

Disclaimer

Thank you to all who have contributed to this offering. A community working together can accomplish a lot in a short time. In Oklahoma, we work together when the going gets rough. Let's get to work.

This document is written and released for Oklahomans, so inclined, to consider and comment. The public comment period is open July 2nd-28th, 2021. We sincerely appreciate everyone who takes the time to take action.

We will compile feedback and re-release and update around July 21ST, 2021 for final commentary. On or around July 28th, 2021 we may file a draft revised from public commentary and feedback

CHANGE LOG

THE FOLLOWING CHANGES HAVE BEEN MADE TO THE ORIGINAL MASTER MEDICAL DOCUMENT. THE LANGUAGE PROVIDED FOLLOWING THIS CHANGE LOG IS CONSIDERED "MEDICAL MASTER COPY V2"

- OPENING DISCLAIMER
- FORMATTING OF DOCUMENT HAS BEEN CLEANED UP
- 2(C)3 FROM ORIGINAL MASTER AND 2(4)b OF VERSION 2 - APPOINTMENT OF LEGISLATIVE MEMBERS TO THE BOARD OF THE CANNABIS COMMISSION
- 4(A) FROM ORIGINAL MASTER AND 4(1) OF V2 -EXCISE TAX ON RETAIL MARIJUANA "REPLACING THE CURRENT EXCISE TAX ON MEDICAL MARIJUANA" - PREVENTS DUPLICATIVE RATE
- 5(J) and 5(K) FROM ORIGINAL MASTER AND 5(j) AND 5(k) OF V2 - PATIENT AND CAREGIVER LICENSES - CONSOLIDATES SECTION 11 OF BOTH DOCUMENTS AND LANGUAGE FROM ORIGINAL MASTER 5(L) NON RESIDENT PATIENT LICENSES
- SECTION 20 - JUDICIAL REVIEW ADDED
- SECTION 21 - SEVERABILITY ADDED
- SECTION 22 - EFFECTIVE DATE ADDED

7/14/21

- SECTION 13(3) MOVED TO SECTION 9(2)
- SECTION 14(4) MOVED TO SECTION 9(3)
- **Section 18(3)** removed " the odor of marijuana or burnt marijuana, shall not constitute reasonable articulable suspicion of a crime."

The Oklahoma Cannabis Enforcement and Transparency Act

SECTION 1. Establishment of Oklahoma Cannabis Commission (OCC)

Enactment, Authority; Transfer of Authority, Assets and Personnel from Oklahoma State Department of Health (OSDH); OCC Agency General Fund; Audit of Oklahoma Medical Marijuana Authority (OMMA) Program and Related OSDH Portion of the Program; Related OMMA Revenue to Date; Metrics of Success and Key Performance Metrics (KPIs).

- (1) **A new State Agency is hereby created called the Oklahoma Cannabis Commission (OCC)**, which shall have administrative, judicial and regulatory, as well as policy and rule promulgation **authority over** the global import and export, industry and patient safety, taxation, industry to industry, business to consumer, compliance, telemed, grant or funding programs, enforcement of state laws and regulatory guidelines, licensing, cultivation, manufacturing, processing, distribution, laboratory testing, quality controls, interstate and intrastate transport, sale, delivery, packaging, auditing, inspection, accountability for revenues and expenses, research, education, state acquisition for products and services, industry and community relations, growth and development, and metrics of **cannabis, hemp and marijuana plants** and products derived from **cannabis, hemp and marijuana plants**, and plant-based medicine generated by commercial, consumer and patient licensees **within the provisions set forth in this Article**.
- (2) **Within one (1) year of passage of this Article, the Oklahoma Medical Marijuana Authority (OMMA) shall become the Oklahoma Cannabis Commission (OCC)**. The Oklahoma Cannabis Commission OCC shall assume all authority, funding and assets as well as compliance and enforcement over the cultivation, manufacture, processing, distribution, transport, sale and consumption of products derived from **cannabis, hemp, and marijuana plants** as well as all plant-based medicines held by the Oklahoma State Department of Health and other state agencies as directed by this Article.
- (3) **The Oklahoma Cannabis Commission shall be responsible for hiring**, transferring, reassigning, assigning, and developing the **requisite positions** in order to successfully develop, administer, license, inspect, analyze, support, educate, improve, enforce, and adjudicate the authority granted by this Article.

