

1 STATE OF OKLAHOMA

2 1st Session of the 60th Legislature (2025)

3 COMMITTEE SUBSTITUTE
FOR ENGROSSED
4 SENATE BILL NO. 1039

By: Alvord of the Senate

5 and

6 Cantrell of the House

7

8 COMMITTEE SUBSTITUTE

9 An Act relating to medical marijuana license;
10 amending 63 O.S. 2021, Sections 420, as amended by
11 Section 1, Chapter 182, O.S.L. 2024, and 427.14, as
12 last amended by Section 1, Chapter 342, O.S.L. 2024
13 (63 O.S. Supp. 2024, Sections 420 and 427.14), which
14 relate to medical marijuana patient license and
15 medical marijuana business license; modifying grounds
for denying certain applications; requiring the
notification of applicants for additional licensing
fees; providing time limitation for the remittance of
license and application fees; mandating application
denial for failing to remit fees; updating statutory
references; and providing an effective date.

16

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

18 SECTION 1. AMENDATORY 63 O.S. 2021, Section 420, as
19 amended by Section 1, Chapter 182, O.S.L. 2024 (63 O.S. Supp. 2024,
20 Section 420), is amended to read as follows:

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

- 23 1. Consume marijuana legally;

1 2. Legally possess up to three (3) ounces or eighty-four and
2 nine-tenths (84.9) grams of marijuana on their person;

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

5 4. Legally possess six seedling plants;

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

8 6. Legally possess seventy-two (72) ounces or two thousand
9 thirty-seven and six-tenths (2037.6) grams of edible marijuana;

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

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

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

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

7 C. The Oklahoma Medical Marijuana Authority shall be
8 established which shall receive applications for medical marijuana
9 patient and caregiver license recipients, dispensaries, growers, and
10 processors within sixty (60) days of the passage of this initiative.

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

20 E. A short-term medical marijuana patient license application
21 shall also be made available on the website of the Authority. A
22 short-term medical marijuana patient license shall be granted to any
23 applicant who can meet the requirements for a two-year medical
24 marijuana patient license, but whose physician recommendation for

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

7 F. A temporary medical marijuana patient license application
8 shall also be made available on the website of the Authority for
9 residents of other states. Temporary medical marijuana patient
10 licenses shall be granted to any medical marijuana license holders
11 from other states, provided that such states have state-regulated
12 medical marijuana programs, and applicants can prove they are
13 members of such programs. Temporary medical marijuana patient
14 licenses shall be issued for thirty (30) days. The cost for a
15 temporary license shall be One Hundred Dollars (\$100.00). Renewal
16 shall be granted with resubmission of a new application. No
17 additional criteria shall be required. Reprints of the temporary
18 medical marijuana patient license shall be Twenty Dollars (\$20.00).

19 G. Medical marijuana patient license applicants shall submit
20 their applications to the Authority for approval. The applicant
21 shall be a resident of this state and shall prove residency by a
22 valid driver license, utility bills, or other accepted methods.

23 H. The Authority shall review the medical marijuana patient
24 license application; approve, reject, or deny the application; and

1 mail the approval, rejection, or denial letter stating any reasons
2 for rejection, to the applicant within fourteen (14) business days
3 of receipt of the application. Approved applicants shall be issued
4 a medical marijuana patient license which shall act as proof of his
5 or her approved status. Applications may only be rejected or denied
6 based on the applicant not meeting ~~stated criteria or improper~~
7 ~~completion of the application the standards set forth in the~~
8 provisions of the Oklahoma Medical Marijuana and Patient Protection
9 Act and Sections 420 through 427.28 of this title, improper
10 completion of the application, unpaid license or application fees,
11 or for a reason provided for in the provisions of the Oklahoma
12 Medical Marijuana and Patient Protection Act and Sections 420
13 through 427.28 of this title. If an application is rejected for
14 failure to provide required information, the applicant shall have
15 thirty (30) days to submit the required information for
16 reconsideration. Unless the Authority determines otherwise, an
17 application that has been resubmitted but contains errors or
18 omissions that are not clerical or typographical in nature shall be
19 denied. The Authority shall deny any application that has been
20 submitted more than once with any errors or omissions that are not
21 clerical or typographical in nature.

