____,
15 2021.

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Presiding Officer of the House
19 of Representatives

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1 ENGROSSED HOUSE
2 BILL NO. 2646

By: Echols and Davis of the
House

3 and

4 Taylor of the Senate
5
6

7 An Act relating to medical marijuana; amending
8 Section 1, State Question No. 788, Initiative
9 Petition No. 412, as last amended by Section 44,
10 Chapter 161, O.S.L. 2020 (63 O.S. Supp. 2020, Section
11 420), which relates to patient and caregiver
12 licensing requirements; specifying measurements in
13 grams; clarifying scope of certain offense; updating
14 references to licensees; specifying biannual payment
15 of application fees for patient licenses; providing
16 for reprints of licenses; setting fee amount;
17 providing for a three-day nonresident medical
18 marijuana patient permit to any nonresident medical
19 marijuana licensee; providing for medical marijuana
20 dispensaries to issue a three-day nonresident medical
21 marijuana patient permit; providing fee amount for a
22 three-day nonresident medical marijuana patient
23 permit; providing for the renewal of a three-day
24 nonresident medical marijuana patient permit;
providing that a holder of a three-day nonresident
medical marijuana patient permit is authorized to
obtain up to a three-day supply of medical marijuana;
requiring the Oklahoma Medical Marijuana Authority to
maintain and publish a list of states that authorize
the use of medical marijuana; authorizing the State
Department of Health to deny patient license
applications; removing certain recordkeeping
requirement; specifying types of records the
Department shall seal to protect privacy; updating
statutory references; clarifying application
requirements; amending Section 2, State Question No.
788, Initiative Petition No. 412 (63 O.S. Supp. 2020,
Section 421), which relates to dispensary licensing
requirements; updating language; increasing time
limitation for reviewing dispensary license
applications; authorizing the Department to deny

1 dispensary license applications; deleting penalties
2 for inaccurate reports and fraudulent sales;
3 authorizing licensed dispensaries to sell pre-rolled
4 marijuana; specifying types of products that can be
5 used for pre-rolled marijuana; providing testing,
6 packaging and labeling requirements; amending Section
7 3, State Question No. 788, Initiative Petition No.
8 412 (63 O.S. Supp. 2020, Section 422), which relates
9 to commercial grower licensing requirements;
10 increasing time limitation for reviewing commercial
11 grower license applications; authorizing the
12 Department to deny commercial grower license
13 applications; authorizing licensed commercial growers
14 to sell to other licensed commercial growers;
15 deleting penalties for inaccurate reports and
16 fraudulent sales; authorizing licensed commercial
17 growers to sell pre-rolled marijuana; specifying
18 types of products that can be used for pre-rolled
19 marijuana; providing testing, packaging and labeling
20 requirements; amending Section 4, State Question No.
21 788, Initiative Petition No. 412 (63 O.S. Supp. 2020,
22 Section 423), which relates to medical marijuana
23 processor licensing requirements; updating language;
24 increasing time limitation for reviewing processor
license applications; authorizing the Department to
deny processor license applications; providing for
twice-yearly inspections of processing operations;
deleting penalties for inaccurate reports and
fraudulent sales; specifying name of Council
responsible for creating certain standards; amending
Section 6, State Question No. 788, Initiative
Petition No. 412, as last amended by Section 46,
Chapter 161, O.S.L. 2020 (63 O.S. Supp. 2020, Section
425), which relates to protections for medical
marijuana patient licensees; updating language;
deleting certain definition; specifying manner by
which distances between certain properties shall be
measured; providing exceptions; specifying name of
certain act; amending Section 7, State Question No.
788, Initiative Petition No. 412 (63 O.S. Supp. 2020,
Section 426), which relates to the taxation of
medical marijuana; updating language and name of
state agency; authorizing the State Department of
Health to use funds for drug and alcohol prevention;
amending Section 4, Chapter 509, O.S.L. 2019 (63 O.S.
Supp. 2020, Section 426.1), which relates to license
revocations and hearings; deleting certain exception;

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

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

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

1 commercial growers to transfer certain product to
2 licensed processors for decontamination or
3 remediation; authorizing licensed commercial growers
4 and licensed processors to transfer, sell or process
5 medical marijuana and medical marijuana products upon
6 achieving process validation; prohibiting the sale or
7 transfer of kief; providing an exception; eliminating
8 certain labeling requirement; clarifying terms of
9 application fee for medical marijuana research
10 license and medical marijuana education facility
11 license; clarifying certain application process
12 requirement for medical marijuana education facility
13 license applicants; declaring all medical marijuana
14 patient and caregiver records confidential and exempt
15 from the Oklahoma Open Records Act; making certain
16 records submitted to the Department confidential and
17 exempt from the Oklahoma Open Records Act;
18 authorizing the Department to share confidential
19 information with other state agencies; modifying name
20 of entity that recommends certain rules to the State
21 Commissioner of Health; authorizing the Department to
22 appoint additional members to the Medical Marijuana
23 Advisory Council; specifying makeup of Council;
24 authorizing the Department to tag or mark medical
marijuana and medical marijuana product under certain
conditions; authorizing the Department to embargo
medical marijuana and medical marijuana product;
making the removal or disposal of embargoed medical
marijuana and medical marijuana product without
permission unlawful; allowing the State Commissioner
of Health to institute actions in district court for
the condemnation and destruction of embargoed medical
marijuana and medical marijuana product that fails to
meet certain requirements; providing for the removal
of embargo after certain determination by the
Commissioner; providing exemption from liability;
providing for the destruction of medical marijuana
and medical marijuana product upon findings made by
the court; requiring expenses associated with
destruction, court costs and fees to be paid by owner
or defendant; authorizing courts to order delivery of
medical marijuana and medical marijuana product to
owner or defendant under certain circumstances;
directing expenses for supervision be paid to
Commissioner by certain person; amending Sections 2,
3 and 4, Chapter 337, O.S.L. 2019 (63 O.S. Supp.
2020, Sections 428.1, 429 and 430), which relate to

1 the Oklahoma Medical Marijuana Waste Management Act;
2 updating name of act; modifying scope of certain
3 definitions; authorizing the destruction of marijuana
4 roots and stalks; deleting documentation requirements
5 for entities that engage in the disposal of medical
6 marijuana waste; deleting requirement to maintain
7 disposal records; clarifying scope of certain
8 prohibited act; specifying manner by which distance
9 requirements shall be measured for waste disposal
10 facilities; removing alternative options for
11 liability insurance requirement; providing for annual
12 permits; directing the deposit of license and permit
13 fees into different revolving fund; providing for
14 codification; and providing an effective date.
15

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

17 SECTION 33. AMENDATORY Section 1, State Question No.
18 788, Initiative Petition No. 412, as last amended by Section 44,
19 Chapter 161, O.S.L. 2020 (63 O.S. Supp. 2020, Section 420), is
20 amended to read as follows:

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

- 23 1. Consume marijuana legally;
- 24 2. Legally possess up to three (3) ounces or eighty-four and
25 nine-tenths (84.9) grams of marijuana on their person;
- 26 3. Legally possess six mature marijuana plants and the
27 harvested marijuana therefrom;
- 28 4. Legally possess six seedling plants;

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

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

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

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

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

1 personal recognizance unless there has been a violation of another
2 provision of law.

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

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

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

1 patient license, reprints of the short-term medical marijuana
2 patient license, and the procedure for extending or renewing the
3 license shall be determined by the Department.

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

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

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

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

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

19 4. The Authority shall maintain and publish a list of states
20 that authorize the medical use of marijuana. The Authority shall
21 make the information available to licensed medical marijuana
22 dispensaries for purposes of verifying the authenticity and status
23 of nonresident medical marijuana patient licenses. The Authority
24

1 shall be authorized to promulgate rules and procedures to implement
2 the provisions of this subsection.

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

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

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

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

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

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

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

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

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

9 L. A caregiver license shall be made available for qualified
10 caregivers of a medical marijuana patient license holder who is
11 homebound. As provided in Section ~~44~~ 427.11 of ~~Enrolled House Bill~~
12 ~~No. 2612 of the 1st Session of the 57th Oklahoma Legislature~~ this
13 title, the caregiver license shall provide the caregiver the same
14 rights as the medical marijuana patient licensee, including the
15 ability to possess marijuana, marijuana products and mature and
16 immature plants pursuant to the Oklahoma Medical Marijuana and
17 Patient Protection Act, but excluding the ability to use marijuana
18 or marijuana products unless the caregiver has a medical marijuana
19 patient license. ~~An applicant~~ Applicants for a caregiver license
20 shall submit proof of the license status and homebound status of the
21 medical marijuana patient and proof that the applicant is the
22 designee of the medical marijuana patient. The applicant shall also
23 submit proof that he or she is eighteen (18) years of age or older
24

1 and proof of his or her Oklahoma residency. ~~This shall be the only~~
2 ~~criteria for a caregiver license.~~

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

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

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

22 SECTION 34. AMENDATORY Section 2, State Question No.
23 788, Initiative Petition No. 412 (63 O.S. Supp. 2020, Section 421),
24 is amended to read as follows:

1 Section 421. A. The ~~Oklahoma~~ State Department of Health shall,
2 within thirty (30) days of passage of this initiative, make
3 available~~7~~ on ~~their~~ its website~~7~~, in an easy-to-find location~~7~~, an
4 application for a medical marijuana dispensary license. The
5 application fee shall be Two Thousand Five Hundred Dollars
6 (\$2,500.00) ~~and a.~~ A method of payment ~~will~~ shall be provided on
7 the website of the Department. ~~Retail~~ Dispensary applicants must
8 all be ~~Oklahoma state~~ residents of Oklahoma. Any entity applying
9 for a ~~retail~~ dispensary license must be owned by an Oklahoma ~~state~~
10 resident and must be registered to do business in Oklahoma. The
11 ~~Oklahoma~~ State Department of Health shall have ~~two (2) weeks~~ ninety
12 (90) business days to review the application~~7~~; approve ~~or~~, reject or
13 deny the application~~7~~; and mail the ~~approval/rejection~~ approval,
14 rejection or denial letter ~~(if rejected,~~ stating reasons for
15 ~~rejection)~~ the rejection or denial to the applicant.

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

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

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

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

24

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

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

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

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

14 C. ~~Retailers will~~ Licensed medical marijuana dispensaries shall
15 be required to complete a monthly sales report to the ~~Oklahoma~~ State
16 Department of Health. This report ~~will~~ shall be due on the 15th
17 fifteenth of each month and provide reporting on the previous month.
18 This report ~~will~~ shall detail the weight of marijuana purchased at
19 wholesale and the weight of marijuana sold to ~~card holders~~ licensed
20 medical marijuana patients and licensed caregivers, and account for
21 any waste. The report ~~will~~ shall show total sales in dollars, tax
22 collected in dollars, and tax due in dollars. The ~~Oklahoma~~ State
23 Department of Health ~~will~~ shall have oversight and auditing
24 responsibilities to ensure that all marijuana being grown is

1 accounted for. ~~A retailer will only be subject to a penalty if a~~
2 ~~gross discrepancy exists and cannot be explained. Penalties for~~
3 ~~fraudulent reporting occurring within any 2 year time period will be~~
4 ~~an initial fine of Five Thousand Dollars (\$5,000.00) (first) and~~
5 ~~revocation of licensing (second).~~

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

1 SECTION 35. AMENDATORY Section 3, State Question No.
2 788, Initiative Petition No. 412 (63 O.S. Supp. 2020, Section 422),
3 is amended to read as follows:

4 Section 422. A. The ~~Oklahoma~~ State Department of Health ~~will~~
5 shall, within thirty (30) days of passage of this initiative, make
6 available~~r~~ on ~~their~~ its website~~r~~, in an easy~~-to~~-find location~~r~~, an
7 application for a commercial grower license. The application fee
8 ~~will~~ shall be Two Thousand Five Hundred Dollars (\$2,500.00) ~~and~~
9 ~~methods~~. A method of payment ~~will~~ shall be provided on the website
10 of the Department. The ~~Oklahoma~~ State Department of Health ~~has two~~
11 ~~(2) weeks~~ shall have ninety (90) days to review the application~~r~~;
12 ~~approve or~~, reject or deny the application~~r~~; and mail the
13 ~~approval/rejection~~ approval, rejection or denial letter ~~(if~~
14 ~~rejected~~, stating the reasons for ~~rejection~~) the rejection or denial
15 to the applicant.