- (4) **The Oklahoma Cannabis Commission shall maintain its own internal Administrative Court** for the purposes required by this Article. All legal and appropriate adjudicative authority shall be gained within one (1) year of the passage date of this Article.
- (5) **The Oklahoma Cannabis Commission General Fund shall be created to receive fees, tax revenue, and all other funds specified by this Article** that are collected by the Oklahoma Cannabis Commission, the Oklahoma State Tax Commission or, as appropriate at a future date, any other state, federal or global agency or entity, unless otherwise specified in this Article.
- (6) **Upon transfer of all current authority regarding** the cultivation, manufacture, processing, distribution, transport, sale and consumption of products derived from **cannabis, hemp, and marijuana**, as well as other plant-based medicines by the Oklahoma State Department of Health (OSDH) to the Oklahoma Cannabis Commission (OCC), **all funds held** by the Oklahoma State Department of Health, the Oklahoma Medical Marijuana Authority, the Office of Management and Enterprise Services (OMES) or any other Agency relative to the Oklahoma Medical Marijuana Program, or this Authority's role in the Oklahoma Hemp Program, **shall be transferred to the Oklahoma Cannabis Commission (OCC) General Fund.**
- (7) **Upon passage of this Article, the State Auditor shall within 150 days make publicly available, a detailed audit, report, and accounting** for all collection and expenditure of revenue related to Oklahoma's Medical Marijuana Program by the Oklahoma Medical Marijuana Authority (OMMA), the Oklahoma Department of Health (OSDH) and the Oklahoma State Tax Commission (OTC) from 2017 to current, as well as fund deposits and transfers to other accounts, other agencies, departments, individuals, businesses, entities and other programs internal and external to the State of Oklahoma. This shall include payment whether assigned, borrowed, loaned, interned, temporary, contracted or transferred of all staff relative to the Oklahoma Medical Marijuana Program at all levels of management and employment. All acquisition contracts relative to the Oklahoma Medical Marijuana Program and the Oklahoma Department of Health and OMES relative to OMMA, must also be disclosed for review and audit. Any legislative appropriation of funds utilized from, or in conjunction with the OMMA Revolving Fund, must also be disclosed in their entirety as well as the amount, purpose, use, disbursement, date of receipt and other auditing data pertinent to the Auditor.
- (8) **Any fees and tax revenues found by the State Auditor** to have been collected, prior to passage of this Article, in relation to Oklahoma's Medical Marijuana Program, **that have not been spent in a manner specified by law, shall be returned** to the Oklahoma

Cannabis Commission General Fund by the Oklahoma State Department of Health (OSDH) or appropriate agency as required by law.

SECTION 2. Officers, Boards and Advisors

Authority - Executive Officers of the Oklahoma Cannabis Commission (OCC), Subsidiary Offices, Boards, Advisors and Agency Relationships

- (1) **The Oklahoma Cannabis Commission (OCC) shall have a Commissioner appointed by the Governor** who shall be a cabinet level position in the state of Oklahoma. **The Commissioner may delegate** some of the requisite duties within the guidelines described in this Article and the Oklahoma Administrative Code.
- (2) The **Oklahoma Commissioner of the Cannabis Commission** is an appointed state executive position in the **Oklahoma** state government. The **Commissioner** is responsible for the overall direction and leadership of the **Oklahoma Cannabis Commission**.
- (3) **The Oklahoma Cannabis Commission shall have a decision making Board consisting of 20 members.** The purpose of the Board is to make decisions as a decision making body on behalf of and in the best interests of the state, cannabis community and industry that they serve. All decisions are binding and subject to final approval of the Commissioner depending upon subject matter and guidelines established in this act. **The Board shall retain final authority over any matters of referral involving investigation of the Commissioner.**
- (4) **The Oklahoma Cannabis Commission Board** shall be established, authorized and shall have decision-making authority as well as advisory power regarding all operational, regulatory, enforcement, licensing, state, federal and international business and trade subject matter, industrial, medical, or recreational, statutory, constitutional, policy or legislative, budgetary and financial, acquisition, legal, facility or other necessary executive subject matter. **The Cannabis Commission Board shall be comprised of the following** members selected through the specified processes:
 - (a) **Seven (7) Agency Representatives** with decision making authority, as appointed by the agency head, on behalf of the Oklahoma State Department of **Health**, the Oklahoma **Bureau of Narcotics** and Dangerous Drugs, the Oklahoma Department of **Agriculture** Food and Forestry, the Oklahoma Department of **Environmental Quality**, the

Oklahoma State **Tax Commission**, the Oklahoma State **Fire Marshal** and The Office of the **Attorney General**.

- (b) **Two members from the Oklahoma House of Representatives appointed by the Speaker of the House and two members from the Oklahoma State Senate appointed by the Senate Pro Tempore.**
- (c) **Nine (9) license representatives that shall include one (1) Representative each for:** ODAFF Certified Hemp Grower Licenses, OCC Grower Licenses, OCC Processor, OCC Dispensary, OCC Patient, OCC Caregiver and three (3) At-Large Representatives.
- (d) **License Representatives shall be appointed in the following manner:** The **Governor** shall appoint the Representatives for the Patient, Caregiver, and one At-Large license holder. The **Senate Pro Tempore** shall appoint the Representatives for the Dispensary, Hemp Grower and one (1) At-Large License holder; The **Speaker of the House** shall appoint representatives for the Grower, Processor and one (1) At-Large License holder.
- (e) **License Representatives must be selected from applications** submitted to the OCC Executive Director for primary review and completion. Applications shall only be required to include proof of licensure, voluntary, personal, educational, career background information, and a signature list of corresponding licensees who would be represented by the License Representative. Patient and Caregiver License representatives shall have no financial interest in any cannabis business.
- (f) **The number of signatures required** for appointment applications shall be as follows: Hemp Grower five (5) Signatures, Marijuana Grower five (5) signatures, Processor five (5) signatures, Dispensary five (5) signatures, Caregiver five (5) signatures, Patient two hundred (200) signatures, At-Large Representatives may submit either the signatures of any five (5) commercial license holder group, or fifty (50) patient, caregiver or combination of patient and caregiver licensees with their application.
- (g) **Application forms must be made available** by the Commission **within 30 days of passage** of this Article **for the appointment application period**. The appointment **application period shall be open for 30 days**. Only Board applications submitted and received by the Executive Director of the Commission during the 30 day appointment application period may be considered for appointment. **Appointments shall be made within 90 days of passage** of this Article. License representative terms shall begin the effective date of selection and run to December 31st in the same year, to continue from that point to two calendar years from the effective date of

the appointment. Thereafter, each Board term shall run two calendar years from December 31st of the year the Board term ends.