22 I. The Authority shall make available, both on its website and
23 through a telephone verification system, an easy method to validate
24

1 the authenticity of the medical marijuana patient license by the
2 unique twenty-four-character identification number.

3 J. The Authority shall ensure that all medical marijuana
4 patient and caregiver records and information are sealed to protect
5 the privacy of medical marijuana patient license applicants.

6 K. A caregiver license shall be made available for qualified
7 caregivers of a medical marijuana patient license holder who is
8 homebound. As provided in Section 427.11 of this title, the
9 caregiver license shall provide the caregiver the same rights as the
10 medical marijuana patient licensee including the ability to possess
11 marijuana, marijuana products and mature and immature plants or
12 cultivated medical marijuana pursuant to the Oklahoma Medical
13 Marijuana and Patient Protection Act, but excluding the ability to
14 use marijuana or marijuana products unless the caregiver has a
15 medical marijuana patient license. Applicants for a caregiver
16 license shall submit proof of the license status and homebound
17 status of the medical marijuana patient and proof that the applicant
18 is the designee of the medical marijuana patient. The applicant
19 shall also submit proof that he or she is eighteen (18) years of age
20 or older and proof of his or her state residency. This shall be the
21 only criteria for a caregiver license. A licensed caregiver shall
22 not cultivate medical marijuana for more than five medical marijuana
23 patient licensees and shall not charge a medical marijuana patient

1 licensee for cultivating medical marijuana in excess of the actual
2 costs incurred in cultivating the medical marijuana.

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

8 M. All applications for a medical marijuana patient license
9 shall be signed by an Oklahoma physician licensed by and in good
10 standing with the State Board of Medical Licensure and Supervision,
11 the State Board of Osteopathic Examiners, or the Board of Podiatric
12 Medical Examiners. There are no qualifying conditions. A medical
13 marijuana patient license shall be recommended according to the
14 accepted standards a reasonable and prudent physician would follow
15 when recommending or approving any medication. No physician may be
16 unduly stigmatized, penalized, subjected to discipline, sanctioned,
17 reprimanded or harassed for signing a medical marijuana patient
18 license application~~, provided~~, provided the physician acted in accordance
19 with the provisions of this subsection and all other rules governing
20 the medical license of the physician in this state.

21 N. Counties and cities may enact medical marijuana guidelines
22 allowing medical marijuana patient license holders or caregiver
23 license holders to exceed the state limits set forth in subsection A
24 of this section.

1 SECTION 2. AMENDATORY 63 O.S. 2021, Section 427.14, as
2 last amended by Section 1, Chapter 342, O.S.L. 2024 (63 O.S. Supp.
3 2024, 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 applications.

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

18 D. 1. The annual, nonrefundable fee for a medical marijuana
19 transporter license shall be Two Thousand Five Hundred Dollars
20 (\$2,500.00).

21 2. The initial, nonrefundable fee for a medical marijuana
22 commercial grower license shall be calculated based upon the total
23 amount of square feet of canopy or acres the grower estimates will
24 be harvested, transferred, or sold for the year. The annual,

1 nonrefundable license fee shall be based upon the total amount of
2 square feet of canopy or acres harvested, transferred, or sold by
3 the grower during the previous twelve (12) months. The amount of
4 the fees shall be determined as follows:

5 a. For an indoor, greenhouse, or light deprivation
6 medical marijuana grow facility:

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

10 (2) Tier 2: Ten thousand one (10,001) square feet of
11 canopy to twenty thousand (20,000) square feet of
12 canopy, the fee shall be Five Thousand Dollars
13 (\$5,000.00),

14 (3) Tier 3: Twenty thousand one (20,001) square feet
15 of canopy to forty thousand (40,000) square feet
16 of canopy, the fee shall be Ten Thousand Dollars
17 (\$10,000.00),