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

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

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

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

24

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

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

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

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

13 C. A licensed commercial grower may sell marijuana to a
14 licensed ~~retailer~~, dispensary or a licensed ~~packager~~ processor.
15 Further, ~~these sales will~~ by a licensed commercial grower shall be
16 considered wholesale sales and shall not be subject to taxation.

17 Under no circumstances may a licensed commercial grower sell
18 marijuana directly to a licensed medical marijuana ~~license holder~~
19 patient or licensed caregiver. A licensed commercial grower may
20 only sell at the wholesale level to a licensed ~~retailer~~ dispensary,
21 a licensed grower or a licensed processor. If the federal
22 government lifts restrictions on buying and selling marijuana
23 between states, then a licensed commercial grower would be allowed
24 to sell and buy marijuana wholesale from, or to, an out_of_state

1 wholesale provider. A licensed commercial grower ~~will~~ shall be
2 required to complete a monthly yield and sales report to the
3 ~~Oklahoma~~ State Department of Health. This report ~~will~~ shall be due
4 on the 15th fifteenth of each month and provide reporting on the
5 previous month. This report ~~will~~ shall detail the amount of
6 marijuana harvested in pounds, the amount of drying or dried
7 marijuana on hand, the amount of marijuana sold to licensed
8 processors in pounds, the amount of waste in pounds, and the amount
9 of marijuana sold to ~~retailers~~ licensed dispensaries in ~~lbs~~ pounds.
10 Additionally, this report ~~will~~ shall show total wholesale sales in
11 dollars. The ~~Oklahoma~~ State Department of Health ~~will~~ shall have
12 oversight and auditing responsibilities to ensure that all marijuana
13 being grown by licensed commercial growers is accounted for. A
14 ~~licensed grower will only be subject to a penalty if a gross~~
15 ~~discrepancy exists and cannot be explained. Penalties for~~
16 ~~fraudulent reporting or sales occurring within any 2 year time~~
17 ~~period will be an initial fine of Five Thousand Dollars (\$5,000.00)~~
18 ~~(first) and revocation of licensing (second).~~

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

21 E. Beginning on the effective date of this act, licensed
22 commercial growers shall be authorized to package and sell pre-
23 rolled marijuana to licensed medical marijuana dispensaries. The
24 products described in this subsection shall contain only the ground

1 parts of the marijuana plant and shall not include marijuana
2 concentrates or derivatives. The total net weight of each pre-roll
3 packaged and sold by medical marijuana commercial growers shall not
4 exceed one (1) gram. These products must be tested, packaged and
5 labeled in accordance with Oklahoma law and rules promulgated by the
6 State Commissioner of Health.

7 SECTION 36. AMENDATORY Section 4, State Question No.
8 788, Initiative Petition No. 412 (63 O.S. Supp. 2020, Section 423),
9 is amended to read as follows:

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

16 1. Nonvolatile, which involves using any solvent in the
17 extraction process that is not a volatile solvent, including carbon
18 dioxide; and

19 2. Volatile, which involves using any solvent that is or
20 produces a flammable gas or vapor that, when present in the air in
21 sufficient quantities, will create explosive or ignitable mixtures
22 and may also include extraction using nonvolatile solvents or no
23 solvents.

24

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

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

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

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

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

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

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

23 6. All applicants must disclose all ownership~~;~~ interests in the
24 processing operation.

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 medical marijuana processing license.

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

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

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

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

5 5. Under no circumstances may a licensed processor sell
6 marijuana~~,~~ or any marijuana product~~,~~ directly to a licensed medical
7 marijuana ~~license holder~~ patient or licensed caregiver. However, a
8 licensed processor may process cannabis into a concentrated form~~,~~
9 for a licensed medical ~~license holder,~~ marijuana patient for a fee.
10 ~~Processors will~~

11 6. Licensed processors shall be required to complete a monthly
12 yield and sales report to the ~~Oklahoma~~ State Department of Health.
13 This report ~~will~~ shall be due on the 15th fifteenth of each month and
14 shall provide reporting on the previous month. This report ~~will~~
15 shall detail the amount of marijuana and medical marijuana products
16 purchased in pounds, the amount of marijuana cooked or processed in
17 pounds, and the amount of waste in pounds. Additionally, this
18 report ~~will~~ shall show total wholesale sales in dollars. The
19 ~~Oklahoma~~ State Department of Health ~~will~~ shall have oversight and
20 auditing responsibilities to ensure that all marijuana being ~~grown~~
21 processed is accounted for. ~~A licensed processor will only be~~
22 ~~subject to a penalty if a gross discrepancy exists and cannot be~~
23 ~~explained. Penalties for fraudulent reporting occurring within any~~
24

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

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

18 E. If it becomes permissible₇ under federal law, marijuana may
19 be moved across state lines.

20 F. Any device used for the processing or consumption of medical
21 marijuana shall be considered legal to be sold, manufactured,
22 distributed₇ and possessed. No merchant, wholesaler, manufacturer₇
23 or individual may ~~unduly~~ be unduly harassed or prosecuted for
24

1 selling, manufacturing, or ~~possession of medical~~ possessing
2 marijuana paraphernalia.

3 SECTION 37. AMENDATORY Section 6, State Question No.
4 788, Initiative Petition No. 412, as last amended by Section 46,
5 Chapter 161, O.S.L. 2020 (63 O.S. Supp. 2020, Section 425), is
6 amended to read as follows:

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

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

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

20 2. patient licensee. Employers may take action against a ~~holder~~
21 ~~of a~~ medical marijuana ~~license~~ patient licensee if the ~~holder~~
22 licensee uses or possesses marijuana while in his or her place of
23 employment or during the hours of employment. Employers may not
24 take action against ~~the holder of~~ a medical marijuana ~~license~~

1 patient licensee solely based upon the status of an employee as a
2 medical marijuana ~~license holder~~ patient licensee or the results of
3 a drug test showing positive for marijuana or its components.

4 C. For the purposes of medical care, including organ
5 transplants, the authorized use of marijuana by a medical marijuana
6 ~~license holder~~ patient licensee shall be considered the equivalent
7 of the use of any other medication under the direction of a
8 physician and does not constitute the use of an illicit substance or
9 otherwise disqualify a registered qualifying patient from medical
10 care.

11 D. No medical marijuana ~~license holder~~ patient licensee may be
12 denied custody of or visitation or parenting time with a minor
13 child, and there is no presumption of neglect or child endangerment
14 for conduct allowed under this law, unless the behavior of the
15 ~~person~~ medical marijuana patient licensee creates an unreasonable
16 danger to the safety of the minor child.

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

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

1 2. For purposes of this subsection, an undue change or
2 restriction of municipal zoning laws means an act which entirely
3 prevents ~~retail~~ medical marijuana ~~establishments~~ dispensaries from
4 operating within municipal boundaries as a matter of law.
5 Municipalities may follow their standard planning and zoning
6 procedures to determine if certain zones or districts would be
7 appropriate for locating marijuana-licensed premises, medical
8 marijuana businesses or any other premises where marijuana or its
9 by-products are cultivated, grown, processed, stored or
10 manufactured.

11 3. ~~For purposes of this section, "retail marijuana~~
12 ~~establishment" means an entity licensed by the State Department of~~
13 ~~Health as a medical marijuana dispensary. Retail~~ A medical
14 ~~marijuana establishment~~ dispensary does not include those other
15 entities licensed by the Department as marijuana-licensed premises,
16 medical marijuana businesses or other facilities or locations where
17 marijuana or any product containing marijuana or its by-products are
18 cultivated, grown, processed, stored or manufactured.

19 G. The location of any ~~retail~~ medical marijuana ~~establishment~~
20 dispensary is specifically prohibited within one thousand (1,000)
21 feet of any public or private school ~~entrance~~. The distance
22 indicated in this section shall be measured from the nearest
23 property line of such public or private school to the nearest
24 perimeter wall of the licensed premises of such medical marijuana

1 dispensary. If a medical marijuana dispensary met the requirements
2 of this subsection at the time of its initial licensure, the medical
3 marijuana dispensary licensee shall be permitted to continue
4 operating at the licensed premises in the same manner, and not be
5 subject to nonrenewal or revocation, despite subsequent events or
6 changes in regulations occurring after licensure that would render
7 the medical marijuana dispensary in violation by being within one
8 thousand (1,000) feet of a public or private school. If any public
9 or private school is established within one thousand (1,000) feet of
10 any medical marijuana dispensary after such dispensary has been
11 licensed, the provisions of this subsection shall not be a deterrent
12 to the renewal of such license or warrant revocation of the license.
13 For purposes of this subsection, a property owned, used or operated
14 by a public or private school that is not used for classroom
15 instruction on core curriculum, such as an administrative building,
16 athletic facility, ballpark, field or stadium, shall not constitute
17 a public or private school unless such property is located on the
18 same campus as a building used for classroom instruction on core
19 curriculum.

20 H. Research shall be provided for under this law. A researcher
21 may apply to the State Department of Health for a special research
22 license. The research license shall be granted, provided the
23 applicant meets the criteria listed ~~under subsection B of Section~~
24 ~~421 of this title~~ in the Medical Marijuana and Patient Protection

1 Act. Research ~~license holders~~ licensees shall be required to file
2 monthly consumption reports to the State Department of Health with
3 amounts of marijuana used for research. Biomedical and clinical
4 research which is subject to federal regulations and institutional
5 oversight shall not be subject to oversight by the State Department
6 of Health ~~oversight~~.

7 SECTION 38. AMENDATORY Section 7, State Question No.
8 788, Initiative Petition No. 412 (63 O.S. Supp. 2020, Section 426),
9 is amended to read as follows:

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

13 B. This tax ~~will~~ shall be collected at the point of sale. Tax
14 proceeds ~~will~~ shall be applied primarily to finance the regulatory
15 office.

16 C. If proceeds from the levy authorized by subsection A of this
17 section exceed the budgeted amount for running the regulatory
18 office, any surplus shall be apportioned with seventy-five percent
19 (75%) going to the General Revenue Fund and may only be expended for
20 common education. Twenty-five percent (25%) shall be apportioned to
21 the ~~Oklahoma~~ State Department of Health and earmarked for drug and
22 alcohol rehabilitation and prevention.

23
24

1 SECTION 39. AMENDATORY Section 4, Chapter 509, O.S.L.
2 2019 (63 O.S. Supp. 2020, Section 426.1), is amended to read as
3 follows:

4 Section 426.1 A. ~~Except for revocation hearings concerning~~
5 ~~licensed patients, as defined in Section 2 of Enrolled House Bill~~
6 ~~No. 2612 of the 1st Session of the 57th Oklahoma Legislature, all~~
7 All licensure revocation hearings conducted pursuant to marijuana
8 licenses established in the Oklahoma Statutes shall be recorded. A
9 party may request a copy of the recording of the proceedings.
10 Copies shall be provided to local law enforcement if the revocation
11 was based on alleged criminal activity.

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

21 C. The State Department of Health shall make available all
22 information ~~displayed on medical marijuana licenses, as well as on~~
23 whether or not ~~the~~ a medical marijuana patient or caregiver license
24

1 is valid, to law enforcement electronically through ~~the Oklahoma Law~~
2 ~~Enforcement Telecommunications System~~ an online verification system.