- (h) **The term of a License Representative** Board member **shall be two (2) calendar years.** 60 business days prior to the expiration of a Board seat, the appointment application period shall open for a 30 business day period and be advertised to the public by the OCC Executive Director on the website.
 - (i) **Selections/Appointments** shall be made before the expiration of the current term and take effect upon expiration of the current Board term.
 - (j) **In the event of a vacancy** occurring in a Board member seat held by a License Representative, **the appointment application period shall open within 15 days** of the vacancy and shall remain open for a 30 business day period. The appointment to fill a vacant seat shall occur within 60 business days of the vacancy.
- (5) The Oklahoma Cannabis **Commission Board** shall meet a minimum of four (4) times within a calendar year, in accordance with the Open Meetings Act. The Board **shall meet at least once each in the months of February, May, August and November.**
- (6) **At or before the November meeting,** the Board shall be responsible for providing directly to the Commissioner, both verbally and in writing, **a legislative recommendation for the upcoming legislative session. No member of the Board shall pursue a legislative agenda contrary to that of the Board's recommendation.**
- (7) **The Commissioner shall hire an Executive Director** authorized to provide executive leadership, oversight and accountability for Operations as well as Departmental Divisions and Boards. The Executive Director may have primary responsibility for the Commission budget, staffing, communications, agency relations, community, industry and consumer relations, continuous process and program improvements, development of plans and programs, education of the Commission personnel, stakeholders, community and general public.
- (a) **The Executive Director shall also be responsible for the hiring of** staffing sufficient to operate the Oklahoma Cannabis Commission and fulfill the duties set forth in this Article. This shall include but not be limited to **a Director of Growers, Director of Processors, Director of Dispensaries, and Director of Compliance and a Director of Special Programs.**

- (b) **The Executive Director shall provide an operational and budget report** at each mandated meeting including key performance indicator (KPIs) metrics and updates.
 - (c) **The Executive Director may call additional meetings** of the Oklahoma Cannabis Commission Board in compliance with the Open Meetings Act, **as needed** to fulfill the duties of the Commission Board.
- (8) **Each of the 5 Directors** specified in this Article **shall have an advisory board of 5 members** who shall be appointed by the Executive Director with the advice and consent of the Commission Board, in compliance with a set of **requirements developed by the Commission Board**.
- (9) **Each Director may call meetings of their respective boards** in compliance with the Open Meetings Act, as needed **to ensure substantial input into policy recommendations** by the Director to either the Executive Director or Commission Board in fulfillment of their duties as a Director.

SECTION 3. Relationship to other State Agencies

- (1) **The Oklahoma Cannabis Commission shall enter into a Memorandum of Agreement with** the following state agencies to provide sufficient funding, for the purpose of regulation, support and enforcement of cannabis, marijuana and hemp programs as authorized in this Article. These agencies shall execute the following responsibilities and may assume additional scope of authority in agreement in writing with the Oklahoma Cannabis Commission:
 - (a) **The Oklahoma State Department of Health** may receive funding for inspection of processing and retail facilities handling perishable consumer products.
 - (b) **The Oklahoma Department of Agriculture Food and Forestry** may receive funding for costs associated with administration of a compliant USDA Hemp program that are not covered by revenue generated from that program. These costs may include, but are not limited to, inspections, scale calibrations, certifications, licensing, testing and inventory tracking systems.
 - (c) **The Oklahoma Department of Agriculture Food and Forestry shall maintain authority to regulate Oklahoma's USDA State Hemp Program** and fulfill its obligations to that federal program or they may choose to delegate that full or partial authority to the Oklahoma Cannabis Commission (OCC) by a Delegation of Authority letter.

- (d) Upon formation of the Oklahoma Cannabis Commission Board, **any changes to regulation of the State Hemp Program shall be submitted** to the United States Department of Agriculture (USDA) **with the advice and consent of the Oklahoma Cannabis Commission Board.**
- (e) **The Oklahoma Bureau of Narcotics and Dangerous Drugs (OBND)** May receive funds for program related enforcement including but not limited to establishment of a special unit dedicated to enforcement of the program. The Oklahoma Bureau of Narcotics and Dangerous Drugs shall be authorized to take enforcement action in cases arising from compliance investigation by the Authority and may establish a research support program for seized cannabis, marijuana and hemp and/or products to be utilized by research licensees.
- (f) **The Oklahoma Tax Commission** - Unless otherwise appropriated by the legislature, **may receive funds from the OCC for enforcement** actions related to program licensees, reporting of taxes collected and due, analysis and status on ad valorem tax rates in rural Oklahoma in cooperation with county assessors and shall present findings of study to the Oklahoma Cannabis Commission Board and the Commissioner.
- (g) **The State Fire Marshal** - May receive funds from the OCC for inspection and enforcement actions related to the Program. The State Fire Marshal is authorized to partner with electrical cooperatives and the Oklahoma **Cannabis Commission Special Programs Board** to study the impact of the Cannabis Industry on rural electrical systems and shall present findings of study to the Oklahoma Cannabis Commission Board and the Commissioner.
- (h) **The Department of Environmental Quality** - Is authorized to study agricultural water use and environmental impact related to the cannabis industry including comparison to overall agricultural water usage applications in Oklahoma and may receive funding for studies related to agricultural water use and environmental impact studies involving the cannabis industry. Findings of this study shall be presented to the Oklahoma Cannabis **Special Programs Board** for further review by the Oklahoma Cannabis Commission Board and the Commissioner.
- (i) **Agencies empowered** in this section shall be required to provide the Executive Director with a **report of fees, taxes, and any other revenue collected as well as any expenditure of funds** allocated in this Article by the Oklahoma Cannabis Commission for **each mandated quarterly meeting** of the Oklahoma Cannabis Commission Board.

