

1 STATE OF OKLAHOMA

2 1st Session of the 59th Legislature (2023)

3 COMMITTEE SUBSTITUTE

4 FOR

5 HOUSE BILL NO. 1350

6 By: Fetgatter

7 COMMITTEE SUBSTITUTE

8 An Act relating to medical marijuana; amending 63
9 O.S. 2021, Sections 421, 422 and 423, as amended by
10 Sections 1, 2 and 3, Chapter 332, O.S.L. 2022 (63
11 O.S. Supp. 2022, Sections 421, 422 and 423) and 424,
12 which relate to licensing requirements for medical
13 marijuana dispensaries, commercial growers,
14 processors and transporters; providing for temporary
15 and annual licenses; updating language; amending 63
16 O.S. 2021, Sections 427.8, 427.14, as amended by
17 Section 4, Chapter 332, O.S.L. 2022 and 427.16, as
18 amended by Section 16, Chapter 251, O.S.L. 2022 (63
19 O.S. Supp. 2022, Sections 427.14 and 427.16), which
20 relate to the Oklahoma Medical Marijuana and Patient
21 Protection Act; updating statutory references;
22 modifying scope of certain definition; creating
23 temporary and annual licensing program for certain
24 medical marijuana businesses; stating conditions for
temporary licenses; requiring adherence to certain
rules and regulations; clarifying obligations of the
Oklahoma Medical Marijuana Authority when issuing
temporary licenses; stating length of term of
temporary licenses; providing for extensions under
certain circumstances; establishing fees for
temporary licenses and extensions; requiring
submission of certain information to the Authority;
prohibiting issuance of license until certain
inspections are completed; authorizing rejection of
applications; defining term; clarifying circumstances
that allow for the issuance of annual medical
marijuana business licenses; requiring current
licensees to submit certain documentation prior to
renewal; establishing timelines and procedures;
requiring person issued a temporary and annual

1 license to annually submit certain documentation when
2 seeking renewal of the license; updating language;
3 creating temporary licensing program for medical
4 marijuana transporters; and providing an effective
5 date.

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

7 SECTION 1. AMENDATORY 63 O.S. 2021, Section 421, as
8 amended by Section 1, Chapter 332, O.S.L. 2022 (63 O.S. Supp. 2022,
9 Section 421), is amended to read as follows:

10 Section 421. A. The Oklahoma Medical Marijuana Authority shall
11 make available on its website in an easy-to-find location ~~an~~
12 ~~application~~ applications for a temporary medical marijuana
13 dispensary license and annual medical marijuana dispensary license.
14 The application ~~fee to~~ fees for the temporary or annual license
15 shall be paid by the applicant ~~shall be~~ in the amounts provided for
16 in Section 427.14 of this title. A method of payment for the
17 application ~~fee~~ fees shall be provided on the website of the
18 Authority. ~~Dispensary~~ Medical marijuana dispensary applicants must
19 all be residents of Oklahoma. Any entity applying for a temporary
20 or annual medical marijuana dispensary license must be owned by an
21 Oklahoma resident and must be registered to do business in Oklahoma.
22 The Authority shall have ninety (90) business days to review the
23 application for a temporary medical marijuana dispensary license;
24 approve, reject or deny the application; and mail the approval,

1 rejection or denial letter stating reasons for the rejection or
2 denial to the applicant.

3 B. ~~The~~ In addition to the requirements provided for in the
4 Oklahoma Medical Marijuana and Patient Protection Act, the Authority
5 shall approve all applications which meet the following criteria:

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

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

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

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

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

17 6. All applicants must disclose all ownership interests in the
18 dispensary.

19 Applicants with a nonviolent felony conviction in the last two
20 (2) years, any other felony conviction in the last five (5) years,
21 inmates in the custody of the Department of Corrections or any
22 person currently incarcerated shall not qualify for a temporary or
23 annual medical marijuana dispensary license.

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1 C. Licensed medical marijuana dispensaries shall be required to
2 complete a monthly sales report to the Authority. This report shall
3 be due on the fifteenth of each month and provide reporting on the
4 previous month. This report shall detail the weight of marijuana
5 purchased at wholesale and the weight of marijuana sold to licensed
6 medical marijuana patients and licensed caregivers and account for
7 any waste. The report shall show total sales in dollars, tax
8 collected in dollars, and tax due in dollars. The Authority shall
9 have oversight and auditing responsibilities to ensure that all
10 marijuana being grown is accounted for.

11 D. Only a licensed medical marijuana dispensary may conduct
12 retail sales of marijuana or marijuana derivatives. Beginning on
13 the effective date of this act, licensed medical marijuana
14 dispensaries shall be authorized to package and sell pre-rolled
15 marijuana to licensed medical marijuana patients and licensed
16 caregivers. The products described in this subsection shall contain
17 only the ground parts of the marijuana plant and shall not include
18 marijuana concentrates or derivatives. The total net weight of each
19 pre-roll packaged and sold by a medical marijuana dispensary shall
20 not exceed one (1) gram. These products shall be tested, packaged
21 and labeled in accordance with Oklahoma law and rules promulgated by
22 the Authority.

23 E. No medical marijuana dispensary shall offer or allow a
24 medical marijuana patient licensee, caregiver licensee or other

1 member of the public to handle or otherwise have physical contact
2 with any medical marijuana not contained in a sealed or separate
3 package. Provided, such prohibition shall not preclude an employee
4 of the medical marijuana dispensary from handling loose or
5 nonpackaged medical marijuana to be placed in packaging consistent
6 with the Oklahoma Medical Marijuana and Patient Protection Act and
7 the rules promulgated by the Authority for the packaging of medical
8 marijuana for retail sale. Provided, further, such prohibition
9 shall not prevent a medical marijuana dispensary from displaying
10 samples of its medical marijuana in separate display cases, jars or
11 other containers and allowing medical marijuana patient licensees
12 and caregiver licensees the ability to handle or smell the various
13 samples as long as the sample medical marijuana is used for display
14 purposes only and is not offered for retail sale.