18 (4) Tier 4: Forty thousand one (40,001) square feet
19 of canopy to sixty thousand (60,000) square feet
20 of canopy, the fee shall be Twenty Thousand
21 Dollars (\$20,000.00),

22 (5) Tier 5: Sixty thousand one (60,001) square feet
23 of canopy to eighty thousand (80,000) square feet

of canopy, the fee shall be Thirty Thousand Dollars (\$30,000.00),

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

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

b. For an outdoor medical marijuana grow facility:

(1) Tier 1: Less than two and one-half (2 1/2) acres, the fee shall be Two Thousand Five Hundred Dollars (\$2,500.00),

(2) Tier 2: More than two and one-half (2 1/2) acres up to five (5) acres, the fee shall be Five Thousand Dollars (\$5,000.00).

(3) Tier 3: More than five (5) acres up to ten (10) acres, the fee shall be Ten Thousand Dollars (\$10,000.00).

(4) Tier 4: More than ten (10) acres up to twenty (20) acres, the fee shall be Twenty Thousand Dollars (\$20,000.00),

(5) Tier 5: More than twenty (20) acres up to thirty (30) acres, the fee shall be Thirty Thousand Dollars (\$30,000.00),

(6) Tier 6: More than thirty (30) acres up to forty (40) acres, the fee shall be Forty Thousand Dollars (\$40,000.00),

(7) Tier 7: More than forty (40) acres up to fifty (50) acres, the fee shall be Fifty Thousand Dollars (\$50,000.00), and

(8) Tier 8: If the amount of acreage exceeds fifty (50) acres, the fee shall be Fifty Thousand Dollars (\$50,000.00) plus an additional Two Hundred Fifty Dollars (\$250.00) per acre.

- c. For a medical marijuana commercial grower that has a combination of both indoor and outdoor growing facilities at one location, the medical marijuana commercial grower shall be required to obtain a separate license from the Authority for each type of grow operation and shall be subject to the licensing fees provided for in subparagraphs a and b of this paragraph.

1 d. As used in this paragraph:

2 (1) "canopy" means the total surface area within a
3 cultivation area that is dedicated to the
4 cultivation of flowering marijuana plants. The
5 surface area of the plant canopy must be
6 calculated in square feet and measured and must
7 include all of the area within the boundaries
8 where the cultivation of the flowering marijuana
9 plants occurs. If the surface of the plant
10 canopy consists of noncontiguous areas, each
11 component area must be separated by identifiable
12 boundaries. If a tiered or shelving system is
13 used in the cultivation area, the surface area of
14 each tier or shelf must be included in
15 calculating the area of the plant canopy.

16 Calculation of the area of the plant canopy may
17 not include the areas within the cultivation area
18 that are used to cultivate immature marijuana
19 plants and seedlings, prior to flowering, and
20 that are not used at any time to cultivate mature
21 marijuana plants. If the flowering plants are
22 vertically grown in cylinders, the square footage
23 of the canopy shall be measured by the

circumference of the cylinder multiplied by the total length of the cylinder,

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

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

3. The initial, nonrefundable fee for a medical marijuana

11 processor license shall be Two Thousand Five Hundred Dollars

12 (\$2,500.00). The annual, nonrefundable license fee for a medical
13 marijuana processor license shall be determined based on the
14 previous twelve (12) months as follows:

a. Tier 1: The transfer or sale of zero (0) to ten thousand (10,000) pounds of biomass or the production, transfer, or sale of up to one hundred (100) liters of cannabis concentrate, whichever is greater, the annual fee shall be Two Thousand Five Hundred Dollars (\$2,500.00),

b. Tier 2: The transfer or sale of ten thousand one (10,001) pounds to fifty thousand (50,000) pounds of biomass or the production, transfer, or sale of one hundred one (101) to three hundred fifty (350) liters

of cannabis concentrate, whichever is greater, the annual fee shall be Five Thousand Dollars (\$5,000.00),