3 D. The Department shall make available to Oklahoma state
4 agencies and political subdivisions a list of marijuana-licensed
5 premises, medical marijuana businesses or any other premises where
6 marijuana or its by-products are licensed to be cultivated, grown,
7 processed, stored or manufactured to aid Oklahoma state agencies and
8 county and municipal governments in identifying locations within
9 their jurisdiction and ~~ensure~~ ensuring compliance with ~~local~~
10 applicable law, rules and regulations.

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

21 SECTION 40. AMENDATORY Section 2, Chapter 11, O.S.L.
22 2019, as last amended by Section 48, Chapter 161, O.S.L. 2020 (63
23 O.S. Supp. 2020, Section 427.2), is amended to read as follows:
24

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

3 1. "Advertising" means the act of providing consideration for
4 the publication, dissemination, solicitation, or circulation, of
5 visual, oral, or written communication to induce directly or
6 indirectly any person to patronize a particular medical marijuana
7 business, or to purchase particular medical marijuana or a medical
8 marijuana product. Advertising includes marketing, but does not
9 include packaging and labeling;

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

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

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

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

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

- 20 a. designed or constructed to be significantly difficult
21 for children under five (5) years of age to open and
22 not difficult for normal adults to use properly as
23 defined by 16 C.F.R. 1700.15 (1995) and 16 C.F.R.
24 1700.20 (1995),

1 b. opaque so that the outermost packaging does not allow
2 the product to be seen without opening the packaging
3 material, and

4 c. resealable to maintain its child-resistant
5 effectiveness for multiple openings for any product
6 intended for more than a single use or containing
7 multiple servings;

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

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

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

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

19 11. "Director" means the Executive Director of the Oklahoma
20 Medical Marijuana Authority;

21 12. "Dispense" means the selling of medical marijuana or a
22 medical marijuana product to a qualified patient or the designated
23 caregiver of the patient that is packaged in a suitable container
24

1 appropriately labeled for subsequent administration to or use by a
2 qualifying patient;

3 13. "Dispensary" means a medical marijuana dispensary, an
4 entity that has been licensed by the Department pursuant to ~~this act~~
5 the Oklahoma Medical Marijuana and Patient Protection Act to
6 purchase medical marijuana or medical marijuana products from a
7 licensed medical marijuana commercial grower or licensed medical
8 marijuana processor, to prepare and package non-infused pre-rolled
9 medical marijuana, and to sell medical marijuana or medical
10 marijuana products to licensed patients and caregivers as defined
11 ~~under in this act~~ section, or sell or transfer products to another
12 licensed dispensary;

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

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

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

24

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

4 18. "Food-based medical marijuana concentrate" means a medical
5 marijuana concentrate that was produced by extracting cannabinoids
6 from medical marijuana through the use of propylene glycol,
7 glycerin, butter, olive oil, coconut oil or other typical food-safe
8 cooking fats;

9 ~~19. "Good cause" for purposes of an initial, renewal or~~
10 ~~reinstatement license application, or for purposes of discipline of~~
11 ~~a licensee, means:~~

- 12 a. ~~the licensee or applicant has violated, does not meet,~~
13 ~~or has failed to comply with any of the terms,~~
14 ~~conditions or provisions of the act, any rules~~
15 ~~promulgated pursuant thereto, or any supplemental~~
16 ~~relevant state or local law, rule or regulation,~~
- 17 b. ~~the licensee or applicant has failed to comply with~~
18 ~~any special terms or conditions that were placed upon~~
19 ~~the license pursuant to an order of the State~~
20 ~~Department of Health, Oklahoma Medical Marijuana~~
21 ~~Authority or the municipality, or~~
- 22 c. ~~the licensed premises of a medical marijuana business~~
23 ~~or applicant have been operated in a manner that~~
24 ~~adversely affects the public health or welfare or the~~

1 ~~safety of the immediate vicinity in which the~~
2 ~~establishment is located;~~

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

7 21. ~~20.~~ "Harvested marijuana" means ~~post-flowering~~
8 postflowering medical marijuana not including trim, concentrate or
9 waste;

10 22. ~~21.~~ "Heat- or pressure-based medical marijuana concentrate"
11 means a medical marijuana concentrate that was produced by
12 extracting cannabinoids from medical marijuana through the use of
13 heat or pressure;

14 23. ~~22.~~ "Immature plant" means a nonflowering marijuana plant
15 that has not demonstrated signs of flowering;

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

1 ~~25.~~ 24. "Licensed patient" or "patient" means a person who has
2 been issued a medical marijuana patient license by the State
3 Department of Health or Oklahoma Medical Marijuana Authority;

4 ~~26.~~ 25. "Licensed premises" means the premises specified in an
5 application for a medical marijuana business license, medical
6 marijuana research facility license or medical marijuana education
7 facility license pursuant to ~~this act~~ the Oklahoma Medical Marijuana
8 and Patient Protection Act that are owned or in possession of the
9 licensee and within which the licensee is authorized to cultivate,
10 manufacture, distribute, sell, store, transport, test or research
11 medical marijuana or medical marijuana products in accordance with
12 the provisions of ~~this act~~ the Oklahoma Medical Marijuana and
13 Patient Protection Act and rules promulgated pursuant thereto;

14 ~~27.~~ 26. "Manufacture" means the production, propagation,
15 compounding or processing of a medical marijuana product, excluding
16 marijuana plants, either directly or indirectly by extraction from
17 substances of natural or synthetic origin, or independently by means
18 of chemical synthesis, or by a combination of extraction and
19 chemical synthesis;

20 ~~28.~~ 27. "Marijuana" shall have the same meaning as such term is
21 defined in Section 2-101 of ~~Title 63 of the Oklahoma Statutes~~ this
22 title;

23 ~~29.~~ 28. "Material change" means any change that would ~~require a~~
24 ~~substantive revision to the standard operating procedures of a~~

1 ~~licensee for the cultivation or production of medical marijuana,~~
2 ~~medical marijuana concentrate or medical marijuana products~~ affect
3 the qualifications for licensure of an applicant or licensee;

4 ~~30.~~ 29. "Mature plant" means a harvestable female marijuana
5 plant that is flowering;

6 ~~31.~~ 30. "Medical marijuana business (MMB)" means a licensed
7 medical marijuana dispensary, medical marijuana processor, medical
8 marijuana commercial grower, medical marijuana laboratory, medical
9 marijuana business operator, or a medical marijuana transporter;

10 ~~32.~~ 31. "Medical marijuana concentrate" or "concentrate" means
11 a specific subset of medical marijuana that was produced by
12 extracting cannabinoids from medical marijuana. Categories of
13 medical marijuana concentrate include water-based medical marijuana
14 concentrate, food-based medical marijuana concentrate, solvent-based
15 medical marijuana concentrate, and heat- or pressure-based medical
16 marijuana concentrate;

17 ~~33.~~ 32. "Medical marijuana commercial grower" or "commercial
18 grower" means an entity licensed to cultivate, prepare and package
19 medical marijuana or package medical marijuana as pre-rolls, and
20 transfer or contract for transfer medical marijuana and medical
21 marijuana pre-rolls to a medical marijuana dispensary, medical
22 marijuana processor, any other medical marijuana commercial grower,
23 medical marijuana research facility, and medical marijuana education
24 facility ~~and pesticide manufacturers.~~ A commercial grower may sell

1 seeds, flower or clones to commercial growers pursuant to ~~this act~~
2 the Oklahoma Medical Marijuana and Patient Protection Act;

3 ~~34.~~ 33. "Medical marijuana education facility" or "education
4 facility" means a person or entity approved pursuant to ~~this act~~ the
5 Oklahoma Medical Marijuana and Patient Protection Act to operate a
6 facility providing training and education to individuals involving
7 the cultivation, growing, harvesting, curing, preparing, packaging
8 or testing of medical marijuana, or the production, manufacture,
9 extraction, processing, packaging or creation of medical-marijuana-
10 infused products or medical marijuana products as described in ~~this~~
11 ~~act~~ the Oklahoma Medical Marijuana and Patient Protection Act;

12 ~~35.~~ 34. "Medical-marijuana-infused product" means a product
13 infused with medical marijuana including, but not limited to, edible
14 products, ointments and tinctures;

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

23 ~~37.~~ 36. "Medical marijuana processor" means a person or entity
24 licensed pursuant to ~~this act~~ the Oklahoma Medical Marijuana and

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

6 ~~38.~~ 37. "Medical marijuana research facility" or "research
7 facility" means a person or entity approved pursuant to ~~this act~~ the
8 Oklahoma Medical Marijuana and Patient Protection Act to conduct
9 medical marijuana research. A medical marijuana research facility
10 is not a medical marijuana business;

11 ~~39.~~ 38. "Medical marijuana testing laboratory" or "laboratory"
12 means a public or private laboratory licensed pursuant to ~~this act~~
13 the Oklahoma Medical Marijuana and Patient Protection Act, to
14 conduct testing and research on medical marijuana and medical
15 marijuana products;

16 ~~40.~~ 39. "Medical marijuana transporter" or "transporter" means
17 a person or entity that is licensed pursuant to ~~this act~~ the
18 Oklahoma Medical Marijuana and Patient Protection Act. A medical
19 marijuana transporter does not include a medical marijuana business
20 that transports its own medical marijuana, medical marijuana
21 concentrate or medical marijuana products to a property or facility
22 adjacent to or connected to the licensed premises if the property is
23 another licensed premises of the same medical marijuana business;

24

1 ~~41.~~ 40. "Medical marijuana waste" or "waste" means unused,
2 surplus, returned or out-of-date marijuana, plant debris of the
3 plant of the genus Cannabis, including dead plants and all unused
4 plant parts and roots, except the term shall not include roots,
5 stems, stalks and fan leaves;

6 ~~42.~~ 41. "Medical use" means the acquisition, possession, use,
7 delivery, transfer or transportation of medical marijuana, medical
8 marijuana products, medical marijuana devices or paraphernalia
9 relating to the administration of medical marijuana to treat a
10 licensed patient;

11 ~~43.~~ 42. "Mother plant" means a marijuana plant that is grown or
12 maintained for the purpose of generating clones, and that will not
13 be used to produce plant material for sale to a medical marijuana
14 processor or medical marijuana dispensary;

15 ~~44.~~ 43. "Oklahoma physician" or "physician" means a physician
16 licensed by and in good standing with the State Board of Medical
17 Licensure and Supervision, the State Board of Osteopathic Examiners
18 or the Board of Podiatric Medical Examiners;

19 ~~45.~~ 44. "Oklahoma resident" means an individual who can provide
20 proof of residency as required by ~~this act~~ the Oklahoma Medical
21 Marijuana and Patient Protection Act;

22 ~~46.~~ 45. "Owner" means, except where the context otherwise
23 requires, a direct beneficial owner including, but not limited to,
24 all persons or entities as follows:

- a. all shareholders owning an interest of a corporate entity and all officers of a corporate entity,
- b. all partners of a general partnership,
- c. all general partners and all limited partners that own an interest in a limited partnership,
- d. all members that own an interest in a limited liability company,
- e. all beneficiaries that hold a beneficial interest in a trust and all trustees of a trust,
- f. all persons or entities that own interest in a joint venture,
- g. all persons or entities that own an interest in an association,
- h. the owners of any other type of legal entity, and
- i. any other person holding an interest or convertible note in any entity which owns, operates or manages a licensed facility;

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

~~48.~~ 47. "Person" means a natural person, partnership, association, business trust, company, corporation, estate, limited liability company, trust or any other legal entity or organization, or a manager, agent, owner, director, servant, officer or employee

1 thereof, except that "person" does not include any governmental
2 organization;