15 SECTION 2. AMENDATORY 63 O.S. 2021, Section 422, as
16 amended by Section 2, Chapter 332, O.S.L. 2022 (63 O.S. Supp. 2022,
17 Section 422), is amended to read as follows:

18 Section 422. A. The Oklahoma Medical Marijuana Authority shall
19 make available on its website in an easy-to-find location ~~an~~
20 ~~application~~ applications for a temporary medical marijuana
21 commercial grower license and annual medical marijuana commercial
22 grower license. The application ~~fee~~ fees for the temporary or
23 annual license shall be paid by the applicant in the amounts
24 provided for in Section 427.14 of this title. A method of payment

1 for the application ~~fee~~ fees shall be provided on the website of the
2 Authority. The Authority shall have ninety (90) days to review the
3 application for a temporary medical marijuana commercial grower
4 license; approve, reject or deny the application; and mail the
5 approval, rejection or denial letter stating the reasons for the
6 rejection or denial to the applicant.

7 B. ~~The~~ In addition to the requirements provided for in the
8 Oklahoma Medical Marijuana and Patient Protection Act, the Authority
9 shall approve all applications which meet the following criteria:

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

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

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

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

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

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

23 Applicants with a nonviolent felony conviction in the last two
24 (2) years, any other felony conviction in the last five (5) years,

1 inmates in the custody of the Department of Corrections or any
2 person currently incarcerated shall not qualify for a temporary or
3 annual medical marijuana commercial grower license.

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

1 the amount of marijuana sold to licensed medical marijuana
2 dispensaries in pounds. Additionally, this report shall show total
3 wholesale sales in dollars. The Authority shall have oversight and
4 auditing responsibilities to ensure that all marijuana being grown
5 by licensed medical marijuana commercial growers is accounted for.

6 D. There shall be no limits on how much marijuana a licensed
7 medical marijuana commercial grower can grow.

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

18 SECTION 3. AMENDATORY 63 O.S. 2021, Section 423, as
19 amended by Section 3, Chapter 332, O.S.L. 2022 (63 O.S. Supp. 2022,
20 Section 423), is amended to read as follows:

21 Section 423. A. The Oklahoma Medical Marijuana Authority shall
22 make available on its website in an easy-to-find location ~~an~~
23 ~~application~~ applications for a temporary medical marijuana processor
24 license and annual medical marijuana ~~processing~~ processor license.

1 The Authority shall be authorized to issue two types of annual
2 medical marijuana processor licenses based on the level of risk
3 posed by the type of processing conducted:

- 4 1. Nonhazardous medical marijuana processor license; and
- 5 2. Hazardous medical marijuana processor license.

6 The application ~~fee fees~~ for a ~~nonhazardous or hazardous medical~~
7 ~~marijuana processor~~ the temporary or annual license shall be paid by
8 the applicant in the amounts provided for in Section 427.14 of this
9 title. A method of payment shall be provided on the website of the
10 Authority. The Authority shall have ninety (90) days to review the
11 application for a temporary medical marijuana processor license;
12 approve, reject or deny the application; and mail the approval,
13 rejection or denial letter stating the reasons for the rejection or
14 denial to the applicant.

15 B. The Authority shall approve all applications which meet the
16 following criteria:

- 17 1. The applicant must be twenty-five (25) years of age or
18 older;
- 19 2. The applicant, if applying as an individual, must show
20 residency in the State of Oklahoma;
- 21 3. All applying entities must show that all members, managers,
22 and board members are Oklahoma residents;

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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 processing operation.

8 Applicants with a nonviolent felony conviction in the last two
9 (2) years, any other felony conviction in the last five (5) years,
10 inmates in the custody of the Department of Corrections or any
11 person currently incarcerated shall not qualify for a temporary or
12 annual medical marijuana ~~processing~~ processor license.

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

16 2. As required by subsection D of this section, the Authority
17 shall make available a set of standards which shall be used by
18 licensed medical marijuana processors in the preparation of edible
19 marijuana products. The standards should be in line with current
20 food preparation guidelines. No excessive or punitive rules may be
21 established by the Authority.

22 3. Up to two times a year, the Authority may inspect a
23 processing operation and determine its compliance with the
24 preparation standards. If deficiencies are found, a written report

1 of the deficiency shall be issued to the licensed medical marijuana
2 processor. The licensed medical marijuana processor shall have one
3 (1) month to correct the deficiency or be subject to a fine of Five
4 Hundred Dollars (\$500.00) for each deficiency.

5 4. A licensed medical marijuana processor may sell marijuana
6 products it creates to a licensed medical marijuana dispensary or
7 any other licensed medical marijuana processor. All sales by a
8 licensed medical marijuana processor shall be considered wholesale
9 sales and shall not be subject to taxation.

10 5. Under no circumstances may a licensed medical marijuana
11 processor sell marijuana or any marijuana product directly to a
12 licensed medical marijuana patient or licensed medical marijuana
13 caregiver. However, a licensed medical marijuana processor may
14 process cannabis into a concentrated form for a licensed medical
15 marijuana patient for a fee.

16 6. Licensed medical marijuana processors shall be required to
17 complete a monthly yield and sales report to the Authority. This
18 report shall be due on the fifteenth of each month and shall provide
19 reporting on the previous month. This report shall detail the
20 amount of marijuana and medical marijuana products purchased in
21 pounds, the amount of marijuana cooked or processed in pounds, and
22 the amount of waste in pounds. Additionally, this report shall show
23 total wholesale sales in dollars. The Authority shall have
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1 oversight and auditing responsibilities to ensure that all marijuana
2 being processed is accounted for.

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

18 E. If it becomes permissible 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 distributed and possessed. No merchant, wholesaler, manufacturer or
23 individual may be unduly harassed or prosecuted for selling,
24 manufacturing or possessing marijuana paraphernalia.

1 SECTION 4. AMENDATORY 63 O.S. 2021, Section 424, is
2 amended to read as follows:

3 Section 424. A. A temporary medical marijuana transportation
4 transporter license will or an annual medical marijuana transporter
5 license shall be issued to qualifying applicants for a medical
6 marijuana ~~retail~~ dispensary, ~~growing~~ medical marijuana commercial
7 grower, or ~~processing~~ medical marijuana processor license. The
8 ~~transportation~~ temporary or annual medical marijuana transporter
9 license will shall be issued at the time of approval of a ~~retail,~~
10 ~~growing, or processing~~ the temporary or annual medical marijuana
11 dispensary, medical marijuana commercial grower, or medical
12 marijuana processor license. The fees for the temporary or annual
13 license shall be paid by the applicant in the amounts provided for
14 in Section 427.14 of this title.

