

1 ENGROSSED HOUSE AMENDMENT
TO
2 ENGROSSED SENATE BILL NO. 437 By: Garvin of the Senate
3 and
4 Marti of the House
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7 An Act relating to medical marijuana; amending 63
8 O.S. 2021, Section 427.10, as amended by Section 12,
9 Chapter 251, O.S.L. 2022 (63 O.S. Supp. 2022, Section
10 427.10), which relates to physicians who may provide
11 a recommendation; directing creation of certain
12 registry; requiring registration by physicians;
13 requiring compliance with medical education and
14 continuing medical education requirements;
15 authorizing the Oklahoma Medical Marijuana Authority
16 to provide for certain conferences, meetings, or
17 training sessions; directing promulgation of certain
18 rules in consultation with specified boards; amending
19 Section 3, Chapter 328, O.S.L. 2022 (63 O.S. Supp.
20 2022, Section 427.14b), which relates to credentials
21 required for employees to work in licensed medical
22 marijuana business; requiring dispensary employees to
23 comply with education and continuing education
24 requirements; directing promulgation of certain
rules; amending 63 O.S. 2021, Section 427.21, as
amended by Section 2, Chapter 329, O.S.L. 2022 (63
O.S. Supp. 2022, Section 427.21), which relates to
advertising; prohibiting certain types of events to
be hosted or advertised; providing for the
promulgation of rules for certain events; updating
statutory language; updating statutory reference; and
providing an effective date.

22 AMENDMENT NO. 1. Strike the title, enacting clause, and entire bill
23 and insert:
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1 "An Act relating to medical marijuana; amending 63
2 O.S. 2021, Section 427.13, as amended by Section 14,
3 Chapter 251, O.S.L. 2022 (63 O.S. Supp. 2022, Section
4 427.13), which relates to the Oklahoma Medical
5 Marijuana and Patient Protection Act; directing the
6 Oklahoma Medical Marijuana Authority to issue
7 requests for proposals; directing Authority to select
8 a vendor for seed-to-sale inventory tracking system;
9 providing time limitation; stating responsibilities
10 of the Authority; providing requirements for the
11 seed-to-sale inventory tracking system; directing the
12 Authority to provide training and training materials;
13 repealing 63 O.S. 2021, Section 427.13, as amended by
14 Section 7, Chapter 584, O.S.L. 2021, which relates to
15 medical marijuana.

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

SECTION 1. AMENDATORY 63 O.S. 2021, Section 427.13, as
amended by Section 14, Chapter 251, O.S.L. 2022 (63 O.S. Supp. 2022,
Section 427.13), is amended to read as follows:

Section 427.13 A. All medical marijuana and medical marijuana
products shall be purchased solely from a state-licensed medical
marijuana business, and shall not be purchased from any out-of-state
providers.

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

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

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

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

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

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

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

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

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

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

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

14 e. the date of the transaction,

15 f. the total spent in dollars,

16 g. all point-of-sale records,

17 h. marijuana excise tax records, and

18 i. any additional information as may be reasonably
19 required by the Executive Director of the Oklahoma
20 Medical Marijuana Authority.

21 5. All inventory tracking records retained by a medical
22 marijuana business, medical marijuana research facility, medical
23 marijuana education facility or medical marijuana waste disposal
24 facility containing medical marijuana patient or caregiver

1 information shall comply with all relevant state and federal laws
2 including, but not limited to, the Health Insurance Portability and
3 Accountability Act of 1996 (HIPAA).

4 C. 1. Upon the effective date of this act, the Authority shall
5 have thirty (30) business days to issue a request for proposals and
6 select through a competitive bidding process, pursuant to Section
7 85.7 of Title 74 of the Oklahoma Statutes, a vendor that shall
8 provide a seed-to-sale inventory tracking system for medical
9 marijuana business licensees. The contract may be a multi-year
10 contract or renewable annually, in accordance with any applicable
11 guidelines or procedures required by the Authority.

12 2. The Authority shall be responsible for all costs associated
13 with the seed-to-sale tracking system chosen by the Authority. The
14 seed-to-sale inventory tracking system shall feature a software
15 infrastructure that provides maximum flexibility for the exchange of
16 data between the Authority and medical marijuana business licensees.
17 The seed-to-sale inventory tracking system shall allow the medical
18 marijuana business licensees to submit data to the Authority
19 directly through an application program interface (API), data
20 interchange service tool, or by means of a process and technology
21 acceptable to the Authority. If the Authority selects a vendor
22 whose proprietary software requires the utilization of barcodes,
23 radio-frequency identification tags (RFID), or quick response (QR)
24 codes to manage data entry, the Authority shall be responsible for

1 purchasing the equipment necessary for medical marijuana business
2 licensees to interface with the software of the seed-to-sale
3 inventory tracking system.

