An Act relating to medical marijuana; amending Section 2, State Question No. 788, Initiative Petition No. 412 (63 O.S. Supp. 2019, Section 421), which relates to licensure requirements for dispensaries; updating language; authorizing licensed dispensaries to contract with licensed transporters to deliver medical marijuana, concentrate and products; directing dispensaries to verify identification of patients and caregivers prior to purchase and delivery; amending Section 16, Chapter 11, O.S.L. 2019 (63 O.S. Supp. 2019, Section 427.16), which relates to the Oklahoma Medical Marijuana and Patient Protection Act; updating statutory citation and name of act; expanding scope of transporter licenses; allowing transporter licensees to deliver medical marijuana, concentrate and products to licensed patients and caregivers; providing restrictions on the delivery of medical marijuana, concentrate and products; removing Global Positioning System tracker requirement for delivery vehicles; directing transporter licensees to verify the identity of patients and caregivers prior to transferring products; prohibiting delivery of medical marijuana, concentrate and products to public and private schools, institutions of higher education and public property; reducing transporter agent license fee; defining term; and providing an effective date.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:
SECTION 1.  AMENDATORY

Section 2, State Question No. 788,
Initiative Petition No. 412 (63 O.S. Supp. 2019, Section 421), is amended to read as follows:

Section 421.  A. The Oklahoma State Department of Health shall, within thirty (30) days of passage of this initiative, make available on its website in an easy-to-find location an application for a medical marijuana dispensary license. The application fee shall be Two Thousand Five Hundred Dollars ($2,500.00) and a method of payment will be provided on the website. Retail applicants must all be Oklahoma state residents. Any entity applying for a retail license must be owned by an Oklahoma state resident and must be registered to do business in Oklahoma. The Oklahoma State Department of Health shall have two (2) weeks to review the application, approve or reject the application, and mail the approval/rejection letter (if rejected, stating reasons for rejection) stating the reason for rejection to the applicant.

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

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

2. Any applicant, applying as an individual, must show residency in the State of Oklahoma;
3. All applying entities must show that all members, managers, and board members are Oklahoma residents;

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

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

6. All applicants must disclose all ownership;

7. Applicant(s)
Applicants with only a nonviolent felony conviction(s) in conviction within the last two (2) years, any other felony conviction in 5 (years) within the last five (5) years, currently incarcerated inmates, or any person currently incarcerated may persons under the custody of the Department of Corrections or a jail facility, shall not qualify for a medical marijuana dispensary license.

C. Retailers will Dispensaries shall be required to complete a monthly sales report to the Oklahoma State Department of Health. This report will shall be due on the 15th fifteenth of each month and provide reporting on the previous month. This report will shall detail the weight of marijuana purchased at wholesale and the weight of marijuana sold to card holders, and account for any waste. The report will shall show total sales in dollars, tax collected in dollars, and tax due in dollars. The Oklahoma State Department of Health will shall have oversight and auditing responsibilities to
ensure that all marijuana being grown is accounted for. A retailer will only dispensary shall be subject to a penalty if a gross discrepancy exists and cannot be explained. Penalties for fraudulent reporting occurring within any two-year time period will be an initial fine of Five Thousand Dollars ($5,000.00) for the first occurrence of fraudulent reporting and revocation of dispensary license for the second occurrence of fraudulent reporting.

D. Only a licensed medical marijuana retailer dispensary may conduct retail sales of medical marijuana, or marijuana derivatives medical marijuana concentrate and medical marijuana products in the form provided by licensed processors, and these. Medical marijuana products can only be sold to a licensed medical marijuana license holder patient or their licensed medical marijuana caregiver. Penalties for fraudulent sales occurring within any two-year time period will be an initial fine of Five Thousand Dollars ($5,000.00) for the first occurrence of fraudulent sales and revocation of dispensary license for the second occurrence of fraudulent sales.

E. A licensed medical marijuana dispensary may contract with a licensed medical marijuana transporter to deliver medical marijuana, medical marijuana concentrate and medical marijuana products to a licensed medical marijuana patient or licensed medical marijuana
caregiver. When contacted by a licensed medical marijuana patient or caregiver for the purchase and delivery of medical marijuana, medical marijuana concentrate or medical marijuana products, the dispensary shall verify that the patient or caregiver is qualified to purchase and receive a delivery of medical marijuana, medical marijuana concentrate and medical marijuana products. The information provided by the patient or caregiver shall, at a minimum, include the following:

1. The name and date of birth of the patient or caregiver;
2. The 24-character identification number assigned to the medical marijuana patient or caregiver license;
3. If the patient is under eighteen (18) years of age, the name and date of birth of the parent or legal guardian of the patient;
4. The address of the residence where the order will be delivered; and
5. Any other information required by the State Department of Health.

SECTION 2. AMENDATORY Section 16, Chapter 11, O.S.L. 2019 (63 O.S. Supp. 2019, Section 427.16), is amended to read as follows:

Section 427.16 A. There is hereby created a medical marijuana transporter license as a category of the medical marijuana business license.
B. Pursuant to Section 424 of Title 63 of the Oklahoma Statutes this title, the Authority shall issue a medical marijuana transporter license to licensed medical marijuana commercial growers, processors and dispensaries upon issuance of such licenses and upon each renewal.