SECTION 4. Taxation and Direction of Expenditure by the Commission

- (1) An excise tax rate of 7% on retail Medical Marijuana sales shall be established, replacing the current excise tax on Medical Marijuana. Revenue from this fund shall be collected by the Oklahoma Tax Commission and directed to **the Oklahoma Cannabis Commission General Fund**. This tax shall be collected at the point of retail sale. Revenue in this fund shall first provide for the operational costs of the Authority as budgeted by the Commissioner in addition to the following expenditures from the fund.
- (2) **One point five percent (1.5%) of the gross collection of the excise tax** on Medical Marijuana retail sales by the Oklahoma Cannabis Commission shall be allotted and transferred **into a Research Fund**. These funds may be made available to Research Licensees for uses including but not limited to the study, production, and testing of cannabis, hemp, marijuana and all other plant- based medicinal, agricultural and industrial uses.
- (3) **Three percent (3%) of the gross collection of the excise tax** on Medical Marijuana retail sales by the Oklahoma Cannabis Commission shall be granted to municipalities **for emergency mental health response programs**. These grants shall not exceed the funding allocated by municipalities to their emergency mental health response programs. Municipalities must apply to the Oklahoma Cannabis Commission for these grants with a plan with not more than 50% going toward administration. The Oklahoma Cannabis Commission shall make grant applications available within one (1) year of passage of this Act. Grant funding shall be divided among applicants proportionately to the population of each applicant as long as resources are available.
- (4) **Three percent (3%) of the gross collection of the excise tax** on Medical Marijuana retail sales by the Oklahoma Cannabis Commission shall be granted **to the County Extension Program** administered by Oklahoma State University. These funds shall be utilized to study, promote and encourage both regenerative agricultural and water conservation practices.
- (5) **Three percent (3%) of the gross collection of the excise tax** On Medical Marijuana retail sales shall be used for Law enforcement training on mental health and Marijuana Program protocols through CLEET.
- (6) All Cannabis, hemp and marijuana businesses that are legally operating under this Act shall be allowed to claim an Oklahoma state income tax deduction in an amount equal to any expenditure otherwise allowable as a federal income tax deduction (but that are disallowed for federal purposes because cannabis is a controlled substance under federal law). This shall include any costs of compliance with regulations set forth by the

Oklahoma Cannabis Commission or the Oklahoma Bureau of Narcotics and Dangerous Drugs.

- (7) **Counties and municipalities shall not levy any taxes, fees or further charges** to businesses, **with the exception of a general raise** in county or municipal sales tax rates **affecting all other goods** sold by that raise in county or municipal sales tax.
- (8) **Cannabis, Hemp and Marijuana plants and products** derived from Cannabis, Hemp and Marijuana **shall not** be considered to **have value for the purpose of ad valorem taxation**.
- (9) **Certified Hemp and products** made from Certified Hemp **shall be exempt** from the excise tax on marijuana sales specified in this Act.
- (10) Upon citizen or legislative action that legalizes the possession and sale of Marijuana in the state of Oklahoma without the need for a patient or caregiver license, the excise tax specified in this Section will be reduced, with revenue replaced by a tax rate of up to 20% on marijuana and marijuana products sold to persons other than Patient Licensees and Caregivers.
- (11) **The Oklahoma Cannabis Commission may receive legislative appropriations** for funding from the legislature upon submission of a budget in accordance with regular agency budget submissions and the approval of the legislature.
- (12) **Funds not utilized** for the purposes of this Program shall transfer to the **State General Revenue Fund**

SECTION 5. Oklahoma Cannabis Commission Commercial and Patient Licensing

- (1) **The Oklahoma Cannabis Commission shall issue the following licenses with no limit on the number of licenses issued unless otherwise specified in this Section. All commercial licenses are required to be at least 75% owned by individuals who have been residents of Oklahoma for at least two years prior to their license application:**
 - (a) **Marijuana Grower** - There shall be no restriction on the amount of Marijuana grown by Marijuana Grow Licensees. A separate license is required to grow hemp for certification through the Oklahoma Department of Agriculture Food and Forestry USDA approved Oklahoma State Hemp

Program. Marijuana Grower licenses shall be good for one year and cost \$2500.

1. Both Marijuana Grower Licensees and ODAFF issued Hemp Grower Licensees may sell to Marijuana Broker Licensees, Marijuana Processor Licensees, Marijuana Retail Licensees and Marijuana Research Licensees.
2. These sales will be considered wholesale sales and are not subject to taxation.
3. On a dry weight basis every 20 lbs of Marijuana or Hemp within a **harvest batch** sold by either Marijuana Grower Licensees or Hemp Grower Licensees to Marijuana Retail Licensees, or other retail outlets shall be tested for consumer safety, for every twenty (20) pounds of dry weight within the **harvest batch**.
4. A harvest batch of any size may be sold or transferred by Marijuana Grower Licensees and Hemp Grower Licensees to a Marijuana Processor Licensee without product testing.