15 B. A ~~transportation~~ medical marijuana transporter license ~~will~~
16 shall allow the holder to transport medical marijuana from an
17 Oklahoma-licensed medical marijuana ~~retailer~~ dispensary, licensed
18 ~~growing~~ medical marijuana commercial grower facility, or ~~licensed~~
19 medical marijuana processor facility to an Oklahoma-licensed medical
20 marijuana ~~retailer~~ dispensary, licensed ~~growing~~ medical marijuana
21 commercial grower facility, or ~~licensed~~ medical marijuana processing
22 facility.

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1 C. All medical marijuana or medical marijuana products shall be
2 transported in a locked container and clearly labeled "Medical
3 Marijuana or Derivative".

4 SECTION 5. AMENDATORY 63 O.S. 2021, Section 427.8, is
5 amended to read as follows:

6 Section 427.8 A. The rights to possess the marijuana products
7 set forth in Section 420 of ~~Title 63 of the Oklahoma Statutes~~ this
8 title are cumulative and a duly licensed individual may possess at
9 any one time the totality of the items listed therein and not be in
10 violation of this act so long as the individual holds a valid
11 medical marijuana patient license or caregiver license.

12 B. Municipal and county governing bodies may not enact medical
13 marijuana guidelines which restrict or interfere with the rights of
14 a licensed patient or caregiver to possess, purchase, cultivate or
15 transport medical marijuana within the legal limits set forth in
16 ~~this act~~ the Oklahoma Medical Marijuana and Patient Protection Act
17 ~~or Section Sections 420 et seq. of Title 63 of the Oklahoma Statutes~~
18 through 426.1 of this title or require patients or caregivers to
19 obtain permits or licenses in addition to the state-required
20 licenses provided herein.

21 C. Nothing in ~~this act~~ the Oklahoma Medical Marijuana and
22 Patient Protection Act or ~~Section Sections 420 et seq. of Title 63~~
23 ~~of the Oklahoma Statutes~~ through 426.1 of this title shall prohibit
24 a residential or commercial property or business owner from

1 prohibiting the consumption of medical marijuana or medical
2 marijuana product by smoke or vaporization on the premises, within
3 the structures of the premises or within ten (10) feet of the
4 entryway to the premises. However, a medical marijuana patient
5 shall not be denied the right to consume or use other medical
6 marijuana products which are otherwise legal and do not involve the
7 smoking or vaporization of cannabis when lawfully recommended
8 pursuant to Section 420 of ~~Title 63 of the Oklahoma Statutes~~ this
9 title.

10 D. A medical marijuana patient or caregiver licensee shall not
11 be denied eligibility in public assistance programs including, but
12 not limited to, Medicaid, Supplemental Nutrition Assistance Program
13 (SNAP), Women, Infants, and Children Nutrition Program (WIC),
14 Temporary Assistance for Needy Families (TANF) or other such public
15 assistance programs based solely on his or her status as a medical
16 marijuana patient or caregiver licensee, unless required by federal
17 law.

18 E. A medical marijuana patient or caregiver licensee shall not
19 be denied the right to own, purchase or possess a firearm,
20 ammunition, or firearm accessories based solely on his or her status
21 as a medical marijuana patient or caregiver licensee. No state or
22 local agency, municipal or county governing authority shall
23 restrict, revoke, suspend or otherwise infringe upon the right of a
24 person to own, purchase or possess a firearm, ammunition, or firearm

1 accessories or any related firearms license or certification based
2 solely on their status as a medical marijuana patient or caregiver
3 licensee.

4 F. A medical marijuana patient or caregiver in actual
5 possession of a medical marijuana license shall not be subject to
6 arrest, prosecution or penalty in any manner or denied any right,
7 privilege or public assistance, under state law or municipal or
8 county ordinance or resolution including without limitation a civil
9 penalty or disciplinary action by a business, occupational or
10 professional licensing board or bureau, for the medical use of
11 marijuana in accordance with ~~this act~~ the Oklahoma Medical Marijuana
12 and Patient Protection Act.

13 G. A government medical assistance program shall not be
14 required to reimburse a person for costs associated with the medical
15 use of marijuana unless federal law requires reimbursement.

16 H. Unless otherwise required by federal law or required to
17 obtain federal funding:

18 1. No employer may refuse to hire, discipline, discharge or
19 otherwise penalize an applicant or employee solely on the basis of
20 such applicant's or employee's status as a medical marijuana
21 licensee; and

22 2. No employer may refuse to hire, discipline, discharge or
23 otherwise penalize an applicant or employee solely on the basis of a
24 positive test for marijuana components or metabolites, unless:

- a. the applicant or employee is not in possession of a valid medical marijuana license,
- b. the licensee possesses, consumes or is under the influence of medical marijuana or medical marijuana product while at the place of employment or during the fulfillment of employment obligations, or
- c. the position is one involving safety-sensitive job duties, as such term is defined in subsection K of this section.

I. Nothing in ~~this act~~ the Oklahoma Medical Marijuana and Patient Protection Act or ~~Section~~ Sections 420 et seq. of Title 63 of the Oklahoma Statutes through 426.1 of this title shall:

1. Require an employer to permit or accommodate the use of medical marijuana on the property or premises of any place of employment or during hours of employment;

2. Require an employer, a government medical assistance program, private health insurer, worker's compensation carrier or self-insured employer providing worker's compensation benefits to reimburse a person for costs associated with the use of medical marijuana; or

3. Prevent an employer from having written policies regarding drug testing and impairment in accordance with the Oklahoma Standards for Workplace Drug and Alcohol Testing Act, ~~Section 551 et seq. of Title 40 of the Oklahoma Statutes.~~

1 J. Any applicant or employee aggrieved by a willful violation
2 of this section shall have, as his or her exclusive remedy, the same
3 remedies as provided for in the Oklahoma Standards for Workplace
4 Drug and Alcohol Testing Act set forth in Section 563 of Title 40 of
5 the Oklahoma Statutes.

6 K. As used in this section:

7 1. "Safety-sensitive" means any job that includes tasks or
8 duties that the employer reasonably believes could affect the safety
9 and health of the employee performing the task or others including,
10 but not limited to, any of the following:

11 a. the handling, packaging, processing, storage, disposal
12 or transport of hazardous materials,

13 b. the operation of a motor vehicle, other vehicle,
14 equipment, machinery or power tools,

15 c. repairing, maintaining or monitoring the performance
16 or operation of any equipment, machinery or
17 manufacturing process, the malfunction or disruption
18 of which could result in injury or property damage,

19 d. ~~performing firefighting duties,~~

20 e. the operation, maintenance or oversight of critical
21 services and infrastructure including, but not limited
22 to, electric, gas, and water utilities, power
23 generation or distribution,

24 f.