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

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

E. A transporter license shall be required for any person or entity to transport or transfer medical marijuana, medical marijuana concentrate or product medical marijuana products from a:

1. A licensed medical marijuana business to another medical marijuana business, or from a:
2. A medical marijuana business to a medical marijuana research facility or medical marijuana education facility; or

3. A licensed medical marijuana dispensary to a patient, a parent or legal guardian of a patient or a caregiver who placed the order and who:
   a. has a valid medical marijuana patient license, is the parent or legal guardian of a patient with a valid medical marijuana patient license or has a valid medical marijuana caregiver license, and
   b. possesses a current, Oklahoma state-issued identification card.

F. 1. A medical marijuana transporter licensee may contract with multiple licensed medical marijuana businesses.

2. A medical marijuana transporter licensee may deliver medical marijuana, medical marijuana concentrate and medical marijuana products to a licensed patient, parent or legal guardian of a licensed patient, or licensed caregiver. A medical marijuana transporter shall be prohibited from delivering medical marijuana, medical marijuana concentrate and medical marijuana products more than once per day to the same patient, parent or legal guardian of the patient, caregiver or private residence.

3. When delivering medical marijuana, medical marijuana concentrate and medical marijuana products to a patient, parent or
legal guardian of a patient, or caregiver, the medical marijuana transporter shall deliver such products only to private residences.

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

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

I. A licensed medical marijuana transporter may maintain and operate one or more warehouses in the state to handle medical marijuana, medical marijuana concentrate and medical marijuana products.

J. All medical marijuana, medical marijuana concentrate and product medical marijuana products shall be transported:

1. In vehicles equipped with Global Positioning System (GPS) trackers,
2. In a locked container and clearly labeled "Medical Marijuana or Derivative"; and

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

K. 1. A transporter agent may possess marijuana at any location while the transporter agent is transferring marijuana to or from a licensed medical marijuana business, licensed medical marijuana research facility or, licensed medical marijuana education facility, licensed medical marijuana patient or licensed medical marijuana caregiver.

2. Prior to transferring possession of the medical marijuana, medical marijuana concentrate or medical marijuana products to a licensed patient, a parent or legal guardian of a licensed patient, or a licensed caregiver, the transporter agent shall inspect the state-issued identification card of the patient, parent or legal guardian of the patient, or caregiver, and the medical marijuana license of the patient or caregiver issued pursuant to Section 420 of this title. The transporter agent shall verify that the information provided at the time of the order matches the name and age on the Oklahoma state-issued identification card of the patient, parent or legal guardian of the patient, or caregiver.

3. The delivery of medical marijuana, medical marijuana concentrate or medical marijuana products to a public or private
school, the campus of any institution of higher education or any other public property are hereby prohibited.

The Department shall administer and enforce the provisions of this section concerning transportation.

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

M. The annual fee for a transporter agent license shall be One Hundred Dollars ($100.00) Twenty-five Dollars ($25.00) and shall be paid by the transporter license holder or the individual applicant.

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

1. The name, address and date of birth of the person;
2. Proof of residency as required for a medical marijuana business license;
3. Proof of identity as required for a medical marijuana business license;
4. Possession of a valid Oklahoma driver license;
5. Verification of employment with a licensed transporter;
6. The application and affiliated fee; and
7. A criminal background check conducted by the Oklahoma State Bureau of Investigation, paid for by the applicant.
O. If the transporter agent application is denied, the Department shall notify the transporter in writing of the reason for denying the registry identification card.

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

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

R. The Department may revoke or suspend the transporter license of a transporter that the Department determines knowingly aided or facilitated a violation of any provision of this section, and the licenseholder is subject to any other penalties established in law for the violation.

S. Vehicles used in the transport of medical marijuana, medical marijuana concentrate or medical marijuana products shall be:

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

2. Capable of securing medical marijuana, medical marijuana concentrate or medical marijuana products during transport; and

3. In possession of a shipping container as defined in this act capable of securing all transported product products.
T. Prior to the transport of any medical marijuana, medical marijuana concentrate or medical marijuana products, an inventory manifest shall be prepared at the origination point of the medical marijuana. The inventory manifest shall include the following information:

1. For the origination point of the medical marijuana:
   a. the licensee number for the commercial grower, processor or dispensary,
   b. address of origination of transport, and
   c. name and contact information for the originating licensee;

2. For the end recipient license holder of the medical marijuana:
   a. the license number for the patient, caregiver, dispensary, commercial grower, processor, research facility or education facility destination,
   b. address of the destination, and
   c. name and contact information for the destination licensee;

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

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

5. The arrival date and estimated time of arrival;
6. Printed names and signatures of the personnel accompanying the transport; and

7. Notation of the transporting licensee.

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

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

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

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

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

V. As used in this section, "private residence" means private premises where a person lives, such as a private dwelling place or place of habitation, and specifically excludes any premises located at a public or private school or on the campus of an institution of higher education.
SECTION 3. This act shall become effective November 1, 2020.

Passed the House of Representatives the 10th day of March, 2020.

Presiding Officer of the House of Representatives

Passed the Senate the ___ day of ________, 2020.

Presiding Officer of the Senate