(b) **Marijuana Processor** There shall be no restriction on the amount of cannabis, marijuana or certified hemp handled by licensed Marijuana Processor License holders. Marijuana Processor licenses shall be good for one year and cost \$2500.

1. Marijuana Processor Licensees may buy and sell certified hemp or marijuana and products derived from the hemp or marijuana plant, to Marijuana Processor Licensees, Marijuana Retail Licensees and Marijuana Research Licensees.
2. **Certified Hemp Processor Licensees may sell certified hemp** and all products derived from certified hemp to the degree allowed by federal regulation, but also **within consumer safety regulation set forth by the Oklahoma Cannabis Commission**.
3. A **harvest batch** of Marijuana or Hemp sold by Marijuana Processor Licensees for personal consumption in the State of Oklahoma shall be required to be tested for consumer safety, for every twenty (20) pounds, of dry weight within the **harvest batch**, or the entire weight of the harvest batch, whichever is less.
4. A harvest batch of certified hemp sold by Certified Hemp Processor Licensees for personal consumption in the State of Oklahoma shall be required to be tested for consumer safety, for every twenty (20) pounds, dry weight within the **harvest batch**, or the entire weight of the harvest batch, whichever is less.
5. A **production batch** of either marijuana or certified hemp **solvent extracted concentrate** shall be required to be tested for consumer

safety, for every 10,007 grams of concentrate in the **production batch** before being sold for public consumption.

6. A **production batch** of either marijuana or certified hemp **dry extracted concentrates** shall be required to be tested for consumer safety, for every fifty (50) pounds of dry weight within the **production batch** before being sold for public Consumption.
 7. The production, manufacture or infusion of products made for human consumption from **production batches** of either **solvent extracted concentrates** or **dry extracted concentrates** shall be governed by Good Manufacturing Practices in place at the state and federal level for those products not infused with **production batches** of either **solvent extracted concentrates** or **dry extracted concentrates** of either marijuana or certified hemp.
- (c) **Marijuana Dispensary** - There shall be no restriction on the amount of cannabis, marijuana or certified hemp handled by a Marijuana Dispensary license holder. Marijuana Dispensary licenses shall be good for one year and cost \$2500.
 - (d) **Broker and Distributor** - There shall be no restriction on the amount of cannabis, marijuana or certified hemp handled by a Marijuana Broker and Distributor License holder. Marijuana Broker and Distributor licenses shall be good for one year and cost \$2500.
 - (e) **Marijuana Transport** - There shall be no restriction on the amount of cannabis, marijuana or certified hemp handled by a Marijuana Transport License holder. Marijuana Transport licenses shall be good for one year and cost \$2500.
 - (f) **Waste Disposal** - There shall be no restriction on the amount of cannabis, marijuana or certified hemp handled by licensed Marijuana Processor License holders. Marijuana Waste licenses shall be good for one year and cost \$2500.
 - (g) **Medical Recommender** - All Oklahoma licensed medical practitioners with prescriptive authority shall be eligible for a medical recommender license. Practitioners must be in good standing with their licensing board and must complete at least four (4) hours of program education as provided by the OCC. Medical Recommender license shall cost \$500 and is good for two years.
 - (h) **Researcher** - May research and test the growth, production testing and effects of plant-based medicinal compounds or non-consumable commercial products and production techniques. Research licensees may apply for grants from OCC to support public or private research projects. Licensees may participate in a OBNDD patient support program.

Licensees may partner with institutions of higher education. Medical Research license shall cost \$500 and is good for two years.

- (i) **Education.** May develop education material for CME Continuing Medical Education, CLE - Continuing Legal Education and continuing education for other professional licenses providing service to licensees of the OCC training as required for Marijuana Recommendation Licenses and Dangerous Drug Practitioners. Medical Education license shall cost \$500 and is good for two years.
- (j) **Caregiver.** Oklahoma Medical Marijuana Caregiver Licenses shall be issued to persons over the age of 18 on behalf of patients who, in the opinion of their recommending medical practitioner, need assistance with the purchase, cultivation or administration of marijuana.
 - 1. The parents or legal guardians of a minor patient shall be automatically issued a caregiver license upon approved application for the minor patient licensee. The caregiver license will give the caregiver the same rights as the medical license holder except the right to consume cannabis.
 - 2. A caregiver license is good for two years. There shall be no cost for a caregiver license for the parents or legal guardian of a minor patient licensee
- (k) **Patient.** Oklahoma Patient licenses shall be issued to any resident of the United States who can provide appropriate identification to document their status as a lawful resident of the United States.
 - 1. Patient licenses require a recommendation from an Oklahoma licensed medical practitioner with prescriptive authority.
 - 2. Patient licenses for persons who are under the age of eighteen (18) shall require two recommendations from Oklahoma licensed medical practitioners with prescriptive authority.
 - 3. Patient licenses issued by states other than Oklahoma shall be recognized as equivalent to an Oklahoma issued patient license, except that Patient Licensees who are not Oklahoma residents shall not be afforded a homegrow provision or allowance.
 - 4. There shall be no qualifying medical conditions for a patient license or for the rights to which the patient licensee is entitled in accordance with this Article.
 - 5. Patient license applications shall be approved, rejected or denied within fourteen business days of receipt. Applications may only be rejected or denied based on the applicant not meeting stated criteria or improper completion of the application.