- c. Tier 3: The transfer or sale of fifty thousand one (50,001) pounds to one hundred fifty thousand (150,000) pounds of biomass or the production, transfer, or sale of three hundred fifty-one (351) to six hundred fifty (650) liters of cannabis concentrate, whichever is greater, the annual fee shall be Ten Thousand Dollars (\$10,000.00),
 - d. Tier 4: The transfer or sale of one hundred fifty thousand one (150,001) pounds to three hundred thousand (300,000) pounds of biomass or the production, transfer, or sale of six hundred fifty-one (651) to one thousand (1,000) liters of cannabis concentrate, whichever is greater, the annual fee shall be Fifteen Thousand Dollars (\$15,000.00), and
 - e. Tier 5: The transfer or sale of more than three hundred thousand one (300,001) pounds of biomass or the production, transfer, or sale in excess of one thousand one (1,001) liters of cannabis concentrate, the annual fee shall be Twenty Thousand Dollars (\$20,000.00).

For purposes of this paragraph only, if the cannabis concentrate

24 is in nonliquid form, every one thousand (1,000) grams of

1 concentrated marijuana shall be calculated as one (1) liter of
2 cannabis concentrate.

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

12 5. The annual, nonrefundable license fee for a medical
13 marijuana testing laboratory shall be Twenty Thousand Dollars
14 (\$20,000.00).

15 E. All applicants seeking licensure or licensure renewal as a
16 medical marijuana business shall comply with the following general
17 requirements:

18 1. All applications for licenses and registrations authorized
19 pursuant to this section shall be made upon forms prescribed by the
20 Authority;

21 2. Each application shall identify the city or county in which
22 the applicant seeks to obtain licensure as a medical marijuana
23 business;

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

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

5 5. All applications shall include all attachments or
6 supplemental information required by the forms supplied by the
7 Authority;

8 6. All applications for a transporter license, initial
9 dispensary license, initial processor license, or laboratory license
10 shall be accompanied by a full remittance for the whole amount of
11 the license fee as set forth in subsection D of this section. All
12 submissions of grower applications, renewal processor applications,
13 and renewal dispensary applications shall be accompanied by a
14 remittance of a fee of Two Thousand Five Hundred Dollars

15 (\$2,500.00). The Authority shall invoice license applicants, if
16 applicable, and notify applicants in the same method and manner the
17 application was submitted to the Authority for any additional

18 licensing fees owed pursuant to subsection D of this section prior
19 to approval of a license application. Applicants and licensees

20 shall remit all required license and application fees, including any
21 additional licensing fees, if applicable, in full within forty-five
22 (45) days of notification by the Authority. Failure to do so shall

23 result in the denial of the application. License fees are
24 nonrefundable;

- 1 7. All applicants shall be approved for licensing review that,
- 2 at a minimum, meet the following criteria:
- 3 a. twenty-five (25) years of age or older,
- 4 b. if applying as an individual, proof that the applicant
- 5 is a resident of this state pursuant to paragraph 11
- 6 12 of this subsection,
- 7 c. if applying as an entity, proof that seventy-five
- 8 percent (75%) of all members, managers, executive
- 9 officers, partners, board members or any other form of
- 10 business ownership are residents of this state
- 11 pursuant to paragraph 11 12 of this subsection,
- 12 d. if applying as an individual or entity, proof that the
- 13 individual or entity is registered to conduct business
- 14 in this state,
- 15 e. disclosure of all ownership interests pursuant to the
- 16 Oklahoma Medical Marijuana and Patient Protection Act,
- 17 and
- 18 f. proof that the medical marijuana business, medical
- 19 marijuana research facility, medical marijuana
- 20 education facility and medical marijuana waste
- 21 disposal facility applicant or licensee has not been
- 22 convicted of a nonviolent felony in the last two (2)
- 23 years, or any other felony conviction within the last
- 24 five (5) years, is not a current inmate in the custody

of the Department of Corrections, or currently incarcerated in a jail or corrections facility.