3 ~~49.~~ 48. "Pesticide" means any substance or mixture of
4 substances intended for preventing, destroying, repelling or
5 mitigating any pest or any substance or mixture of substances
6 intended for use as a plant regulator, defoliant or desiccant,
7 except that the term "pesticide" shall not include any article that
8 is a "new animal drug" as designated by the United States Food and
9 Drug Administration;

10 ~~50.~~ 49. "Production batch" means:

- 11 a. any amount of medical marijuana concentrate of the
12 same category and produced using the same extraction
13 methods, standard operating procedures and an
14 identical group of harvest batch of medical marijuana,
15 or
16 b. any amount of medical marijuana product of the same
17 exact type, produced using the same ingredients,
18 standard operating procedures and the same production
19 batch of medical marijuana concentrate;

20 ~~51.~~ 50. "Public institution" means any entity established or
21 controlled by the federal government, state government, or a local
22 government or municipality including, but not limited to,
23 institutions of higher education or related research institutions;

24

1 ~~52.~~ 51. "Public money" means any funds or money obtained by the
2 holder from any governmental entity including, but not limited to,
3 research grants;

4 ~~53.~~ 52. "Recommendation" means a document that is signed or
5 electronically submitted by a physician on behalf of a patient for
6 the use of medical marijuana pursuant to ~~this act~~ the Oklahoma
7 Medical Marijuana and Patient Protection Act;

8 ~~54.~~ 53. "Registered to conduct business" means a person that
9 has provided proof that the business applicant or licensee is in
10 good standing with the Oklahoma Secretary of State ~~and Oklahoma Tax~~
11 ~~Commission~~;

12 ~~55.~~ 54. "Remediation" means the process by which ~~the medical~~
13 ~~marijuana flower or trim, which has failed microbial~~ a harvest batch
14 or production batch that fails testing, ~~is processed into solvent-~~
15 ~~based medical marijuana concentrate~~ undergoes a procedure to remedy
16 the harvest batch or production batch and is retested ~~as required by~~
17 ~~this act~~ in accordance with Oklahoma laws, rules and regulations;

18 ~~56.~~ 55. "Research project" means a discrete scientific endeavor
19 to answer a research question or a set of research questions related
20 to medical marijuana and is required for a medical marijuana
21 research license. A research project shall include a description of
22 a defined protocol, clearly articulated goals, defined methods and
23 outputs, and a defined start and end date. The description shall
24 demonstrate that the research project will comply with all

1 requirements in ~~this act~~ the Oklahoma Medical Marijuana and Patient
2 Protection Act and rules promulgated pursuant thereto. All research
3 and development conducted by a medical marijuana research facility
4 shall be conducted in furtherance of an approved research project;

5 ~~57.~~ 56. "Revocation" means the final decision by the Department
6 that any license issued pursuant to ~~this act~~ the Oklahoma Medical
7 Marijuana and Patient Protection Act is rescinded because the
8 individual or entity does not comply with the applicable
9 requirements set forth in ~~this act~~ the Oklahoma Medical Marijuana
10 and Patient Protection Act or rules promulgated pursuant thereto;

11 ~~58.~~ 57. "School" means a ~~public or private preschool or a~~
12 public or private elementary, middle or ~~secondary~~ high school used
13 for school classes and instruction. A homeschool, daycare or child-
14 care facility shall not be considered a "school" as used in ~~this act~~
15 the Oklahoma Medical Marijuana and Patient Protection Act;

16 ~~59.~~ 58. "Shipping container" means a hard-sided container with
17 a lid or other enclosure that can be secured in place. A shipping
18 container is used solely for the transport of medical marijuana,
19 medical marijuana concentrate, or medical marijuana products between
20 medical marijuana businesses, a medical marijuana research facility,
21 or a medical marijuana education facility;

22 ~~60.~~ 59. "Solvent-based medical marijuana concentrate" means a
23 medical marijuana concentrate that was produced by extracting
24

1 cannabinoids from medical marijuana through the use of a solvent
2 approved by the Department;

3 ~~61.~~ 60. "State Question" means Oklahoma State Question No. 788,
4 Initiative Petition No. 412, approved by a majority vote of the
5 citizens of Oklahoma on June 26, 2018;

6 ~~62.~~ 61. "Strain" means the ~~classification~~ name given to a
7 particular variety of medical marijuana or cannabis plants in either
8 pure sativa, indica, afghanica, ruderalis or hybrid varieties that
9 is based on a combination of factors which may include, but is not
10 limited to, botanical lineage, appearance, chemical profile and
11 accompanying effects. An example of a "strain" would be "OG Kush"
12 or "Pineapple Express";

13 ~~63.~~ 62. "THC" means tetrahydrocannabinol, which is the primary
14 psychotropic cannabinoid in marijuana formed by decarboxylation of
15 naturally tetrahydrocannabinolic acid, which generally occurs by
16 exposure to heat;

17 ~~64.~~ "Test batch" means with regard to usable marijuana, a
18 homogenous, identified quantity of usable marijuana by strain, no
19 greater than ten (10) pounds, that is harvested during a seven-day
20 period from a specified cultivation area, and with regard to oils,
21 vapors and waxes derived from usable marijuana, means an identified
22 quantity that is uniform, that is intended to meet specifications
23 for identity, strength and composition, and that is manufactured,
24

1 ~~packaged and labeled during a specified time period according to a~~
2 ~~single manufacturing, packaging and labeling protocol;~~

3 ~~65.~~ 63. "Transporter agent" means a person who transports
4 medical marijuana or medical marijuana products for a licensed
5 transporter and holds a transporter agent license pursuant to ~~this~~
6 ~~act~~ the Oklahoma Medical Marijuana and Patient Protection Act;

7 ~~66.~~ 64. "Universal symbol" means the image established by the
8 State Department of Health or Oklahoma Medical Marijuana Authority
9 and made available to licensees through its website indicating that
10 the medical marijuana or the medical marijuana product contains THC;

11 ~~67.~~ 65. "Usable marijuana" means the dried leaves, flowers,
12 oils, vapors, waxes and other portions of the marijuana plant and
13 any mixture or preparation thereof, excluding ~~seed~~ seeds, roots,
14 stems, stalks and fan leaves; and

15 ~~68.~~ 66. "Water-based medical marijuana concentrate" means a
16 concentrate that was produced by extracting cannabinoids from
17 medical marijuana through the use of only water, ice, or dry ice.

18 SECTION 41. AMENDATORY Section 3, Chapter 11, O.S.L.
19 2019, as amended by Section 6, Chapter 477, O.S.L. 2019 (63 O.S.
20 Supp. 2020, Section 427.3), is amended to read as follows:

21 Section 427.3 A. There is hereby created the Oklahoma Medical
22 Marijuana Authority within the State Department of Health which
23 shall address issues related to the medical marijuana program in
24 Oklahoma including, but not limited to, the issuance of patient

1 licenses and medical marijuana business licenses, and the
2 dispensing, cultivating, processing, testing, transporting, storage,
3 research, and the use of and sale of medical marijuana pursuant to
4 ~~this act~~ the Oklahoma Medical Marijuana and Patient Protection Act.

5 B. The Department shall provide support staff to perform
6 designated duties of the Authority. The Department shall also
7 provide office space for meetings of the Authority.

8 C. The Department shall implement the provisions of ~~this act~~
9 the Oklahoma Medical Marijuana and Patient Protection Act
10 consistently with the voter-approved State Question No. 788,
11 Initiative Petition No. 412, subject to the provisions of ~~this act~~
12 the Oklahoma Medical Marijuana and Patient Protection Act.

13 D. The Department shall exercise its respective powers and
14 perform its respective duties and functions as specified in ~~this act~~
15 the Oklahoma Medical Marijuana and Patient Protection Act and Title
16 ~~63 of the Oklahoma Statutes~~ this title including, but not limited
17 to, the following:

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

- 22 a. public health policy and public safety policy,
- 23 b. agronomic and horticultural best practices, and
- 24 c. medical and pharmacopoeia best practices;

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

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

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

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

15 6. Inspect and examine, ~~with notice provided in accordance with~~
16 ~~this act,~~ all licensed premises of medical marijuana businesses,
17 research facilities ~~and,~~ education facilities and waste disposal
18 facilities in which medical marijuana is cultivated, manufactured,
19 sold, stored, transported, tested ~~or,~~ distributed or disposed of;

20 7. Upon action by the federal government by which the
21 production, sale and use of marijuana in Oklahoma does not violate
22 federal law, work with the Oklahoma State Banking Department and the
23 State Treasurer to develop good practices and standards for banking
24 and finance for medical marijuana businesses;

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

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

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

10 SECTION 42. AMENDATORY Section 4, Chapter 11, O.S.L.
11 2019 (63 O.S. Supp. 2020, Section 427.4), is amended to read as
12 follows:

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

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

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

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

1 business, or is an individual financially interested in any licensee
2 or medical marijuana business.

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

6 D. The Commissioner may delegate to any officer or employee of
7 the Department any of the powers of the Executive Director and may
8 designate any officer or employee of the Department to perform any
9 of the duties of the Executive Director.

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

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

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

24

1 2. Serve all warrants, summonses, subpoenas, administrative
2 citations, notices or other processes relating to the enforcement of
3 laws regulating medical marijuana, concentrate, and medical
4 marijuana product;

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

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

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

20 6. Require medical marijuana business licensees to submit a
21 sample or unit of medical marijuana or medical marijuana product to
22 the quality assurance laboratory when the Department has reason to
23 believe the medical marijuana or medical marijuana product may be
24 unsafe for patient consumption or inhalation or has not been tested

1 in accordance with the provisions of the Oklahoma Medical Marijuana
2 and Patient Protection Act and the rules and regulations of the
3 Department. The licensee shall provide the samples or units of
4 medical marijuana or medical marijuana products at its own expense
5 but shall not be responsible for the costs of testing; and

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

15 SECTION 43. AMENDATORY Section 6, Chapter 11, O.S.L.
16 2019, as amended by Section 7, Chapter 477, O.S.L. 2019 (63 O.S.
17 Supp. 2020, Section 427.6), is amended to read as follows:

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

22 B. 1. The Department or its designee may perform on-site
23 ~~assessments~~ inspections or investigations of a licensee or applicant
24 for any medical marijuana business license ~~issued pursuant to this~~

1 ~~act, research facility, education facility or waste disposal~~
2 facility to determine compliance with ~~this act~~ applicable laws,
3 rules and regulations or submissions made pursuant to this section.
4 The Department may enter the licensed premises of a medical
5 marijuana business, research facility, education facility or waste
6 disposal facility licensee or applicant to assess or monitor
7 compliance.

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

18 3. The Department may review relevant records of a licensed
19 medical marijuana business, licensed medical marijuana research
20 facility ~~or,~~ licensed medical marijuana education facility or
21 licensed medical marijuana waste disposal facility, and may require
22 and conduct interviews with such persons or entities and persons
23 affiliated with such entities, for the purpose of determining
24 compliance with Department requirements and applicable laws.

1 ~~However, prior to conducting any interviews with the medical~~
2 ~~marijuana business, research facility or education facility, the~~
3 ~~licensee shall be afforded sufficient time to secure legal~~
4 ~~representation during such questioning if requested by the business~~
5 ~~or facility or any of its agents or employees or contractors.~~

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

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

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

16 E. Disciplinary actions may be imposed upon a medical marijuana
17 business licensee for:

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

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

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

24

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

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

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

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

10 8. Failure to pay a required monetary penalty;

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

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

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

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

22 G. Penalties for sales or purchases by a medical marijuana
23 business to persons other than those allowed by law occurring within
24 any two-year time period may include an initial fine of One Thousand

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

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

16 2. The second offense for impermissible diversion of medical
17 marijuana, concentrate, or products by a patient or caregiver to an
18 unauthorized person shall not be punished under a criminal statute
19 but may be subject to a fine of not to exceed Five Hundred Dollars
20 (\$500.00) and may result in revocation of the license upon a showing
21 that the violation was willful or grossly negligent.