4 3. Upon selecting a vendor and prior to implementation of the
5 seed-to-sale inventory tracking system, the Authority shall be
6 responsible for providing sufficient training and training materials
7 to medical marijuana business licensees. Any administrative costs
8 related to training and training materials shall be the sole
9 responsibility of the Authority.

10 SECTION 2. REPEALER 63 O.S. 2021, Section 427.13, as
11 amended by Section 7, Chapter 584, O.S.L. 2021, is hereby repealed."

12 Passed the House of Representatives the 27th day of April, 2023.

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Presiding Officer of the House of
Representatives

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17 Passed the Senate the ____ day of _____, 2023.

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Presiding Officer of the Senate

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1 ENGROSSED SENATE
2 BILL NO. 437

By: Garvin of the Senate

and

Marti of the House

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6 An Act relating to medical marijuana; amending 63
7 O.S. 2021, Section 427.10, as amended by Section 12,
8 Chapter 251, O.S.L. 2022 (63 O.S. Supp. 2022, Section
9 427.10), which relates to physicians who may provide
10 a recommendation; directing creation of certain
11 registry; requiring registration by physicians;
12 requiring compliance with medical education and
13 continuing medical education requirements;
14 authorizing the Oklahoma Medical Marijuana Authority
15 to provide for certain conferences, meetings, or
16 training sessions; directing promulgation of certain
17 rules in consultation with specified boards; amending
18 Section 3, Chapter 328, O.S.L. 2022 (63 O.S. Supp.
19 2022, Section 427.14b), which relates to credentials
20 required for employees to work in licensed medical
21 marijuana business; requiring dispensary employees to
22 comply with education and continuing education
23 requirements; directing promulgation of certain
24 rules; amending 63 O.S. 2021, Section 427.21, as
amended by Section 2, Chapter 329, O.S.L. 2022 (63
O.S. Supp. 2022, Section 427.21), which relates to
advertising; prohibiting certain types of events to
be hosted or advertised; providing for the
promulgation of rules for certain events; updating
statutory language; updating statutory reference; and
providing an effective date.

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

SECTION 3. AMENDATORY 63 O.S. 2021, Section 427.10, as
amended by Section 12, Chapter 251, O.S.L. 2022 (63 O.S. Supp. 2022,
Section 427.10), is amended to read as follows:

1 Section 427.10. A. Only licensed Oklahoma allopathic,
2 osteopathic and podiatric physicians may provide a medical marijuana
3 recommendation for a medical marijuana patient license under the
4 Oklahoma Medical Marijuana and Patient Protection Act.

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

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

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1 D. A physician who recommends use of medical marijuana shall
2 not be located at the same physical address as a licensed medical
3 marijuana dispensary.

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

10 F. The Authority shall create and maintain a registry of
11 recommending physicians. Beginning January 1, 2025, to be eligible
12 to provide a medical marijuana recommendation to a licensed patient,
13 a physician shall be registered with the Authority.

14 G. To be registered with the Authority, a physician shall
15 comply with the medical education and continuing medical education
16 requirements described in subsection I of this section and shall
17 meet all other requirements established by law or rule for
18 recommending physicians.

19 H. The Authority is hereby authorized to enter into contracts
20 and agreements for the payment of food, lodging, and other
21 authorized expenses as may be necessary to host, conduct, sponsor,
22 or participate in conferences, meetings, or training sessions. The
23 Authority may establish accounts as necessary for the collection and
24 distribution of funds, including funds of sponsors and registration

1 fees, related to such conferences, meetings, and training sessions.
2 Any expenses incurred may be paid directly to the contacting agency
3 or business establishment.

4 I. The Executive Director of the Authority shall promulgate
5 rules to establish medical education and continuing medical
6 education requirements for recommending physicians. In promulgating
7 such rules, the Executive Director shall consult with the State
8 Board of Medical Licensure and Supervision, the State Board of
9 Osteopathic Examiners, and the Board of Podiatric Medical Examiners,
10 and the Executive Director may consult with associations
11 representing licensees of such boards.

12 SECTION 4. AMENDATORY Section 3, Chapter 328, O.S.L.
13 2022 (63 O.S. Supp. 2022, Section 427.14b), is amended to read as
14 follows:

15 Section 427.14b. A. 1. Beginning January 1, 2024, the
16 Oklahoma Medical Marijuana Authority shall require employees of a
17 medical marijuana business licensee to apply for and receive a
18 credential authorizing the employee to work in a licensed medical
19 marijuana business.