3 Upon reasonable suspicion that a medical marijuana business licensee
4 is illegally growing, processing, transferring, selling, disposing,
5 or diverting marijuana, the Authority, the Oklahoma State Bureau of
6 Narcotics and Dangerous Drugs Control, the Oklahoma State Bureau of
7 Investigation (OSBI), or the Attorney General may subpoena documents
8 necessary to establish the personal identifying information of all
9 owners and individuals with any ownership interest in the business;

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, application fee, or license
14 fee. A commercial grower, processor and dispensary, or any
15 combination thereof, are authorized to share the same address or
16 physical location, subject to the restrictions set forth in the
17 Oklahoma Medical Marijuana and Patient Protection Act;

18 9. No medical marijuana business premises is permitted to have
19 multiple licenses of the same type pursuant to the licensing
20 requirements of this section, excluding the following:

1 c. a licensed medical marijuana business that has an
2 approved application by the Authority while the new
3 business seeks registration from the Oklahoma State
4 Bureau of Narcotics and Dangerous Drugs Control
5 pursuant to Section ~~2~~ 427.14c of this ~~act~~ title;

6 10. All applicants for a medical marijuana business license,
7 research facility license or education facility license authorized
8 by the Oklahoma Medical Marijuana and Patient Protection Act, or for
9 a renewal of such license, shall undergo a national fingerprint-
10 based background check conducted by the Oklahoma State Bureau of
11 Investigation within thirty (30) days prior to the application for
12 the license, including:

13 a. individual applicants applying on their own behalf,
14 b. individuals applying on behalf of an entity,
15 c. all principal officers of an entity, and
16 d. all owners of an entity as defined by the Oklahoma
17 Medical Marijuana and Patient Protection Act;

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

21 12. In order to be considered a resident of this state for
22 purposes of a medical marijuana business application, all applicants
23 shall provide proof of state residency for at least two (2) years
24 immediately preceding the date of application or five (5) years of

1 continuous state residency during the preceding twenty-five (25)
2 years immediately preceding the date of application. Sufficient
3 documentation of proof of residency shall include a combination of
4 the following:

- 5 a. an unexpired state-issued driver license,
- 6 b. a state-issued identification card,
- 7 c. a utility bill preceding the date of application,
8 excluding cellular telephone and Internet bills,
- 9 d. a residential property deed to property in this state,
10 and
- 11 e. a rental agreement preceding the date of application
12 for residential property located in this state.

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

16 13. All license applicants shall be required to submit a
17 registration with the Oklahoma State Bureau of Narcotics and
18 Dangerous Drugs Control as provided in Sections ~~2-302 through 2-304~~
19 2-301 through 2-309 of this title;

20 14. All applicants shall establish their identity through
21 submission of a color copy or digital image of one of the following
22 unexpired documents:

- 23 a. front of a state-issued driver license,
- 24 b. front of a state-issued identification card,

- c. a United States passport or other photo identification issued by the United States government, or
- d. a tribal identification card approved for identification purposes by the Department of Public Safety;

15. All applicants shall submit an applicant photograph; and

16. All applicants for a medical marijuana business license

seeking to operate a commercial growing operation shall file along

with their application a bond as prescribed in Section 427.26 of

this title.

F. The

F. The Authority shall review the medical marijuana business application; approve, reject, or deny the application; and send the approval, rejection, denial, or status-update letter to the applicant in the same method the application was submitted to the Authority within ninety (90) business days of receipt of the application.

G. 1. The Authority shall review the medical marijuana

business applications, conduct all investigations, inspections, and interviews, and collect all license and application fees before approving the application.

2. Approved applicants shall be issued a medical marijuana

business license for the specific category applied under, which shall act as proof of their approved status. Rejection and denial letters shall provide a reason for the rejection or denial.

1 Applications may only be rejected or denied based on the applicant
2 not meeting the standards set forth in the provisions of the
3 Oklahoma Medical Marijuana and Patient Protection Act and Sections
4 420 through ~~426.1~~ 427.28 of this title, improper completion of the
5 application, unpaid license or application fees, or for a reason
6 provided for in the Oklahoma Medical Marijuana and Patient
7 Protection Act and Sections 420 through ~~426.1~~ 427.28 of this title.