1 e. the extraction, compression, processing,
2 manufacturing, handling, packaging, storage, disposal,
3 treatment or transport of potentially volatile,
4 flammable, combustible materials, elements, chemicals
5 or any other highly regulated component,

6 ~~g.~~

7 f. dispensing pharmaceuticals,

8 ~~h.~~

9 g. carrying a firearm, or

10 ~~i.~~

11 h. direct patient care or direct child care; and

12 2. A "positive test for marijuana components or metabolites"
13 means a result that is at or above the cutoff concentration level
14 established by the United States Department of Transportation or
15 Oklahoma law regarding being under the influence, whichever is
16 lower.

17 L. All smokable, vaporized, vapable and e-cigarette medical
18 marijuana product inhaled through vaporization or smoked by a
19 medical marijuana licensee are subject to the same restrictions for
20 tobacco under Section 1-1521 through 1-1527 of ~~Title 63 of the~~
21 ~~Oklahoma Statutes~~ this title, commonly referred to as the "Smoking
22 in Public Places and Indoor Workplaces Act".

1 SECTION 6. AMENDATORY 63 O.S. 2021, Section 427.14, as
2 amended by Section 4, Chapter 332, O.S.L. 2022 (63 O.S. Supp. 2022,
3 Section 427.14), is amended to read as follows:

4 Section 427.14 A. There is hereby created the medical
5 marijuana business license, which shall include the following
6 categories:

- 7 1. Medical marijuana commercial grower;
- 8 2. Medical marijuana processor;
- 9 3. Medical marijuana dispensary;
- 10 4. Medical marijuana transporter; and
- 11 5. Medical marijuana testing laboratory.

12 B. The Oklahoma Medical Marijuana Authority, with the aid of
13 the Office of Management and Enterprise Services, shall develop a
14 website for medical marijuana business license applications.

15 C. The Authority shall make available on its website in an
16 easy-to-find location, applications for a temporary medical
17 marijuana business license and annual medical marijuana business
18 license.

19 D. Beginning November 1, 2023, the Authority shall require all
20 persons or entities seeking licensure as a medical marijuana
21 commercial grower, medical marijuana processor, medical marijuana
22 dispensary, or medical marijuana transporter to first apply for a
23 temporary medical marijuana business license.

24

1 1. A temporary medical marijuana business license is a
2 conditional license and does not authorize the licensee to conduct
3 any sales of medical marijuana or marijuana products, the growing or
4 processing of marijuana, or the transportation of any medical
5 marijuana or marijuana products by the licensee. A temporary
6 medical marijuana business licensee shall follow all applicable
7 rules and regulations promulgated by the Authority.

8 2. A temporary medical marijuana business license does not
9 obligate the Authority to issue an annual medical marijuana business
10 license nor does the temporary medical marijuana business license
11 create a vested right in the holder to either an extension of the
12 temporary medical marijuana business license or to the granting of a
13 subsequent annual medical marijuana business license.

14 3. A temporary medical marijuana business license issued under
15 the provisions of this subsection shall be valid for one hundred
16 eighty (180) days from its effective date.

17 4. A temporary medical marijuana business license may be
18 extended by the Authority for additional ninety-day periods not to
19 exceed eighteen (18) months if:

- 20 a. an application for an annual license has been
21 submitted to the Authority prior to the initial
22 expiration date of the temporary medical marijuana
23 business license, and

1 b. the Authority determines that the application and
2 required documentation submitted by the applicant for
3 an annual medical marijuana business license is
4 deficient in some manner.

5 5. A nonrefundable application fee for a temporary medical
6 marijuana business license shall be assessed in the amount of One
7 Thousand Dollars (\$1,000.00). A nonrefundable fee of One Thousand
8 Dollars (\$1,000.00) shall be assessed for every ninety-day extension
9 requested by the holder of a temporary medical marijuana business
10 license and subsequently granted by the Authority.

11 6. In addition to the general requirements provided for in
12 subsection F of this section, persons or entities applying for a
13 temporary medical marijuana business license or applying to renew a
14 medical marijuana business license shall submit the following to the
15 Authority:

16 a. business-formation documents, which may include, but
17 not be limited to, articles of incorporation,
18 operating agreements, partnership agreements, and
19 fictitious business name statements. The applicant
20 shall also provide all documents filed with the
21 Oklahoma Secretary of State,

22 b. financial information pertaining to the operations of
23 the medical marijuana business, which shall include
24 the following:

- 1 (1) a list of funds belonging to the applicant held
2 in savings, checking, or other accounts
3 maintained by a financial institution. The
4 applicant shall provide for each account, the
5 name of the financial institution, the address of
6 the financial institution, account type, account
7 number, and the amount of money in the account,
8 (2) a list of loans made to the applicant. For each
9 loan, the applicant shall provide the amount of
10 the loan, the date of the loan, term of the loan,
11 security provided for the loan, and the name,
12 address, and phone number of the lender,
13 (3) a list of investments made into the medical
14 marijuana business. For each investment, the
15 applicant shall provide the amount of the
16 investment, the date of the investment, term of
17 the investment, and the name, address, and phone
18 number of the investor, and
19 (4) a list of all monetary gifts, equipment, and
20 property of any kind given to the applicant for
21 the purpose of or in exchange for applying for or
22 operating a medical marijuana business. For each
23 gift, the applicant shall provide the value or a
24

1 description of the gift and the name, address,
2 and phone number of the provider of the gift,

3 c. a complete list of every individual who has a
4 financial interest in the medical marijuana business
5 who is not an owner of the medical marijuana business,

6 d. whether the applicant has an ownership or a financial
7 interest in any other medical marijuana business
8 licensed under the provisions of the Oklahoma Medical
9 Marijuana and Patient Protection Act,

10 e. a complete and detailed diagram of the proposed
11 premises. If changes to the proposed premises occur
12 during the application period, a revised set of plans
13 shall be submitted to the Authority for final
14 inspection. The diagram shall be to scale and shall
15 show the following:

16 (1) boundaries of the property and the proposed
17 premises to be licensed, showing all boundaries,
18 dimensions, entrances and exits, interior
19 partitions, walls, rooms, windows, doorways, and
20 common or shared entryways, and shall include a
21 brief statement or description of the principal
22 activity to be conducted therein,

1 (2) the location of medical marijuana business

2 activities that will take place in each area of
3 the premises, and limited-access areas,

4 (3) where all cameras are located and a number

5 assigned to each camera for identification

6 purposes, and

7 (4) if the proposed premises consists of only a

8 portion of the property, labels indicating which

9 part of the property is the proposed premises and

10 what the remaining property is used for,

11 f. if the applicant is not the landowner of the real

12 property upon which the premises is located, the

13 applicant shall provide to the Authority a document

14 from the landowner or the agent of the landowner that

15 states that the applicant has the right to occupy the

16 property and acknowledging the applicant may use the

17 property for the medical marijuana business activity

18 for which the applicant is applying for licensure. An

19 applicant shall also provide a copy of the rental

20 agreement, as applicable,

21 g. if the applicant is the landowner of the real property

22 upon which the premises is located, the applicant

23 shall provide to the Authority a copy of the title or

24 deed to the property,

1 h. if the applicant is applying for a medical marijuana
2 commercial grower license, the applicant shall also
3 submit the following:

4 (1) for indoor and mixed light cultivation,
5 identification of all power sources for
6 cultivation activities including, but not limited
7 to, illumination, heating, cooling, and
8 ventilation,

9 (2) if the applicant is proposing to use a diversion
10 from a waterbody, groundwater well, or rain
11 catchment system as a water source for
12 cultivation, include the following locations on
13 the property diagram with locations also provided
14 as coordinates in either latitude and longitude
15 or the Oklahoma Coordinate System:

16 (a) sources of water used, including the
17 location of waterbody diversion, pump
18 location, and distribution system, and

19 (b) location, type, and capacity of each storage
20 unit to be used for cultivation, and

21 (3) a proposed cultivation plan, which shall include
22 identification of all water sources used for
23 cultivation activities, and

24 i. evidence of insurance including, but not limited to:

- 1 (1) general liability insurance,
- 2 (2) workers' compensation insurance or a copy of an
- 3 Affidavit of Exempt Status filed with the
- 4 Workers' Compensation Commission if compensation
- 5 coverage is not required pursuant to the
- 6 Administrative Workers' Compensation Act, and
- 7 (3) product liability insurance.

8 7. The Authority may request additional information from the
9 applicant.

10 8. The Authority may reject an application for an annual
11 medical marijuana business license if the requirements for a
12 temporary medical marijuana business license or any provision of the
13 Oklahoma Medical Marijuana and Patient Protection Act are not
14 satisfied.

15 9. For purposes of this subsection, "financial interest"
16 concerning a medical marijuana business shall include any
17 contractual agreements for profit sharing, subcontracting, or
18 similar financial arrangements; provided, that such disclosures
19 alone shall not automatically indicate ownership of the license or
20 require disclosure as an owner of the license.

21 E. 1. The Minus the fee of One Thousand Dollars (\$1,000.00)
22 for a temporary medical marijuana transporter license, the annual,
23 nonrefundable fee for a medical marijuana transporter license shall
24 be Two Thousand Five Hundred Dollars (\$2,500.00).

1 2. The Minus the fee of One Thousand Dollars (\$1,000.00) for a
2 temporary medical marijuana business license, the initial fee for a
3 medical marijuana commercial grower license shall be calculated
4 based upon the total amount of square feet of canopy or acres the
5 grower estimates will be harvested for the year. The annual,
6 nonrefundable license fee shall be based upon the total amount of
7 square feet of canopy harvested by the grower during the previous
8 twelve (12) months. The amount of the fees shall be determined as
9 follows:

10 a. For an indoor, greenhouse, or light deprivation
11 medical marijuana grow facility:

12 (1) Tier 1: Up to ten thousand (10,000) square feet
13 of canopy, the fee shall be Two Thousand Five
14 Hundred Dollars (\$2,500.00),

15 (2) Tier 2: Ten thousand one (10,001) square feet of
16 canopy to twenty thousand (20,000) square feet of
17 canopy, the fee shall be Five Thousand Dollars
18 (\$5,000.00),

19 (3) Tier 3: Twenty thousand one (20,001) square feet
20 of canopy to forty thousand (40,000) square feet
21 of canopy, the fee shall be Ten Thousand Dollars
22 (\$10,000.00),

23 (4) Tier 4: Forty thousand one (40,001) square feet
24 of canopy to sixty thousand (60,000) square feet

1 of canopy, the fee shall be Twenty Thousand
2 Dollars (\$20,000.00),

3 (5) Tier 5: Sixty thousand one (60,001) square feet
4 of canopy to eighty thousand (80,000) square feet
5 of canopy, the fee shall be Thirty Thousand
6 Dollars (\$30,000.00),

7 (6) Tier 6: Eighty thousand one (80,001) square feet
8 of canopy to ninety-nine thousand nine hundred
9 ninety-nine (99,999) square feet of canopy, the
10 fee shall be Forty Thousand Dollars (\$40,000.00),
11 and

12 (7) Tier 7: One hundred thousand (100,000) square
13 feet of canopy and beyond, the fee shall be Fifty
14 Thousand Dollars (\$50,000.00), plus an additional
15 twenty-five cents (\$0.25) per square foot of
16 canopy over one hundred thousand (100,000) square
17 feet.

18 b. For an outdoor medical marijuana grow facility:

19 (1) Tier 1: Up to two and one-half (2 1/2) acres,
20 the fee shall be Two Thousand Five Hundred
21 Dollars (\$2,500.00),

22 (2) Tier 2: Two and one-half (2 1/2) acres up to
23 five (5) acres, the fee shall be Five Thousand
24 Dollars (\$5,000.00),

- 1 (3) Tier 3: Five (5) acres up to ten (10) acres, the
2 fee shall be Ten Thousand Dollars (\$10,000.00),
3 (4) Tier 4: Ten (10) acres up to twenty (20) acres,
4 the fee shall be Twenty Thousand Dollars
5 (\$20,000.00),
6 (5) Tier 5: Twenty (20) acres up to thirty (30)
7 acres, the fee shall be Thirty Thousand Dollars
8 (\$30,000.00),
9 (6) Tier 6: Thirty (30) acres up to forty (40)
10 acres, the fee shall be Forty Thousand Dollars
11 (\$40,000.00),
12 (7) Tier 7: Forty (40) acres up to fifty (50) acres,
13 the fee shall be Fifty Thousand Dollars
14 (\$50,000.00), and
15 (8) Tier 8: If the amount of acreage exceeds fifty
16 (50) acres, the fee shall be Fifty Thousand
17 Dollars (\$50,000.00) plus an additional Two
18 Hundred Fifty Dollars (\$250.00) per acre.