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

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

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

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

20 2. Any order issued pursuant to the provisions of this section
21 shall become a final order unless, not more than thirty (30) days
22 after the order is served to the licensee, the licensee requests an
23 administrative hearing in accordance with the rules and regulations
24

1 of the Department. Upon such request, the Department shall promptly
2 initiate administrative proceedings.

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

19 K. All hearings held pursuant to this section shall be in
20 accordance with the Oklahoma Administrative Procedures Act, ~~Section~~
21 ~~250 et seq. of Title 75 of the Oklahoma Statutes.~~

22 SECTION 44. AMENDATORY Section 7, Chapter 11, O.S.L.
23 2019, as amended by Section 5, Chapter 509, O.S.L. 2019 (63 O.S.
24 Supp. 2020, Section 427.7), is amended to read as follows:

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

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

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

12 2. Any court in this state.

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

23

24

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

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

8 SECTION 45. AMENDATORY Section 9, Chapter 11, O.S.L.
9 2019 (63 O.S. Supp. 2020, Section 427.9), is amended to read as
10 follows:

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

16 B. An applicant for a medical marijuana patient license who can
17 demonstrate his or her status as a one-hundred-percent-disabled
18 veteran as determined by the U.S. Department of Veterans Affairs and
19 codified at 38 C.F.R., Section 3.340(a) (2013) shall pay a reduced
20 biannual application fee of Twenty Dollars (\$20.00). The methods of
21 payment, as determined by the Authority, shall be provided on the
22 website. However, the Authority shall ensure that all applicants
23 have an option to submit the license application and payment by
24

1 means other than solely by submission of the application and fee
2 online.

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

7 SECTION 46. AMENDATORY Section 10, Chapter 11, O.S.L.
8 2019, as amended by Section 2, Chapter 390, O.S.L. 2019 (63 O.S.
9 Supp. 2020, Section 427.10), is amended to read as follows:

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

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

18 C. No physician shall be subject to arrest, prosecution or
19 penalty in any manner or denied any right or privilege under
20 Oklahoma state, municipal or county statute, ordinance or
21 resolution, including without limitation a civil penalty or
22 disciplinary action by the State Board of Medical Licensure and
23 Supervision ~~or~~, the State Board of Osteopathic Examiners, the Board
24 of Podiatric Medical Examiners, or by any other business, occupation

1 or professional licensing board or bureau, solely for providing a
2 medical marijuana recommendation for a patient or for monitoring,
3 treating or prescribing scheduled medication to patients who are
4 medical marijuana licensees. The provisions of this subsection
5 shall not prevent the relevant professional licensing boards from
6 sanctioning a physician for failing to properly evaluate the medical
7 condition of a patient or for otherwise violating the applicable
8 physician-patient standard of care.

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

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

18 SECTION 47. AMENDATORY Section 11, Chapter 11, O.S.L.
19 2019 (63 O.S. Supp. 2020, Section 427.11), is amended to read as
20 follows:

21 Section 427.11 A. The caregiver license shall provide the
22 caregiver the same rights as the medical marijuana patient licensee,
23 including the ability to possess marijuana, marijuana products, and
24 mature and immature plants pursuant to ~~this act~~ the Oklahoma Medical

1 Marijuana and Patient Protection Act, but excluding the ability to
2 use marijuana or marijuana products unless the caregiver has a
3 medical marijuana patient license. Caregivers shall be authorized
4 to deliver marijuana and products to their authorized patients.
5 Caregivers shall be authorized to possess medical marijuana and
6 medical marijuana products up to the sum of the possession limits
7 for the patients under his or her care pursuant to ~~this act~~ the
8 Oklahoma Medical Marijuana and Patient Protection Act.

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

13 C. The license of a caregiver shall not extend beyond the
14 expiration date of the underlying patient license regardless of the
15 issue date.

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

22 SECTION 48. AMENDATORY Section 13, Chapter 11, O.S.L.
23 2019 (63 O.S. Supp. 2020, Section 427.13), is amended to read as
24 follows:

1 Section 427.13 A. All medical marijuana and medical marijuana
2 products shall be purchased solely from an Oklahoma-licensed medical
3 marijuana business, and shall not be purchased from any out-of-state
4 providers.

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

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

- 18 a. notification of when marijuana seeds and clones are
19 planted,
- 20 b. notification of when marijuana plants are harvested
21 and destroyed,
- 22 c. notification of when marijuana is transported, sold,
23 stolen, diverted or lost,

24

- d. a complete inventory of all marijuana, seeds, plant tissue, clones, plants, usable marijuana or trim, leaves and other plant matter, batches of extract, and marijuana concentrates,
- 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
- i. any additional information as may be reasonably required by the Department.

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

information shall comply with all relevant state and federal laws including, but not limited to, the Health Insurance Portability and Accountability Act of 1996 (HIPAA), ~~and shall not be retained by any medical marijuana business for more than sixty (60) days.~~

SECTION 49. AMENDATORY Section 14, Chapter 11, O.S.L. 2019, as last amended by Section 51, Chapter 161, O.S.L. 2020 (63 O.S. Supp. 2020, Section 427.14), is amended to read as follows:

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

1. Medical marijuana commercial grower;
2. Medical marijuana processor;
3. Medical marijuana dispensary;
4. Medical marijuana transporter; and

1 5. Medical marijuana testing laboratory.

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

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

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

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

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

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

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

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

1 5. All applications shall include all attachments or
2 supplemental information required by the forms supplied by the
3 Authority;

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

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

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

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

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

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

23
24

1 e. ~~all applicants shall disclose~~ disclosure of all
2 ownership interests pursuant to ~~this act~~ the Oklahoma
3 Medical Marijuana and Patient Protection Act, and
4 f. ~~applicants shall~~ proof that the medical marijuana
5 business, medical marijuana research facility, medical
6 marijuana education facility and medical marijuana
7 waste disposal facility applicant or licensee has not
8 ~~have~~ been convicted of a nonviolent felony in the last
9 two (2) years, ~~and~~ or any other felony conviction
10 within the last five (5) years, ~~shall~~ is not be a
11 ~~current inmates~~ inmate in the custody of the
12 Department of Corrections, or currently incarcerated
13 in a jail or corrections facility;

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

22 9. All applicants for a medical marijuana business license,
23 research facility license or education facility license authorized
24 by ~~this act~~ the Oklahoma Medical Marijuana and Patient Protection

1 Act, or renewal of such license, shall undergo an Oklahoma criminal
2 history background check conducted by the Oklahoma State Bureau of
3 Investigation (OSBI) within thirty (30) days prior to the
4 application for the license, including:

- 5 a. individual applicants applying on their own behalf,
- 6 b. individuals applying on behalf of an entity,
- 7 c. all principal officers of an entity, and
- 8 d. all owners of an entity as defined by ~~this act~~ the
9 Oklahoma Medical Marijuana and Patient Protection Act;

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

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

- 21 a. an unexpired Oklahoma-issued driver license,
- 22 b. an Oklahoma ~~veter~~ identification card,
- 23 c. a utility bill preceding the date of application,
24 excluding cellular telephone and Internet bills,

- 1 d. a residential property deed to property in the State
2 of Oklahoma, and
- 3 e. a rental agreement preceding the date of application
4 for residential property located in the State of
5 Oklahoma.

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

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

14 13. All applicants shall establish their identity through
15 submission of a color copy or digital image of one of the following
16 unexpired documents:

- 17 a. front ~~and back~~ of an Oklahoma driver license,
18 b. front ~~and back~~ of an Oklahoma identification card,
19 c. a United States passport or other photo identification
20 issued by the United States government, or
21 d. ~~certified copy of the applicant's birth certificate~~
22 ~~for minor applicants who do not possess a document~~
23 ~~listed in this section, or~~

1 ~~e.~~ a tribal identification card approved for
2 identification purposes by the Oklahoma Department of
3 Public Safety; and

4 14. All applicants shall submit an applicant photograph.

5 F. The Authority shall review the medical marijuana business
6 application~~r;~~ approve ~~or,~~ reject or deny the application; and mail
7 the approval, rejection, denial or status-update letter to the
8 applicant within ninety (90) business days of receipt of the
9 application.

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

13 2. Approved applicants shall be issued a medical marijuana
14 business license for the specific category applied under which shall
15 act as proof of their approved status. Rejection and denial letters
16 shall provide a reason for the rejection or denial. Applications
17 may only be rejected or denied based on the applicant not meeting
18 the standards set forth in the provisions of ~~this section~~ the
19 Oklahoma Medical Marijuana and Patient Protection Act and Sections
20 420 through 426.1 of this title, improper completion of the
21 application, or for a reason provided for in ~~this act~~ the Oklahoma
22 Medical Marijuana and Patient Protection Act and Sections 420
23 through 426.1 of this title. If an application is rejected for
24 failure to provide required information, the applicant shall have

1 thirty (30) days to submit the required information for
2 reconsideration. No additional application fee shall be charged for
3 such reconsideration. Unless the Department determines otherwise,
4 an application that has been resubmitted but is still incomplete or
5 contains errors that are not clerical or typographical in nature
6 shall be denied.

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

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

14 H. A license for a medical marijuana business license, medical
15 marijuana research facility, medical marijuana education facility or
16 medical marijuana waste disposal facility shall not be issued to or
17 held by:

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

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

22 3. A corporation, if the criminal history of any of its
23 officers, directors or stockholders indicates that the officer,
24 director or stockholder has been convicted of a nonviolent felony

1 within two (2) years of the date of application, or within five (5)
2 years for any other felony;

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

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

7 a. file taxes, interest or penalties due related to a
8 medical marijuana business, or

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

11 6. A sheriff, deputy sheriff, police officer or prosecuting
12 officer, or an officer or employee of the Authority or municipality;
13 ~~or~~

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

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

24 a. unlawful sales or purchases,

- 1 b. any fraudulent acts, falsification of records or
2 misrepresentation to the Department or consumers,
3 c. any grossly inaccurate or fraudulent reporting,
4 d. threatening or harming any medical marijuana patient,
5 caregiver, medical practitioner or employee of the
6 Department,
7 e. knowingly or intentionally refusing to permit the
8 Department access to premises or records,
9 f. using a prohibited, hazardous substance for processing
10 in a residential area,
11 g. criminal acts relating to the operation of a medical
12 marijuana business, or
13 h. any violations that endanger public health and safety
14 or product safety.

15 I. In investigating the qualifications of an applicant or a
16 licensee, the Department, Authority and municipalities may have
17 access to criminal history record information furnished by a
18 criminal justice agency subject to any restrictions imposed by such
19 an agency. ~~In the event the Department considers the criminal~~
20 ~~history record of the applicant, the Department shall also consider~~
21 ~~any information provided by the applicant regarding such criminal~~
22 ~~history record, including but not limited to evidence of~~
23 ~~rehabilitation, character references and educational achievements,~~
24 ~~especially those items pertaining to the period of time between the~~

1 ~~last criminal conviction of the applicant and the consideration of~~
2 ~~the application for a state license.~~

3 J. The failure of an applicant or licensee to provide the
4 requested information by the Authority deadline may be grounds for
5 denial of the application.

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

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

21 M. All medical marijuana business, medical marijuana research
22 facility, medical marijuana education facility and medical marijuana
23 waste disposal facility licensees shall pay the relevant licensure
24

1 fees prior to receiving licensure to operate a ~~medical marijuana~~
2 ~~business, as defined in this act for each class of license.~~

3 N. A medical marijuana business, medical marijuana research
4 facility, medical marijuana education facility or medical marijuana
5 waste disposal facility that attempts to renew its license after the
6 expiration date of the license shall pay a late renewal fee in an
7 amount to be determined by the Department to reinstate the license.
8 Late renewal fees are nonrefundable. A license that has been
9 expired for more than ninety (90) days shall not be renewed.