6. Patient licenses shall be good for two years unless indicated otherwise by the recommending medical practitioner, and shall cost \$100. Persons on Medicare, Medicaid, Soonercare, and veterans shall pay only \$20. The legislature has the authority to reduce these costs and to expand the discounted rate to further groups.
- (2) Batch sizes listed in this section may be increased by the legislature or Oklahoma Cannabis Commission.

SECTION 6. Registration and issuance of Commercial Licenses with the Oklahoma Bureau of Narcotics and Dangerous Drugs

- (1) **The Oklahoma Bureau of Narcotics and Dangerous Drugs shall issue the following licenses with no limit on the number of licenses issued, at the costs and with the requirements specified in this section.**
 - (a) **Standard Handling License-** \$30 - 30 day temporary upon application - 1 year license - Attached to license holder - **Issue within 60 Days of Passage**
 - (b) **Delivery Handling License -** \$50 - 30 Day temporary upon application – 1 year license - attached to employer - **Issue within 60 Days of Passage**
- (2) Marijuana and Marijuana Products transported without proper licensure or paperwork may be impounded for 30 calendar days and held by law enforcement agencies authorized by the OBNDD. Impounded products may be collected within 30 calendar days by the appropriate license holder with the presentation of compliant documentation. Violations of compliance may be referred to the OCC Compliance Director for further action as deemed necessary by the OCC Executive Director.
- (3) Marijuana and Marijuana products impounded that are not recovered may be considered evidence for the purpose of investigation of criminal activity.
- (4) **All commercial licenses shall be required to pay a registration fee of \$500 to the Oklahoma Bureau of Narcotics and Dangerous Drugs**

SECTION 7. Federally Based Exemptions, Exclusions, Contingencies, Boundaries of Authority, Retention and Direction of State Authority under Circumstance

- (1) Certified Hemp produced in Oklahoma under any USDA Program shall not be regulated within the State of Oklahoma to a degree more restrictive than current federal guidelines, with the exception that the State of Oklahoma shall maintain the authority to impose additional protections and/or taxes for certified hemp consumer products sold in the State of Oklahoma as allowed for under this Act.
- (2) If federal law allows for the cultivation, manufacture, processing, distribution, transport, sale and consumption of marijuana and products derived from the marijuana plant, Oklahoma shall have no restrictions greater than allowed for under federal law.
- (3) The State of Oklahoma shall not impose any law or regulation more restrictive than what federal law and regulations allow for, including interstate, intrastate and international commerce unless otherwise specified in this Act.
- (4) The Oklahoma Bureau of Narcotics and Dangerous Drugs shall retain the authority to enforce Cannabis and Marijuana law in Oklahoma on behalf of the Oklahoma Cannabis Commission.
- (5) Should the federal government legalize marijuana, the quantities permitted in this section shall be raised to the maximums permitted by federal law. Should the federal government legalize marijuana, but not set specific possession maximums, the legislature shall determine maximum limits but they shall not be below the maximums indicated in this Article.

SECTION 8. Product Tracking and Consumer Safety

- (1) Tracking, tracing, accounting of the cultivation of Marijuana by Oklahoma Cannabis Commission Grow Licensees shall be no more restrictive or burdensome than federal guidelines for Hemp Harvest batches.
- (2) **The OCC Commission Board shall develop a matrix to sufficiently track Cannabis, Marijuana and Hemp and Cannabis, Marijuana and Hemp product inventory** within the specifications and limitations of this Article; and advertise an acquisition and Request for Proposal (RFP). The approval of this vendor shall be the authority of the Board. The selected State vendor shall not assess any additional costs to OCC License holders beyond fees paid directly to the Oklahoma Cannabis Commission, or provide service to the private sector aside from what is required for regulatory compliance by the OCC.

- (3) **Data Report Mandate** - At each quarterly meeting of the commission board, the Executive Director shall provide a report on baseline statistics of the program including current license counts and statistics as well as enough data to provide an overview of the industry from the perspective of a market report. Additionally, shall provide Key Performance Metrics of the Oklahoma Cannabis Commission.
- (4) **Data Security Protocol** - Identifying Patient data shall not be shared outside of the collecting agencies with the exception that data may be shared between collecting agencies.
- (5) **Proprietary Data Protection** - Data that may be considered proprietary by Oklahoma Cannabis Commission commercial licensees as well as ODAFF Certified Hemp Licensees shall not be required to be reported for the purpose of compliance with any provision of this Article.
- (6) **A Harvest Batch** of either Marijuana or Hemp, that is not processed or concentrated, and is intended for sale as a smokeable product shall be tested at either 20 lbs for **Retail Flower** shall be required to be **tested** for consumer safety, for **every twenty (20) pounds**, dry weight within the **harvest batch**, or the entire weight of the harvest batch, whichever is less.
- (7) **Production batches of solvent extracted** concentrates shall be required to be **tested** for consumer safety for **every 10,007 grams** of solvent extracted concentrate or the entire weight of the production batch, whichever is less.
- (8) **Production batches produced without use of solvents** shall be **tested** for consumer safety **for every 50 lbs for dry concentrate**, or the entire weight of the production batch, whichever is less.
- (9) **Regulation of the production of consumable products**, goods or foodstuffs, made utilizing harvest or production batches tested for consumer safety in accordance with this section, **shall be no more stringent than federal Good Manufacturing Practices (GMP)** for similar consumer products, goods or foodstuffs.
- (10) **Certified hemp not intended for individual consumption, shall not be subject to testing beyond that required for certification** as hemp through the USDA approved Oklahoma State Hemp Program administered by ODAFF.
- (11) Batch sizes listed in this section may be increased by the legislature or Oklahoma Cannabis Commission.