19 c. For a medical marijuana commercial grower that has a
20 combination of both indoor and outdoor growing
21 facilities at one location, the medical marijuana
22 commercial grower shall be required to obtain a
23 separate license from the Authority for each type of
24 grow operation and shall be subject to the licensing

1 fees provided for in subparagraphs a and b of this
2 paragraph.

3 d. As used in this paragraph:

4 (1) "canopy" means the total surface area within a
5 cultivation area that is dedicated to the
6 cultivation of flowering marijuana plants. The
7 surface area of the plant canopy must be
8 calculated in square feet and measured and must
9 include all of the area within the boundaries
10 where the cultivation of the flowering marijuana
11 plants occurs. If the surface of the plant
12 canopy consists of noncontiguous areas, each
13 component area must be separated by identifiable
14 boundaries. If a tiered or shelving system is
15 used in the cultivation area, the surface area of
16 each tier or shelf must be included in
17 calculating the area of the plant canopy.
18 Calculation of the area of the plant canopy may
19 not include the areas within the cultivation area
20 that are used to cultivate immature marijuana
21 plants and seedlings, prior to flowering, and
22 that are not used at any time to cultivate mature
23 marijuana plants. If the flowering plants are
24 vertically grown in cylinders, the square footage

1 of the canopy shall be measured by the
2 circumference of the cylinder multiplied by the
3 total length of the cylinder,

4 (2) "greenhouse" means a structure located outdoors
5 that is completely covered by a material that
6 allows a controlled level of light transmission,
7 and

8 (3) "light deprivation" means a structure that has
9 concrete floors and the ability to manipulate
10 natural light.

11 3. The In addition to the nonrefundable application fee for a
12 temporary medical marijuana business license, the annual,
13 nonrefundable license fee for a medical marijuana processor license
14 shall be determined as follows:

15 a. Tier 1: Zero (0) to ten thousand (10,000) pounds of
16 biomass or production or use of up to one hundred
17 (100) liters of cannabis concentrate, the annual fee
18 shall be Two Thousand Five Hundred Dollars
19 (\$2,500.00),

20 b. Tier 2: Ten thousand one (10,001) pounds to fifty
21 thousand (50,000) pounds of biomass or production or
22 use from one hundred one (101) to three hundred fifty
23 (350) liters of cannabis concentrate, the annual fee
24 shall be Five Thousand Dollars (\$5,000.00),

1 c. Tier 3: Fifty thousand one (50,001) pounds to one
2 hundred fifty thousand (150,000) pounds of biomass or
3 production or use from three hundred fifty-one (351)
4 to six hundred fifty (650) liters of cannabis
5 concentrate, the annual fee shall be Ten Thousand
6 Dollars (\$10,000.00),

7 d. Tier 4: One hundred fifty thousand one (150,001)
8 pounds to three hundred thousand (300,000) pounds of
9 biomass or production or use from six hundred fifty-
10 one (651) to one thousand (1,000) liters of cannabis
11 concentrate, the annual fee shall be Fifteen Thousand
12 Dollars (\$15,000.00), and

13 e. Tier 5: More than three hundred thousand one
14 (300,001) pounds of biomass or production or use in
15 excess of one thousand one (1,001) liters of cannabis
16 concentrate, the annual fee shall be Twenty Thousand
17 Dollars (\$20,000.00).

18 For purposes of this paragraph only, if the cannabis concentrate
19 is in nonliquid form, every one thousand (1,000) grams of
20 concentrated marijuana shall be calculated as one (1) liter of
21 cannabis concentrate.

22 4. The Minus the fee of One Thousand Dollars (\$1,000.00) for a
23 temporary medical marijuana business license, the initial fee for a
24 medical marijuana dispensary license shall be Two Thousand Five

1 Hundred Dollars (\$2,500.00). The annual, nonrefundable license fee
2 for a medical marijuana dispensary license shall be calculated at
3 ten percent (10%) of the sum of twelve (12) calendar months of the
4 combined annual state sales tax and state excise tax of the
5 dispensary. The minimum fee shall be not less than Two Thousand
6 Five Hundred Dollars (\$2,500.00) and the maximum fee shall not
7 exceed Ten Thousand Dollars (\$10,000.00).

8 5. The Minus the fee of One Thousand Dollars (\$1,000.00) for a
9 temporary medical marijuana business license, the annual,
10 nonrefundable license fee for a medical marijuana testing laboratory
11 shall be Twenty Thousand Dollars (\$20,000.00).

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

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

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

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

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

1 5. All applications shall include all attachments or
2 supplemental information required by the forms supplied by the
3 Authority;

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 the following criteria:

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

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

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

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

- 1 a. individual applicants applying on their own behalf,
- 2 b. individuals applying on behalf of an entity,
- 3 c. all principal officers of an entity, and
- 4 d. all owners of an entity as defined by the Oklahoma
- 5 Medical Marijuana and Patient Protection Act;

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

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

- 17 a. an unexpired Oklahoma-issued driver license,
- 18 b. an Oklahoma identification card,
- 19 c. a utility bill preceding the date of application,
- 20 excluding cellular telephone and Internet bills,
- 21 d. a residential property deed to property in the State
- 22 of Oklahoma, and

1 e. a rental agreement preceding the date of application
2 for residential property located in the State of
3 Oklahoma.

4 Applicants that were issued a medical marijuana business license
5 prior to August 30, 2019, are hereby exempt from the two-year or
6 five-year Oklahoma residence requirement mentioned above;

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

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

- 14 a. front of an Oklahoma driver license,
- 15 b. front of an Oklahoma identification card,
- 16 c. a United States passport or other photo identification
17 issued by the United States government, or
- 18 d. a tribal identification card approved for
19 identification purposes by the Oklahoma Department of
20 Public Safety; and

21 14. All applicants shall submit an applicant photograph.