10 O. No medical marijuana business, medical marijuana research
11 facility, medical marijuana education facility or medical marijuana
12 waste disposal facility shall possess, sell or transfer medical
13 marijuana or medical marijuana products without a valid, unexpired
14 license issued by the Department.

15 SECTION 50. AMENDATORY Section 16, Chapter 11, O.S.L.
16 2019 (63 O.S. Supp. 2020, Section 427.16), is amended to read as
17 follows:

18 Section 427.16 A. There is hereby created a medical marijuana
19 transporter license as a category of the medical marijuana business
20 license.

21 B. Pursuant to Section 424 of ~~Title 63 of the Oklahoma Statutes~~
22 this title, the Oklahoma Medical Marijuana Authority shall issue a
23 medical marijuana transporter license to licensed medical marijuana
24 commercial growers, processors and dispensaries upon issuance of

1 such licenses and upon each renewal. Medical marijuana transporter
2 licenses shall also be issued to licensed medical marijuana research
3 facilities, medical marijuana education facilities and medical
4 marijuana testing laboratories upon issuance of such license and
5 upon renewal.

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

14 D. A medical marijuana transporter license shall be valid for
15 one (1) year and shall not be transferred with a change of
16 ownership. A licensed medical marijuana transporter shall be
17 responsible for all medical marijuana, medical marijuana concentrate
18 and medical marijuana products once the transporter takes control of
19 the product.

20 E. A transporter license shall be required for any person or
21 entity to transport or transfer medical marijuana, medical marijuana
22 concentrate or ~~product~~ medical marijuana products from a licensed
23 medical marijuana business to another medical marijuana business, or
24

1 from a medical marijuana business to a medical marijuana research
2 facility or medical marijuana education facility.

3 F. A medical marijuana transporter licensee may contract with
4 multiple licensed medical marijuana businesses.

5 G. A medical marijuana transporter may maintain a licensed
6 premises to temporarily store medical marijuana, medical marijuana
7 concentrate and medical marijuana products and to use as a
8 centralized distribution point. A medical marijuana transporter may
9 store and distribute medical marijuana, medical marijuana
10 concentrate and medical marijuana products from the licensed
11 premises. The licensed premises shall meet all security
12 requirements applicable to a medical marijuana business.

13 H. A medical marijuana transporter licensee shall use the seed-
14 to-sale tracking system developed pursuant to ~~this act~~ the Oklahoma
15 Medical Marijuana and Patient Protection Act to create shipping
16 manifests documenting the transport of medical marijuana, medical
17 marijuana concentrate and medical marijuana products throughout the
18 state.

19 I. A licensed medical marijuana transporter may maintain and
20 operate one or more warehouses in the state to handle medical
21 marijuana, medical marijuana concentrate and medical marijuana
22 products.

23 J. ~~All~~ With the exception of a lawful transfer between medical
24 marijuana businesses who are licensed to operate at the same

1 physical address, all medical marijuana, medical marijuana
2 concentrate and ~~product~~ medical marijuana products shall be
3 transported:

4 1. In vehicles equipped with Global Positioning System (GPS)
5 trackers;

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

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

10 K. A transporter agent may possess marijuana at any location
11 while the transporter agent is transferring marijuana to or from a
12 licensed medical marijuana business, licensed medical marijuana
13 research facility or licensed medical marijuana education facility.
14 The Department shall administer and enforce the provisions of this
15 section concerning transportation.

16 L. The Authority shall issue a transporter agent license to
17 individual agents, employees, officers or owners of a transporter
18 license in order for the individual to qualify to transport medical
19 marijuana, medical marijuana concentrate or ~~product~~ medical
20 marijuana products.

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

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

- 3 1. The name, address and date of birth of the person;
- 4 2. Proof of current Oklahoma residency ~~as required for a~~
5 ~~medical marijuana business license;~~
- 6 3. Proof of identity as required for a medical marijuana
7 business license;
- 8 4. Possession of a valid Oklahoma driver license;
- 9 5. Verification of employment with a licensed transporter;
- 10 6. The application and affiliated fee; and
- 11 7. A copy of the criminal background check conducted by the
12 Oklahoma State Bureau of Investigation, paid for by the applicant.

13 O. If the transporter agent application is denied, the
14 Department shall notify the transporter in writing of the reason for
15 denying the registry identification card.

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

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

24

1 R. The Department may revoke or suspend the transporter license
2 of a transporter that the Department determines knowingly aided or
3 facilitated a violation of any provision of this section, and the
4 license holder is subject to any other penalties established in law
5 for the violation.

6 S. Vehicles used in the transport of medical marijuana or
7 medical marijuana product shall be:

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

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

10 3. In possession of a shipping container as defined in Section
11 427.2 of this act title capable of securing all transported ~~product~~
12 products.

13 T. Prior to the transport of any medical marijuana, medical
14 marijuana concentrate or medical marijuana products, an inventory
15 manifest shall be prepared at the origination point of the medical
16 marijuana. The inventory manifest shall include the following
17 information:

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

19 a. the licensee number for the commercial grower,

20 processor or dispensary,

21 b. address of origination of transport, and

22 c. name and contact information for the originating
23 licensee;

24

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

3 a. the license number for the dispensary, commercial
4 grower, processor, research facility or education
5 facility destination,

6 b. address of the destination, and

7 c. name and contact information for the destination
8 licensee;

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

11 4. The date of the transport and the approximate time of
12 departure;

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

14 6. Printed names and signatures of the personnel accompanying
15 the transport; and

16 7. Notation of the transporting licensee.

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

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

23

24

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

4 4. A receiving licensee shall refuse to accept any medical
5 marijuana, medical marijuana concentrate or ~~product~~ medical
6 marijuana products that ~~is~~ are not accompanied by an inventory
7 manifest.

8 ~~5.~~ 4. Originating and receiving licensees shall maintain copies
9 of inventory manifests and logs of quantities of medical marijuana
10 received for ~~three (3)~~ seven (7) years from date of receipt.

11 SECTION 51. AMENDATORY Section 17, Chapter 11, O.S.L.
12 2019, as amended by Section 4, Chapter 312, O.S.L. 2019 (63 O.S.
13 Supp. 2020, Section 427.17), is amended to read as follows:

14 Section 427.17 A. There is hereby created a medical marijuana
15 testing laboratory license as a category of the medical marijuana
16 business license. The Oklahoma Medical Marijuana Authority is
17 hereby enabled to monitor, inspect and audit a licensed testing
18 laboratory under ~~this act~~ the Oklahoma Medical Marijuana and Patient
19 Protection Act.

20 B. The Authority is hereby authorized to contract with a
21 private laboratory for the purpose of conducting compliance testing
22 of medical marijuana testing laboratories licensed in this state.
23 Any such laboratory under contract for compliance testing shall be
24 prohibited from conducting any other commercial medical marijuana

1 testing in this state. The laboratory the Authority contracts with
2 for compliance testing shall not employ, or be owned by, the
3 following:

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

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

13 C. The Authority shall ~~have the authority to~~ develop acceptable
14 testing ~~and research~~ practices, including, but not limited to,
15 testing, standards, quality control analysis, equipment
16 certification and calibration, and chemical identification and
17 substances used ~~in bona fide research methods so long as it complies~~
18 ~~with this act.~~

19 D. A person who is a direct beneficial owner ~~or an indirect~~
20 ~~beneficial owner~~ of a medical marijuana dispensary, medical
21 marijuana commercial grower, or medical marijuana processor shall
22 not be an owner of a laboratory.

23
24

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

4 F. A separate license shall be required for each specific
5 laboratory.

6 G. A medical marijuana testing laboratory license may be issued
7 to a person who performs testing ~~and research~~ on medical marijuana
8 and medical marijuana products for medical marijuana businesses,
9 medical marijuana research facilities, medical marijuana education
10 facilities, and testing ~~and research~~ on marijuana and marijuana
11 products grown or produced by a patient or caregiver on behalf of a
12 patient, upon verification of registration. A medical marijuana
13 testing laboratory may also conduct research related to the
14 development and improvement of its testing practices and procedures.

15 No state-approved medical marijuana testing facility shall operate
16 unless a medical laboratory director is on site during operational
17 hours.

18 H. ~~A laboratory applicant~~ Laboratory applicants and licensees
19 shall comply with the application requirements of this section and
20 shall submit such other information as required for a medical
21 marijuana business applicant, in addition to any information the
22 Authority may request for initial approval and periodic evaluations
23 during the approval period.

24

1 I. A medical marijuana testing laboratory may accept samples of
2 medical marijuana, medical marijuana concentrate or medical
3 marijuana product from a medical marijuana business, medical
4 marijuana research facility or medical marijuana education facility
5 for testing ~~and research~~ purposes only, which purposes may include
6 the provision of testing services for samples submitted by a medical
7 marijuana business for product development. The Department may
8 require a medical marijuana business to submit a sample of medical
9 marijuana, medical marijuana concentrate or medical marijuana
10 product to a medical marijuana testing or quality assurance
11 laboratory upon demand.

12 J. A medical marijuana testing laboratory may accept samples of
13 medical marijuana, medical marijuana concentrate or medical
14 marijuana product from an individual person for testing only under
15 the following conditions:

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

20 2. The medical marijuana testing laboratory shall require the
21 patient or caregiver to produce a valid patient license and current
22 and valid photo identification.

23 K. A medical marijuana testing laboratory may transfer samples
24 to another medical marijuana testing laboratory for testing. All

1 laboratory reports provided to or by a medical marijuana business or
2 to a patient or caregiver shall identify the medical marijuana
3 testing laboratory that actually conducted the test.

4 L. A medical marijuana testing laboratory may utilize a
5 licensed medical marijuana transporter to transport samples of
6 medical marijuana, medical marijuana concentrate and medical
7 marijuana product for testing, in accordance with ~~this act~~ the
8 Oklahoma Medical Marijuana and Patient Protection Act and the rules
9 adopted pursuant thereto, between the originating medical marijuana
10 business requesting testing services and the destination laboratory
11 performing testing services.

12 M. The medical marijuana testing laboratory shall establish
13 policies to prevent the existence of or appearance of undue
14 commercial, financial or other influences that may diminish the
15 competency, impartiality and integrity of the testing processes or
16 results of the laboratory, or that may diminish public confidence in
17 the competency, impartiality and integrity of the testing processes
18 or results of the laboratory. At a minimum, employees, owners or
19 agents of a medical marijuana testing laboratory who participate in
20 any aspect of the analysis and results of a sample are prohibited
21 from improperly influencing the testing process, improperly
22 manipulating data, or improperly benefiting from any ongoing
23 financial, employment, personal or business relationship with the
24 medical marijuana business that provided the sample. A medical

1 marijuana testing laboratory shall not test samples for any medical
2 marijuana business in which an owner, employee or agent of the
3 medical marijuana testing laboratory has any form of ownership or
4 financial interest in the medical marijuana business.

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

8 1. The cleanliness and orderliness of a laboratory premises and
9 the location of the laboratory in a secure location, and inspection,
10 cleaning and maintenance of any equipment or utensils used for the
11 analysis of test samples;

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

15 3. Controlled access areas for storage of medical marijuana and
16 medical marijuana product test samples, waste and reference
17 standards;

18 4. Records to be retained and computer systems to be utilized
19 by the laboratory;

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

22 6. A certificate of analysis (COA) for each lot of reference
23 standard;

24

1 7. The transport and disposal of unused marijuana, marijuana
2 products and waste;

3 8. The mandatory use by a laboratory of an inventory tracking
4 system to ensure all ~~test~~ harvest and production batches or samples
5 containing medical marijuana, medical marijuana concentrate or
6 medical marijuana products are identified and tracked from the point
7 they are transferred from a medical marijuana business, a patient or
8 a caregiver through the point of transfer, destruction or disposal.
9 The inventory tracking system reporting shall include the results of
10 any tests that are conducted on medical marijuana, medical marijuana
11 concentrate or medical marijuana product;

12 9. Standards of performance;

13 10. The employment of laboratory personnel;

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

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

19 13. The establishment of and adherence to a quality assurance
20 and quality control program to ensure sufficient monitoring of
21 laboratory processes and quality of results reported;

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

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

4 ~~15.~~ 16. The establishment by the laboratory of a system to
5 retain and maintain all required records, including business
6 records, and processes to ensure results are reported in a timely
7 and accurate manner; and

8 ~~16.~~ 17. Any other aspect of laboratory testing of medical
9 marijuana or medical marijuana product deemed necessary by the
10 Department.