SECTION 9. Professional Licensure Protections

- (1) A bank, credit union, or other person or entity providing financial services to a licensed marijuana business in the State of Oklahoma shall not be liable pursuant to any state law or regulation solely for providing said financial services.
- (2) No person providing professional services to a medical marijuana business shall be subject to arrest, prosecution, disciplinary action, or penalty in any manner or denied any right or privilege under Oklahoma state, municipal or county statute, ordinance or resolution, including without limitation a civil penalty or disciplinary action by any business, occupation or professional licensing board or bureau, solely for providing services to businesses whose conduct is permitted under this Article.
- (3) No medical practitioner shall be subject to arrest, prosecution, disciplinary action, or penalty in any manner or denied any right or privilege under Oklahoma state, municipal or county statute, ordinance or resolution, including without limitation a civil penalty or disciplinary action by the State Board of Medical Licensure and Supervision or the State Board of Osteopathic Examiners or by any other business, occupation or professional licensing board or bureau, solely for providing a medical marijuana recommendation for a patient or for monitoring, treating or prescribing scheduled medication to patients who are medical marijuana licensees. The provisions of this subsection shall not prevent the relevant professional licensing boards from sanctioning a medical practitioner for failing to properly evaluate the medical condition of a patient or for otherwise violating the applicable practitioner-patient standard of care.

SECTION 10. Patient and Caregiver Possession Rights

- (1) It shall be lawful for all patient licensees and caregivers to grow, purchase, transport, receive, and prepare marijuana for consumption. It shall be lawful for all patient licensees and caregivers to possess up to: twelve (12) marijuana plants and the marijuana harvested therefrom; one (1) ounce of concentrated marijuana; seventy-two (72) ounces of topical marijuana; seventy-two (72) ounces of edible marijuana; eight (8) ounces of suppository marijuana; and eight (8) ounces of commercially sold marijuana. These amounts are cumulative. The legislature is permitted to increase these quantities as well as permit other forms of marijuana.
- (2) It shall be lawful to purchase, possess and use marijuana paraphernalia.
- (3) Caregivers shall have all the same rights granted to patient licensees in this Article with the exception of the right to consume marijuana, which is limited to patient licensees, unless the caregiver also has a patient license.

- (4) Growing or processing amounts in excess of what this section permits for personal possession, or the distribution in any amount with consideration, shall require a business license issued by the Oklahoma Cannabis Commission.
- (5) Possession up to one and one-half (1.5) ounces of marijuana, 3 grams of concentrate, or 8 ounces of topical, suppository or edible marijuana, or marijuana paraphernalia without a valid medical marijuana patient or caregiver license shall constitute a civil infraction with a fine not to exceed four hundred dollars. If within forty-five (45) days of a citation for possession without a license the person is approved for a patient license, they may present their license to the jurisdiction issuing the citation and have it vacated. There shall be no warrant issued for the unpaid fine indicated in this paragraph for a minimum of forty-five (45) days.

SECTION 11. General Protection Language

- (1) No person shall be subject to arrest, prosecution or penalty in any manner under state law or municipal or county ordinance or resolution including without limitation a civil penalty or disciplinary action by a business, occupational or professional licensing board or bureau, solely on the basis of conduct permitted under this Article.
- (2) No person shall be denied any form of healthcare, housing, employment, public assistance, public benefit, parental right, educational opportunity, extracurricular activity, or licensure solely on the basis of conduct permitted by this Article unless failure to do so would result in substantial imminent harm under federal law or regulations.
- (3) No person shall be denied eligibility in public assistance programs including, but not limited to, Medicaid, Supplemental Nutrition Assistance Program (SNAP), Women, Infants, and Children Nutrition Program (WIC), Temporary Assistance for Needy Families (TANF) or other such public assistance programs solely on the basis of conduct permitted under this Article, unless required by federal law.
- (4) No test which identifies the presence of THC metabolites in a person's blood, urine, hair, hair follicle, or other body fluids or tissues shall be used as dispositive of impairment for the purposes of denying any form of healthcare, housing, employment, public assistance, public benefit, parental right, educational opportunity, extracurricular activity, or licensure. Nothing in this section shall prohibit the use of tests assessing the presence of active-THC for the purpose of determining impairment.

SECTION 12. Privacy Rights

- (1) All patients have the right to HIPAA and other relevant Privacy protections under the law and in accordance with Health and Human Services guidelines as well as federal and state guidelines. No patient records, or information are allowed to be sold without the written approval of the patient. All software must contain HIPAA and Privacy patient protections where patient data, personal identifiers or related medical information is used, accessed or maintained in a system of records or data.
- (2) The handing of any records maintained by the Oklahoma Cannabis Commission or by businesses licensed by or contracted with the Oklahoma Cannabis Commission shall comply with all applicable state and federal privacy laws.