22 ~~F.~~ G. The Authority shall review the temporary medical
23 marijuana business license application; approve, reject or deny the
24 application; and mail the approval, rejection, denial or status-

1 update letter to the applicant within ninety (90) business days of
2 receipt of the application.

3 ~~G.~~ H. 1. The Authority shall review the temporary medical
4 marijuana business license applications and conduct all
5 investigations, inspections and interviews before approving the
6 application for an annual medical marijuana business license for the
7 specific category applied under. The annual medical marijuana
8 business license shall not be issued until the Authority determines
9 that all necessary inspections and reviews including, but not
10 limited to, plan reviews, safety inspections or compliance
11 inspections, have been completed.

12 2. Approved applicants shall be issued ~~a~~ an annual medical
13 marijuana business license for the specific category applied under,
14 which shall act as proof of their approved status. Rejection and
15 denial letters shall provide a reason for the rejection or denial.
16 Applications for an annual medical marijuana business license may
17 only be rejected or denied based on the applicant not meeting the
18 standards set forth in the provisions of subsection D of this
19 section for a temporary medical marijuana business license, the
20 provisions of the Oklahoma Medical Marijuana and Patient Protection
21 Act and Sections 420 through 426.1 of this title, improper
22 completion of the application, or for a reason provided for in the
23 Oklahoma Medical Marijuana and Patient Protection Act and Sections
24 420 through 426.1 of this title. If an application for an annual

1 medical marijuana business license is rejected for failure to
2 provide required information, the applicant shall ~~have thirty (30)~~
3 ~~days~~ be granted an extension of time as provided for in paragraph 4
4 of subsection D of this section to submit the required information
5 for reconsideration. ~~No additional application fee and~~ shall be
6 ~~charged for such reconsideration~~ assessed a nonrefundable fee of One
7 Thousand Dollars (\$1,000.00) for every ninety-day extension
8 requested by the applicant and subsequently granted by the
9 Authority. Unless the Authority determines otherwise, an
10 application that has been resubmitted but is still incomplete or
11 contains errors that are not clerical or typographical in nature
12 shall be denied.

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

17 4. Approval, rejection, denial or status-update letters shall
18 be sent to the applicant in the same method the application was
19 submitted to the Authority.

20 5. Medical marijuana businesses issued a medical marijuana
21 business license prior to the effective date of this act shall be
22 required to submit business-formation documents, financial
23 information, and insurance information pertaining to the operations
24 of the medical marijuana business, as prescribed in subparagraphs a,

1 b, c, d, e, f, and i of paragraph 6 of subsection D of this section,
2 to the Authority prior to renewal of the medical marijuana business
3 license. The medical marijuana business licensee shall submit the
4 required documentation not less than sixty (60) days prior to the
5 date of renewal of the medical marijuana business license. The
6 Authority shall have thirty (30) days to review the submitted
7 documentation and an additional thirty (30) days immediately
8 thereafter for purposes of resolving any inconsistencies,
9 discrepancies, or disputed issues found within the submitted
10 documentation. If the medical marijuana business licensee fails to
11 submit the required documentation sixty (60) days prior to the date
12 of renewal, the license of the medical marijuana business shall be
13 suspended until such time as the documentation is submitted to the
14 Authority.

15 6. Medical marijuana businesses that have been issued a
16 temporary and annual medical marijuana business license pursuant to
17 the provisions of subsection D of this section shall be required to
18 annually submit updated business-formation documents, financial
19 information, and insurance information pertaining to the operations
20 of the medical marijuana business, as prescribed in subparagraphs a,
21 b, c, d, e, f, and i of paragraph 6 of subsection D of this section,
22 to the Authority when seeking renewal of the medical marijuana
23 business license.

24

1 ~~H.~~ I. A license for a medical marijuana business, medical
2 marijuana research facility, medical marijuana education facility or
3 medical marijuana waste disposal facility shall not be issued to or
4 held by:

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

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

9 3. A corporation, if the criminal history of any of its
10 officers, directors or stockholders indicates that the officer,
11 director or stockholder 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 4. A person under twenty-five (25) years of age;

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

18 a. file taxes, interest or penalties due related to a
19 medical marijuana business, or

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

22 6. A sheriff, deputy sheriff, police officer or prosecuting
23 officer, or an officer or employee of the Authority or municipality;

24

1 7. A person whose authority to be a caregiver, as defined in
2 Section 427.2 of this title, has been revoked by the Authority; or

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

- 10 a. unlawful sales or purchases,
- 11 b. any fraudulent acts, falsification of records or
12 misrepresentation to the Authority, medical marijuana
13 patient licensees, caregiver licensees or medical
14 marijuana business licensees,
- 15 c. any grossly inaccurate or fraudulent reporting,
- 16 d. threatening or harming any medical marijuana patient,
17 caregiver, medical practitioner or employee of the
18 Authority,
- 19 e. knowingly or intentionally refusing to permit the
20 Authority access to premises or records,
- 21 f. using a prohibited, hazardous substance for processing
22 in a residential area,
- 23 g. criminal acts relating to the operation of a medical
24 marijuana business, or

1 h. any violations that endanger public health and safety
2 or product safety.

3 ~~F.~~ J. In investigating the qualifications of an applicant or a
4 licensee, the Authority and municipalities may have access to
5 criminal history record information furnished by a criminal justice
6 agency subject to any restrictions imposed by such an agency.

7 ~~F.~~ K. The failure of an applicant or licensee to provide the
8 requested information by the Authority deadline may be grounds for
9 denial of the application.

10 ~~K.~~ L. All applicants and licensees shall submit information to
11 the Authority in a full, faithful, truthful and fair manner. The
12 Authority may recommend denial of an application where the applicant
13 or licensee made misstatements, omissions, misrepresentations or
14 untruths in the application or in connection with the background
15 investigation of the applicant. This type of conduct may be grounds
16 for administrative action against the applicant or licensee. Typos
17 and scrivener errors shall not be grounds for denial.

18 ~~L.~~ M. A licensed medical marijuana business premises shall be
19 subject to and responsible for compliance with applicable provisions
20 consistent with the zoning where such business is located as
21 described in the most recent versions of the Oklahoma Uniform
22 Building Code, the International Building Code and the International
23 Fire Code, unless granted an exemption by a municipality or
24 appropriate code enforcement entity.