11 O. A medical marijuana testing laboratory shall promptly
12 provide the Department or designee of the Department access to a
13 report of a test and any underlying data that is conducted on a
14 sample at the request of a medical marijuana business or qualified
15 patient. A medical marijuana testing laboratory shall also provide
16 access to the Department or designee of the Department to laboratory
17 premises and to any material or information requested by the
18 Department to determine compliance with the requirements of this
19 section.

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

24

1 Q. A medical marijuana testing laboratory shall test samples
2 from each harvest batch or product batch, as appropriate, of medical
3 marijuana, medical marijuana concentrate and medical marijuana
4 product for each of the following categories of testing, consistent
5 with standards developed by the Commissioner:

- 6 1. Microbials;
- 7 2. Mycotoxins;
- 8 3. Residual solvents;
- 9 4. Pesticides;
- 10 5. Tetrahydrocannabinol (THC) and other cannabinoid potency;
- 11 6. Terpenoid ~~potency~~ type and concentration; and
- 12 7. Heavy metals.

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

1 products" shall include, but not be limited to, cookies, brownies,
2 candies, gummies and chocolates.

3 S. Medical marijuana testing laboratory licensure shall be
4 contingent upon successful on-site inspection, successful
5 participation in proficiency testing and ongoing compliance with the
6 applicable requirements in this section.

7 T. A medical marijuana testing laboratory shall be inspected
8 prior to initial licensure and annually up to two (2) times per year
9 thereafter by an inspector approved by the Authority. The Authority
10 may enter the licensed premises of a testing laboratory to conduct
11 investigations and additional inspections when the Authority
12 believes an investigation or additional inspection is necessary due
13 to a possible violation of applicable laws, rules or regulations.

14 U. ~~Beginning on a date determined by the Commissioner, not~~
15 ~~later than January 1, 2020, medical~~ Medical marijuana testing
16 ~~laboratory licensure~~ laboratories shall be ~~contingent upon obtain~~
17 accreditation by ~~the NELAC Institute (TNI), ANSI/ASQ National~~
18 ~~Accreditation Board or another~~ an accrediting body approved by the
19 Commissioner, ~~and any applicable standards as determined by the~~
20 ~~Department~~ within one (1) year of the date the initial license is
21 issued. Renewal of any medical marijuana testing laboratory license
22 shall be contingent upon accreditation in accordance with this
23 subsection. Beginning November 1, 2021, all medical marijuana
24

1 testing laboratories shall obtain accreditation prior to applying
2 for and receiving a medical marijuana testing laboratory license.

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

14 1. A licensed commercial grower may transfer medical marijuana
15 that has failed testing to a licensed processor only for the
16 purposes of decontamination or remediation and only in accordance
17 with the provisions of the Oklahoma Medical Marijuana and Patient
18 Protection Act and the rules and regulations of the Department.

19 2. Licensed commercial growers and licensed processors who
20 achieve process validation under the rules and regulations set forth
21 by the State Department of Health may transfer, sell or process
22 medical marijuana and medical marijuana products in accordance with
23 those rules and regulations.

24

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

3 SECTION 52. AMENDATORY Section 18, Chapter 11, O.S.L.
4 2019 (63 O.S. Supp. 2020, Section 427.18), is amended to read as
5 follows:

6 Section 427.18 A. An Oklahoma medical marijuana business shall
7 not sell, transfer or otherwise distribute medical marijuana or
8 medical marijuana product that has not been packaged and labeled in
9 accordance with this section and rules promulgated by the State
10 Commissioner of Health.

11 B. A medical marijuana dispensary shall return medical
12 marijuana and medical marijuana product that does not meet packaging
13 or labeling requirements in this section or rules promulgated
14 pursuant thereto to the entity who transferred it to the dispensary.
15 The medical marijuana dispensary shall document to whom the item was
16 returned, what was returned and the date of the return or dispose of
17 any usable marijuana that does not meet these requirements in
18 accordance with ~~this act~~ the Oklahoma Medical Marijuana and Patient
19 Protection Act.

20 C. 1. Medical marijuana packaging shall be packaged to
21 minimize its appeal to children and shall not depict images other
22 than the business name logo of the medical marijuana producer and
23 image of the product.

24

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

5 3. Labels on a container shall not include any false or
6 misleading statements.

7 4. No container shall be intentionally or knowingly labeled so
8 as to cause a reasonable patient confusion as to whether the medical
9 marijuana, medical marijuana concentrate or medical marijuana
10 product is a trademarked product or labeled in a manner that
11 violates any federal trademark law or regulation.

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

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

17 D. The State Department of Health shall develop minimum
18 standards for packaging and labeling of medical marijuana and
19 medical marijuana products. Such standards shall include, but not
20 be limited to, the required contents of labels to be affixed to all
21 medical marijuana and medical marijuana products prior to transfer
22 to a licensed patient or caregiver, which shall include, at a
23 minimum:

24

- 1 1. ~~A universal symbol indicating that the product contains~~
- 2 ~~tetrahydrocannabinol (THC);~~
- 3 ~~2.~~ THC and other cannabinoid potency, and terpenoid potency;
- 4 ~~3.~~ 2. A statement indicating that the product has been tested
- 5 for contaminants;
- 6 ~~4.~~ 3. One or more product warnings to be determined by the
- 7 Department; and
- 8 ~~5.~~ 4. Any other information the Department deems necessary.

9 SECTION 53. AMENDATORY Section 19, Chapter 11, O.S.L.
10 2019 (63 O.S. Supp. 2020, Section 427.19), is amended to read as
11 follows:

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

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

21 C. A medical marijuana research license may be issued for the
22 following research purposes:

- 23 1. To test chemical potency and composition levels;

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

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

5 4. To conduct genomic, horticultural or agricultural research;
6 and

7 5. To conduct research on marijuana-affiliated products or
8 systems.

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

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

21 a. the quality, study design, value or impact of the
22 project,

23 b. whether the applicant has the appropriate personnel,
24 expertise, facilities, infrastructure, funding and

1 human, animal or other approvals in place to
2 successfully conduct the project, and

3 c. whether the amount of marijuana to be grown by the
4 applicant is consistent with the scope and goals of
5 the project.

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

9 E. A medical marijuana research licensee may only transfer, by
10 sale or donation, marijuana grown within its operation to other
11 medical marijuana research licensees. The Department may revoke a
12 medical marijuana research license for violations of this section
13 and any other violation of ~~this act~~ the Oklahoma Medical Marijuana
14 and Patient Protection Act.

15 F. A medical marijuana research licensee may contract to
16 perform research in conjunction with a public higher education
17 research institution or another medical marijuana research licensee.

18 G. The growing, cultivating, possessing or transferring, by
19 sale or donation, of marijuana in accordance with this section and
20 the rules promulgated pursuant thereto, by a medical marijuana
21 research licensee shall not be a criminal or civil offense under
22 state law. A medical marijuana research license shall be issued in
23 the name of the applicant and shall specify the location in Oklahoma
24 at which the medical marijuana research licensee intends to operate.

1 A medical marijuana research licensee shall not allow any other
2 person to exercise the privilege of the license.

3 H. If the research conducted includes a public institution or
4 public money, the Authority shall review any reports made by medical
5 marijuana research licensees under state licensing authority rule
6 and provide the Authority with its determination on whether the
7 research project continues to meet research qualifications pursuant
8 to this section.

9 SECTION 54. AMENDATORY Section 20, Chapter 11, O.S.L.
10 2019 (63 O.S. Supp. 2020, Section 427.20), is amended to read as
11 follows:

12 Section 427.20 A. There is hereby created a medical marijuana
13 education facility license.

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

17 C. A medical marijuana education facility license may only be
18 granted to a not-for-profit organization structured under Section
19 501(c) (3) of the Internal Revenue Code, operating as an Oklahoma
20 not-for-profit registered organization with the Office of the
21 Secretary of State.

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

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

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

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

7 3. To demonstrate the application and use of product
8 manufacturing technologies;

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

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

13 F. As part of the application process for a medical marijuana
14 education facility license, an applicant shall submit to the
15 Authority a description of the project and curriculum that the
16 applicant intends to conduct and whether the project and curriculum
17 will be conducted with a public institution or using public money.

18 If the ~~research~~ project and curriculum will not be conducted with a
19 public institution or with public money, the Authority shall grant
20 the application. If the research will be conducted with a public
21 institution or public money, the Authority shall review the research
22 project of the applicant to determine if it meets the requirements
23 of this section and to assess the following:

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

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

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

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

9 G. A medical marijuana education facility licensee may only
10 transfer, by sale or donation, marijuana grown within its operation
11 to medical marijuana research licensees. The Department may revoke
12 a medical marijuana education facility license for violations of
13 this section and any other violation of ~~this act~~ applicable laws,
14 rules and regulations.

15 H. A medical marijuana education facility licensee may contract
16 to perform research in conjunction with a public higher education
17 research institution or another research licensee.

18 I. The growing, cultivating, possessing or transferring, by
19 sale or donation, of marijuana in accordance with this section and
20 the rules promulgated pursuant thereto, by a medical marijuana
21 education facility licensee shall not be a criminal or civil offense
22 under state law. A medical marijuana education facility license
23 shall be issued in the name of the applicant and shall specify the
24 location in Oklahoma at which the medical marijuana education

1 facility licensee intends to operate. A medical marijuana education
2 facility licensee shall not allow any other person to exercise the
3 privilege of the license.

4 SECTION 55. AMENDATORY Section 22, Chapter 11, O.S.L.
5 2019 (63 O.S. Supp. 2020, Section 427.22), is amended to read as
6 follows:

7 Section 427.22 A. ~~An~~ All medical marijuana patient and
8 caregiver records and information including, but not limited to, any
9 application or renewal and supporting information submitted by a
10 qualifying patient or designated caregiver under the provisions of
11 ~~this act including, without limitation,~~ the Oklahoma Medical
12 Marijuana and Patient Protection Act and information regarding the
13 physician of the qualifying patient shall be considered confidential
14 medical records that are exempt from the Oklahoma Open Records Act.

15 B. The dispensary records with patient information shall be
16 treated as confidential records that are exempt from the Oklahoma
17 Open Records Act.

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

22 D. All information provided by an applicant or a licensee that
23 constitutes private business information shall be treated as
24

1 confidential records that are exempt from the Oklahoma Open Records
2 Act.

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

9 F. All monthly report, inventory tracking and seed-to-sale
10 information, data and records submitted to the Department shall be
11 treated as confidential records and are exempt from the Oklahoma
12 Open Records Act.

13 G. Except for license information concerning licensed patients,
14 the Department may share confidential information with the other
15 Oklahoma state agencies to assist those agencies in ensuring
16 compliance with applicable laws, rules and regulations.

17 SECTION 56. AMENDATORY Section 23, Chapter 11, O.S.L.
18 2019, as amended by Section 11, Chapter 477, O.S.L. 2019 (63 O.S.
19 Supp. 2020, Section 427.23), is amended to read as follows:

20 Section 427.23 A. The State Commissioner of Health, the
21 Oklahoma Tax Commission, the State Treasurer, the Secretary of State
22 and the Director of the Office of Management and Enterprise Services
23 shall promulgate rules to implement the provisions of ~~this act~~ the
24 Oklahoma Medical Marijuana and Patient Protection Act.