8 If an application is rejected for failure to provide required
9 information, the applicant shall have thirty (30) days to submit the
10 required information for reconsideration. Unless the Authority
11 determines otherwise, an application that has been resubmitted but
12 is still incomplete or contains errors that are not clerical or
13 typographical in nature shall be denied. The Authority shall deny
14 any application that has been resubmitted more than twice with any
15 errors or omissions that are not clerical or typographical in
16 nature. The lack of a certificate of occupancy shall not be the
17 sole cause for denial of an application.

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

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

1 H. 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;

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

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

I. In investigating the qualifications of an applicant or a

licensee, the Authority and municipalities may have access to criminal history record information furnished by a criminal justice agency subject to any restrictions imposed by such an agency.

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

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

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

1 M. All medical marijuana business, medical marijuana research
2 facility, medical marijuana education facility and medical marijuana
3 waste disposal facility licensees shall pay the relevant licensure
4 fees prior to receiving licensure to operate. Applicants and
5 licensees shall remit all required license and application fees,
6 including any additional licensing fees, if applicable, in full
7 within forty-five (45) days of notification by the Authority.
8 Failure to do so shall result in the denial of the application.

9 N. A medical marijuana business, medical marijuana research
10 facility, medical marijuana education facility or medical marijuana
11 waste disposal facility that attempts to renew its license after the
12 expiration date of the license shall pay a late renewal fee of Five
13 Hundred Dollars (\$500.00) per week that the license is expired.
14 Late renewal fees are nonrefundable. A license that has been
15 expired for more than sixty (60) calendar days shall not be renewed.
16 Only license renewal applications submitted at least sixty (60)
17 calendar days prior to the expiration date shall be considered
18 timely submitted and subject to the provisions of subsection F of
19 this section. A medical marijuana business license shall remain
20 unexpired during the pendency of the application for renewal
21 provided that such application was timely submitted. The Authority
22 shall allow renewal applications to be submitted at least one
23 hundred twenty (120) calendar days prior to the expiration date of a
24 medical marijuana business license.

1 O. Except as provided by this section, immediately upon
2 expiration of a license, any medical marijuana business, medical
3 marijuana research facility, medical marijuana education facility,
4 or medical marijuana waste disposal facility shall cease all
5 possession, transfer, or sale of medical marijuana or medical
6 marijuana products. Any continued possession, sale, or transfer
7 shall subject the business owners and operators to felony
8 prosecution pursuant to the Uniform Controlled Dangerous Substances
9 Act.

10 P. A medical marijuana business license holder shall require
11 all individuals employed under his or her license to be issued a
12 credential pursuant to the provisions of Section 427.14b of this
13 title prior to employment.

14 Q. An original medical marijuana business license issued on or
15 after June 26, 2018, by the Authority, for a medical marijuana
16 commercial grower, a medical marijuana processor or a medical
17 marijuana dispensary shall be deemed to have been grandfathered into
18 the location on the date the original license was first issued for
19 purposes of determining the authority of the business to conduct and
20 continue the same type of business at that location under a license
21 issued by the Authority, except as may be provided in Sections 425
22 and 426.1 of this title. Any change in ownership after the original
23 medical marijuana business license has been issued by the Authority
24 shall be construed by the Authority to be a continuation of the same

1 type of business originally licensed at that location. Nothing
2 shall authorize the Authority to deny issuance or renewal of a
3 license or transfer of license due to a change in ownership for the
4 same business location previously licensed, except when a revocation
5 is otherwise authorized by law or a protest is made under the
6 municipal compliance provisions of Section 426.1 of this title.

7 R. A medical marijuana business license holder shall require
8 all individuals employed under their license to be issued a
9 credential pursuant to the provisions of Section 427.14b of this
10 title prior to employment.

11 S. The Executive Director of the Authority may promulgate rules
12 to implement the provisions of this section including, but not
13 limited to, required application materials to be submitted by the
14 applicant and utilized by the Authority to determine medical
15 marijuana business licensing fees pursuant to this section.

16 SECTION 3. This act shall become effective November 1, 2025.
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