20 2. Beginning January 1, 2025, to be eligible for such
21 credential, employees of medical marijuana dispensaries shall comply
22 with the education and continuing education requirements described
23 in subsection G of this section and shall meet all other
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1 requirements established by law or rule for employees of a medical
2 marijuana business licensee.

3 B. The Authority may contract with one or more third-party
4 vendors to provide the credentialing services necessary to carry out
5 the provisions of this section.

6 C. The Authority shall determine the services to be provided by
7 such third-party vendor and shall establish costs and prices. If
8 contracted for credentialing services, a third-party vendor shall on
9 behalf of the Authority conduct the background checks and verify
10 eligibility and suitability for any employees of a medical marijuana
11 business license holder to obtain a credential.

12 D. Upon successful completion by the third-party vendor of the
13 statutorily required background checks and verification of
14 eligibility and suitability for an employee, the third-party vendor
15 shall issue a credential to the employee. The results of background
16 checks and verifications shall be provided to the Authority by the
17 third-party vendor.

18 E. If the third-party vendor determines that an employee of a
19 medical marijuana business holder does not meet the minimum
20 statutory requirements for a credential, the applicant or employee
21 shall have no recourse against the third-party vendor but may appeal
22 such adverse determination to the Authority.

23 F. The third-party vendor shall not be civilly liable to an
24 applicant, licensee, or employee of a licensee for any acts taken in

1 good-faith compliance with the provisions of Section 420 et seq. of
2 Title 63 of the Oklahoma Statutes and the Oklahoma Medical Marijuana
3 and Patient Protection Act and the rules promulgated by the Oklahoma
4 Medical Marijuana Authority.

5 G. 1. The Executive Director of the Authority may promulgate
6 rules to implement the provisions of this section.

7 2. Such rules shall include, but not be limited to, education
8 and continuing education requirements for employees of medical
9 marijuana dispensaries.

10 SECTION 5. AMENDATORY 63 O.S. 2021, Section 427.21, as
11 amended by Section 2, Chapter 329, O.S.L. 2022 (63 O.S. Supp. 2022,
12 Section 427.21), is amended to read as follows:

13 Section 427.21. A. A medical marijuana business shall not
14 engage in advertising that is deceptive, false or misleading.

15 B. Medical marijuana advertising shall not contain any
16 statement or illustration that:

17 1. Promotes overconsumption;

18 2. Represents that the use of marijuana has curative or
19 therapeutic effects; or

20 3. Depicts a child or other person under legal age to consume
21 marijuana, or includes:

22 a. objects such as toys or cartoon or other characters,
23 which suggest the presence of a child, or any other
24 depiction designed in any manner to be especially

1 appealing to children or other persons under legal age
2 to consume marijuana, or

3 b. any manner or design that would be especially
4 appealing to children or other persons under eighteen
5 (18) years of age.

6 C. ~~Upon the effective date of this act~~ Beginning on November 1,
7 2022, all medical marijuana commercial grower licensees shall be
8 required to post signage at the site of the commercial grow
9 operation. Signage shall be located at the perimeter of the
10 property with dimensions measuring no less than eighteen (18) inches
11 by twenty-four (24) inches with a font size of no less than two (2)
12 inches. Information required to be displayed on the sign shall be
13 in black standardized font on a white background. The Oklahoma
14 Medical Marijuana Authority shall promulgate rules as necessary
15 regarding the size, placement, issuance and specifications of the
16 required signage. The following information shall be included on
17 the required signage:

- 18 1. Business name;
- 19 2. Physical address of the licensed business;
- 20 3. Phone number of the licensed business; and
- 21 4. Medical marijuana business license number.

22 The required signage shall also comply with county regulations
23 and local ordinances related to the real property where the
24 commercial grow operation is located. Failure to erect the proper

1 signage within sixty (60) days after the renewal of each application
2 for a medical marijuana commercial grower license in accordance with
3 the provisions of this subsection shall result in the immediate
4 revocation of the medical marijuana commercial grower license. Upon
5 issuance of a temporary license, all medical marijuana commercial
6 grower licensees shall be required to comply with the provisions of
7 this subsection prior to the prelicensure inspection conducted by
8 the Authority.

9 D. It shall be unlawful to host or advertise medical marijuana-
10 related events requiring admission fees or open to the general
11 public, other than for the purposes of providing education to a
12 physician on the list of approved providers and as permitted by the
13 appropriate licensing board. The Authority shall promulgate rules
14 to issue or deny permits for events not hosted by the Authority and
15 related to education of providers.

16 SECTION 6. This act shall become effective January 1, 2024.
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1 Passed the Senate the 23rd day of March, 2023.

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Presiding Officer of the Senate

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5 Passed the House of Representatives the ____ day of _____,

6 2023.

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Presiding Officer of the House
of Representatives

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