1 B. ~~The Food Safety Standards Board~~ Medical Marijuana Advisory
2 Council, in addition to the powers and duties granted in Section 423
3 of ~~Title 63 of the Oklahoma Statutes~~ this title, may recommend to
4 the State Commissioner of Health rules relating to all aspects ~~of~~
5 ~~the~~ regarding the safe cultivation and manufacture manufacturing of
6 medical marijuana products. In addition to the twelve members
7 required in Section 423 of this title, the State Department of
8 Health may appoint up to eight additional members. The makeup of
9 the Council shall include medical marijuana industry representation.

10 SECTION 57. NEW LAW A new section of law to be codified
11 in the Oklahoma Statutes as Section 427.24 of Title 63, unless there
12 is created a duplication in numbering, reads as follows:

13 A. Whenever an authorized agent of the State Department of
14 Health finds, in whole or in part, that the medical marijuana or
15 medical marijuana product fails to meet the requirements of Sections
16 420 through 426.1 of Title 63 of the Oklahoma Statutes or the
17 Oklahoma Medical Marijuana and Patient Protection Act as it relates
18 to health and safety, the medical marijuana or medical marijuana
19 product is handled in violation of applicable laws or rules and
20 regulations of the Department, or the medical marijuana or medical
21 marijuana product may be poisonous, deleterious to health or is
22 otherwise unsafe, an electronic or physical tag or other appropriate
23 marking or hold shall be affixed to the medical marijuana or medical
24 marijuana product which shall give notice that the medical marijuana

1 or medical marijuana product is or is suspected of being
2 manufactured, produced, transferred, sold or offered for sale in
3 violation of applicable laws or rules and regulations of the
4 Department and is embargoed. The notice shall further provide a
5 warning to all persons not to remove or dispose of the medical
6 marijuana or medical marijuana product until permission for removal
7 or disposal is given by the Department. It shall be unlawful for
8 any person to remove or dispose of the medical marijuana or medical
9 marijuana product embargoed without permission by the Department.

10 B. If the State Commissioner of Health finds that medical
11 marijuana or medical marijuana product embargoed pursuant to
12 subsection A of this section does not meet the requirements of
13 applicable laws or rules and regulations of the Department, or is
14 poisonous, deleterious to health or otherwise unsafe, the
15 Commissioner may institute an action in the district court in whose
16 jurisdiction the medical marijuana or medical marijuana product is
17 embargoed for the condemnation and destruction of the medical
18 marijuana or medical marijuana product. If the Commissioner finds
19 that the medical marijuana or medical marijuana product embargoed
20 does meet the requirements of applicable laws and the rules and
21 regulations of the Department and is not poisonous, deleterious to
22 health or otherwise unsafe, the Commissioner shall remove the
23 embargo. In any court proceeding regarding an embargo, neither the
24 State Department of Health, the Oklahoma Medical Marijuana Authority

1 or the Commissioner shall be held liable if the court finds
2 reasonable belief for the embargo.

3 C. Except as otherwise provided in subsection D of this
4 section, if the court finds that the embargoed medical marijuana or
5 medical marijuana product, in whole or in part, is in violation of
6 any applicable laws or rules and regulations of the Department or is
7 poisonous, deleterious to health, or otherwise unsafe, the medical
8 marijuana or medical marijuana product shall be destroyed at the
9 expense of the defendant under the supervision of the Commissioner.
10 All court costs, fees, costs of storage and disposal and other
11 proper expenses shall be paid by the defendant of the medical
12 marijuana or medical marijuana product.

13 D. The court may order that the medical marijuana or medical
14 marijuana product be delivered to the defendant for appropriate
15 labeling or processing under the supervision of the Commissioner
16 only if:

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

22 The expense of supervision shall be paid to the Commissioner by
23 the person obtaining release of the medical marijuana or medical
24 marijuana product under bond.

1 SECTION 58. AMENDATORY Section 2, Chapter 337, O.S.L.
2 2019 (63 O.S. Supp. 2020, Section 428.1), is amended to read as
3 follows:

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

6 1. "Authority" shall mean the Oklahoma Medical Marijuana
7 Authority, or successor agency;

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

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

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

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

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

21 7. "Medical marijuana waste" shall mean unused, surplus,
22 returned or out-of-date marijuana and plant debris of the plant of
23 the genus Cannabis, including dead plants and all unused plant
24

1 parts, except the term shall not include seeds, roots, stems, stalks
2 and fan leaves; and

3 8. "Medical marijuana waste disposal license" shall mean a
4 license issued by the Oklahoma Medical Marijuana Authority, or
5 successor agency.

6 SECTION 59. AMENDATORY Section 3, Chapter 337, O.S.L.
7 2019 (63 O.S. Supp. 2020, Section 429), is amended to read as
8 follows:

9 Section 429. A. Medical marijuana waste shall be subject to
10 the provisions of ~~this act~~ the Oklahoma Medical Marijuana Waste
11 Management Act and shall not be subject to the provisions of the
12 Uniform Controlled Dangerous Substances Act. Nothing in ~~this act~~
13 the Oklahoma Medical Marijuana Waste Management Act shall alter or
14 affect the jurisdictional areas of environmental responsibility of
15 the Department of Environmental Quality as provided for in Title 27A
16 of the Oklahoma Statutes.

17 B. Commercial licensees, medical marijuana research facilities
18 and medical marijuana education facilities shall be authorized to
19 destroy the following marijuana plant parts without being required
20 to utilize the services of a medical marijuana waste disposal
21 facility:

- 22 1. ~~Root balls~~ Roots;
- 23 2. Stems;
- 24 3. Fan leaves; ~~and~~

1 4. Seeds; and

2 5. Stalks.

3 Unless restricted by local ordinance, commercial licensees,
4 medical marijuana research facilities and medical marijuana
5 education facilities shall be authorized to destroy the above-listed
6 marijuana plant parts ~~on-site~~ on site by open burning, incineration,
7 burying, mulching, composting or any other technique approved by the
8 Department of Environmental Quality.

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

22 SECTION 60. AMENDATORY Section 4, Chapter 337, O.S.L.
23 2019 (63 O.S. Supp. 2020, Section 430), is amended to read as
24 follows:

1 Section 430. A. There is hereby created and authorized a
2 medical marijuana waste disposal license. A person or entity in
3 possession of a medical marijuana waste disposal license shall be
4 entitled to possess, transport and dispose of medical marijuana
5 waste. No person or entity shall ~~possess, transport or~~ dispose of
6 medical marijuana waste without a valid medical marijuana waste
7 disposal license. The Oklahoma Medical Marijuana Authority shall
8 issue licenses upon proper application by a licensee and
9 determination by the Authority that the proposed site and facility
10 are physically and technically suitable. Upon a finding that a
11 proposed medical marijuana waste disposal facility is not physically
12 or technically suitable, the Authority shall deny the license. The
13 Authority may, upon determining that public health or safety
14 requires emergency action, issue a temporary license for treatment
15 or storage of medical marijuana waste for a period not to exceed
16 ninety (90) days. The Authority shall not, for the first year of
17 the licensure program, issue more than ten medical marijuana waste
18 disposal licenses. Upon the conclusion of the first year, the
19 Authority shall assess the need for additional medical marijuana
20 waste disposal licenses and shall, if demonstrated, increase the
21 number of licenses as deemed necessary by the Authority.

22 B. Entities applying for a medical marijuana waste disposal
23 license shall undergo the following screening process:
24

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

- 3 a. an attestation that the applicant is authorized to
- 4 make application on behalf of the entity,
- 5 b. full name of the organization,
- 6 c. trade name, if applicable,
- 7 d. type of business organization,
- 8 e. complete mailing address,
- 9 f. an attestation that the commercial entity will not be
- 10 located on tribal land,
- 11 g. telephone number and email address of the entity, and
- 12 h. name, residential address and date of birth of each
- 13 owner and each member, manager and board member, if
- 14 applicable;

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

- 19 a. the first, middle and last name of the applicant and
- 20 suffix, if applicable,
- 21 b. the residence address and mailing address of the
- 22 applicant,
- 23 c. the date of birth of the applicant,
- 24

- 1 d. the preferred telephone number and email address of
2 the applicant,
3 e. an attestation that the information provided by the
4 applicant is true and correct, and
5 f. a statement signed by the applicant pledging not to
6 divert marijuana to any individual or entity that is
7 not lawfully entitled to possess marijuana; and

8 3. Each application shall be accompanied by the following
9 documentation:

- 10 a. a list of all persons or entities that have an
11 ownership interest in the entity,
12 b. a certificate of good standing from the Oklahoma
13 Secretary of State, if applicable,
14 c. an Affidavit of Lawful Presence for each owner,
15 d. proof that the proposed location of the disposal
16 facility is at least one thousand (1,000) feet from a
17 public or private school. The distance indicated in
18 this subparagraph shall be measured from ~~any entrance~~
19 ~~of the~~ nearest property line of such public or private
20 school to the nearest ~~property line point~~ perimeter
21 wall of the premises of such disposal facility. If
22 any public or private school is established within one
23 thousand (1,000) feet of any disposal facility after
24 such disposal facility has been licensed, the

1 provisions of this subparagraph shall not be a
2 deterrent to the renewal of such license or warrant
3 revocation of the license, and

4 e. documents establishing the applicant, the members,
5 managers and board members, if applicable, and
6 seventy-five percent (75%) of the ownership interests
7 are Oklahoma residents as established in Section 420
8 et seq. of ~~Title 63 of the Oklahoma Statutes~~ this
9 title, as it relates to proof of residency.

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

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

15 E. The Authority shall issue ~~a~~ an annual permit for each
16 medical marijuana waste disposal facility operated by a licensee. A
17 permit shall be issued only upon proper application by a licensee
18 and determination by the Authority that the proposed site and
19 facility are physically and technically suitable. Upon a finding
20 that a proposed medical marijuana waste disposal facility is not
21 physically or technically suitable, the Authority shall deny the
22 permit. The Authority shall have the authority to revoke a permit
23 upon a finding that the site and facility are not physically and
24 technically suitable for processing. The Authority may, upon

1 determining that public health or safety requires emergency action,
2 issue a temporary permit for treatment or storage of medical
3 marijuana waste for a period not to exceed ninety (90) days.

4 F. The cost of a medical marijuana waste disposal license shall
5 be Five Thousand Dollars (\$5,000.00) for the initial license. The
6 cost of a medical marijuana waste disposal facility permit shall be
7 Five Hundred Dollars (\$500.00). A medical marijuana waste disposal
8 facility permit that has been revoked shall be reinstated upon
9 remittance of a reinstatement fee of Five Hundred Dollars (\$500.00)
10 to restore the facility permit. All license and permit fees shall
11 be deposited into the ~~Public Health Special~~ Oklahoma Medical
12 Marijuana Authority Revolving Fund as provided in Section ~~1-107~~
13 427.5 of ~~Title 63 of the Oklahoma Statutes~~ this title.

14 G. The holder of a medical marijuana waste disposal license
15 shall not be required to obtain a medical marijuana transporter
16 license provided for in the Oklahoma Medical Marijuana and Patient
17 Protection Act for purposes of transporting medical marijuana waste.

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

22 I. The State Commissioner of Health shall promulgate rules for
23 the implementation of ~~this act~~ the Oklahoma Medical Marijuana Waste
24 Management Act. Promulgated rules shall address disposal process

1 standards, site security and any other subject matter deemed
2 necessary by the Authority.

3 SECTION 61. This act shall become effective November 1, 2021.

4 Passed the House of Representatives the 9th day of March, 2021.

5

6

Presiding Officer of the House
of Representatives

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Passed the Senate the ___ day of _____, 2021.

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Presiding Officer of the Senate

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