SECTION 13. Employment Rights

- (1) No employer may refuse to hire, discipline, discharge or otherwise penalize an applicant or employee solely on the basis of conduct permitted by this Article.
- (2) This is not to exclude workplace policies which prohibit the use or being under the influence of marijuana during a work shift for a safety-sensitive employee, or the testing for active-THC in order to assess current impairment. Standardized OSHA kinetic and/or cognitive evaluations to determine job safety and current impairment of personnel shall be permissible to determine impairment.

SECTION 14. Healthcare Rights

- (1) For the purposes of medical care, including organ transplants, marijuana use does not constitute the use of an illicit substance or otherwise disqualify a marijuana user from medical care.
- (2) No medical practitioner shall deny or alter the treatment of a patient, including the prescribing of scheduled medications such as opioids or benzodiazepines, solely on the basis of conduct permitted by this Article, unless that denial or alteration is medically indicated.
- (3) It is within the standard of care for a medical practitioner with appropriate prescriptive authority to prescribe scheduled medications, including opioids, to medical marijuana patient licensees without having to modify the patient's treatment solely on the basis of conduct permitted under this Article.

SECTION 15. Parental Rights

- (1) No person shall be denied custody of or visitation or parenting time with a minor and there is no presumption of neglect or child endangerment for conduct permitted under this Article.

SECTION 16. Licensure Rights

- (1) No person shall be unduly withheld from holding a state-issued license by virtue of conduct permitted under this Article. This includes drivers' licenses and concealed carry permits, occupational and professional licensing.
- (2) The presence of THC-metabolites in a person's blood, urine, hair, hair follicle, or other body fluids or tissues carries no evidentiary weight with regards to current impairment.
- (3) It is not unlawful to operate a motor vehicle with THC metabolites in one's body fluids or tissues. Further, the mere presence of THC in one's body fluids or tissues is not dispositive of impairment.
- (4) **This does not, however, make it lawful to drive while impaired nor does it prohibit testing for active THC** as part of a determination of impairment. Notwithstanding operating a motor vehicle while impaired, no conduct permitted by this Article shall be the basis for the revocation or suspension of a motor vehicle license.
- (5) Nothing in this section shall prohibit the use of breathalyzers, blood tests or other technologies for assessing the presence of active-THC. Nothing in this section shall prohibit the use of tests assessing the presence of active-THC for the purpose of determining impairment.
- (6) Nothing in this section shall be construed to permit operating a motor vehicle while impaired.

SECTION 17. Second Amendment Rights

- (1) No licensee of the Oklahoma Cannabis Commission shall be denied the right to own, purchase, possess or use a firearm, ammunition, or firearm accessories solely based upon conduct permitted under this Article.
- (2) No state or local agency, municipal or county governing authority shall restrict, revoke, suspend or otherwise infringe upon the right of a person to own, purchase or possess a firearm, ammunition, or firearm accessories or any related firearms license or certification based solely on conduct permitted under this Article.

- (3) No state or local agency, municipal or county governing authority shall enforce a federal law that prohibits or restricts firearm use or ownership solely on the basis of conduct permitted under this Article.

SECTION 18. Fourth and Fifth Amendment Rights

- (1) No conduct permitted under this Article shall be the basis for the revocation of bail, parole, or probation.
- (2) No person currently under parole, probation, or other state supervision, or released awaiting trial or other hearing, may be punished or otherwise penalized based solely on conduct that is permitted under this Article.
- (3) No conduct permitted under this Article shall constitute the basis for detention, search, or arrest; and except when law enforcement is investigating whether a person is operating a motor vehicle, motorboat, or other motorized form of transport while impaired.
- (4) Suspicion without evidence of possession of marijuana of quantity in excess of the amount lawful under this Article or the possession of multiple containers of marijuana without evidence of quantity in excess of the amount lawful under this Article shall not constitute reasonable articulable suspicion of a crime.
- (5) Marijuana, marijuana concentrates, and marijuana-infused products permitted for possession by a patient licensee or caregiver are not subject to seizure.
- (6) No person shall be subject to increased punishment for any crime or civil infraction on the basis of any conduct permitted under this Article.

SECTION 19. Homegrow and Local Protection

- (1) There shall be no additional licensing or fees related to homegrows. No municipal or county governing body or agency may charge any additional fees or require any additional licensing for homegrows.
- (2) Municipal and county governing bodies shall not restrict or interfere with the rights of patient licensees or caregivers to possess, purchase, cultivate or transport marijuana within the quantities permitted under this Article.
- (3) No ordinance, regulation or statute relating to homegrows shall be unduly burdensome.

SECTION 20. Judicial Review

- (1) Any rule or regulation adopted by the Commission pursuant to this Article must comply with the Oklahoma Administrative Procedures Act. Any person aggrieved by a final agency order is entitled to seek judicial review in accordance with Oklahoma law. If the Authority fails to timely promulgate rules required by this Article, any resident of the

state may commence a mandamus action in district court to compel performance by the Authority (or Commission?) in accordance with this Article.

SECTION 21. Severability

- (1) The provisions hereof are severable, and if any part or provision hereof shall be void, invalid, or unconstitutional, the decision of the court so holding shall not affect or impair any of the remaining parts or provision hereof, and the remaining provisions hereof shall continue in full force and effect.

SECTION 22. Effective Date

- (1) This Article shall become effective upon passage