1 ~~M.~~ N. All medical marijuana business, medical marijuana
2 research facility, medical marijuana education facility and medical
3 marijuana waste disposal facility licensees shall pay the relevant
4 licensure fees prior to receiving licensure to operate.

5 ~~N.~~ O. A medical marijuana business, medical marijuana research
6 facility, medical marijuana education facility or medical marijuana
7 waste disposal facility that attempts to renew its license after the
8 expiration date of the license shall pay a late renewal fee in an
9 amount to be determined by the Authority to reinstate the license.
10 Late renewal fees are nonrefundable. A license that has been
11 expired for more than ninety (90) days shall not be renewed.

12 ~~O.~~ P. No medical marijuana business, medical marijuana research
13 facility, medical marijuana education facility or medical marijuana
14 waste disposal facility shall possess, sell or transfer medical
15 marijuana or medical marijuana products without a valid, unexpired
16 license issued by the Authority.

17 SECTION 7. AMENDATORY 63 O.S. 2021, Section 427.16, as
18 amended by Section 16, Chapter 251, O.S.L. 2022 (63 O.S. Supp. 2022,
19 Section 427.16), is amended to read as follows:

20 Section 427.16 A. There is hereby created a medical marijuana
21 transporter license as a category of the medical marijuana business
22 license.

23 B. Pursuant to Section 424 of this title, the Oklahoma Medical
24 Marijuana Authority shall issue a temporary and an annual medical

1 marijuana transporter license to licensed medical marijuana
2 commercial growers, licensed medical marijuana processors, and
3 licensed medical marijuana dispensaries upon issuance of such
4 licenses and upon each renewal. Medical marijuana transporter
5 licenses shall also be issued to licensed medical marijuana research
6 facilities, licensed medical marijuana education facilities and
7 licensed medical marijuana testing laboratories upon issuance of
8 such licenses and upon each renewal.

9 C. A temporary or annual medical marijuana transporter license
10 may also be issued to qualifying applicants who are registered with
11 the Secretary of State and otherwise meet the requirements for a
12 medical marijuana business license set forth in Section 427.14 of
13 this title, the Oklahoma Medical Marijuana and Patient Protection
14 Act and the requirements set forth in this section to provide
15 logistics, distribution and storage of medical marijuana, medical
16 marijuana concentrate and medical marijuana products.

17 D. A medical marijuana transporter license shall be valid for
18 one (1) year and shall not be transferred with a change of
19 ownership. A licensed medical marijuana transporter shall be
20 responsible for all medical marijuana, medical marijuana concentrate
21 and medical marijuana products once the transporter takes control of
22 the product.

23 E. A transporter license shall be required for any person or
24 entity to transport or transfer medical marijuana, medical marijuana

1 concentrate or medical marijuana products from a licensed medical
2 marijuana business to another medical marijuana business, or from a
3 medical marijuana business to a medical marijuana research facility
4 or medical marijuana education facility.

5 F. A medical marijuana transporter licensee may contract with
6 multiple licensed medical marijuana businesses.

7 G. A medical marijuana transporter may maintain a licensed
8 premises to temporarily store medical marijuana, medical marijuana
9 concentrate and medical marijuana products and to use as a
10 centralized distribution point. A medical marijuana transporter may
11 store and distribute medical marijuana, medical marijuana
12 concentrate and medical marijuana products from the licensed
13 premises. The licensed premises shall meet all security
14 requirements applicable to a medical marijuana business.

15 H. A medical marijuana transporter licensee shall use the seed-
16 to-sale tracking system developed pursuant to the Oklahoma Medical
17 Marijuana and Patient Protection Act to create shipping manifests
18 documenting the transport of medical marijuana, medical marijuana
19 concentrate and medical marijuana products throughout the state.

20 I. A licensed medical marijuana transporter may maintain and
21 operate one or more warehouses in the state to handle medical
22 marijuana, medical marijuana concentrate and medical marijuana
23 products. Each location shall be registered and inspected by the
24 Authority prior to its use.

1 J. With the exception of a lawful transfer between medical
2 marijuana businesses who are licensed to operate at the same
3 physical address, all medical marijuana, medical marijuana
4 concentrate and medical marijuana products shall be transported:

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

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

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

11 K. A transporter agent may possess marijuana at any location
12 while the transporter agent is transferring marijuana to or from a
13 licensed medical marijuana business, licensed medical marijuana
14 research facility or licensed medical marijuana education facility.
15 The Authority shall administer and enforce the provisions of this
16 section concerning transportation.

17 L. The Authority shall issue a transporter agent license to
18 individual agents, employees, officers or owners of a transporter
19 license in order for the individual to qualify to transport medical
20 marijuana, medical marijuana concentrate or medical marijuana
21 products.

22 M. The annual fee for a transporter agent license shall be
23 Twenty-five Dollars (\$25.00) and shall be paid by the transporter
24

1 license holder or the individual applicant. Transporter license
2 reprints shall be Twenty Dollars (\$20.00).

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

- 5 1. The name, address and date of birth of the person;
- 6 2. Proof of current state residency;
- 7 3. Proof of identity as required for a medical marijuana
8 business license;
- 9 4. Possession of a valid state-issued driver license;
- 10 5. Verification of employment with a licensed transporter;
- 11 6. The application and affiliated fee; and
- 12 7. A copy of the criminal background check conducted by the
13 Oklahoma State Bureau of Investigation, paid for by the applicant.

14 O. If the transporter agent application is denied, the
15 Authority shall notify the transporter in writing of the reason for
16 denying the registry identification card.

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

21 Q. The Authority may revoke the registry identification card of
22 a transporter agent who knowingly violates any provision of this
23 section, and the transporter is subject to any other penalties
24 established by law for the violation.

1 R. The Authority may revoke or suspend the transporter license
2 of a transporter that the Authority 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 this state;
- 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 title capable of securing all transported products.

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

- 17 1. For the origination point of the medical marijuana:
 - 18 a. the licensee number for the commercial grower,
19 processor or dispensary,
 - 20 b. address of origination of transport, and
 - 21 c. name and contact information for the originating
22 licensee;
- 23 2. For the end recipient license holder of the medical
24 marijuana:

- 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. A receiving licensee shall refuse to accept any medical marijuana, medical marijuana concentrate or medical marijuana products that are not accompanied by an inventory manifest.

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

SECTION 8. This act shall become effective November 1, 2023.

59-1-7480 JL 02/15/23