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January 4, 2022

The Honorable Brian Bingman
Oklahoma Secretary of State
Attn: Executive Legislative Division
2300 N. Lincoln Boulevard, Ste. 122
Oklahoma City, Oklahoma 73105

Re: Initiative Petition

Dear Mr. Secretary:

Please accept for filing the enclosed copy of an initiative petition regarding adult-use marijuana, as well as a proposed ballot title and gist on the forms provided by your office.

Very truly yours,

Melanie Wilson Rughani
CROWE & DUNLEVY
Braniff Building
324 N. Robinson Ave., Ste. 100
Oklahoma City, OK 73102

Counsel for Proponents

cc: Oklahoma Attorney General

A PROFESSIONAL CORPORATION

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RECEIVED

JAN 04 2022

OKLAHOMA SECRETARY
OF STATE

STATE QUESTION **820** INITIATIVE PETITION **434**

PROPONENT'S SUGGESTED BALLOT TITLE

Proponent's suggested ballot title is:

This measure is intended to generally legalize, regulate and tax adult-use marijuana under state law (but not alter the rights of medical marijuana patients or licensees). Specifically, it would protect the personal use of marijuana for persons aged 21+, while establishing quantity limits, safety standards, and other restrictions and penalties for violations thereof. It would not affect an employer's ability to restrict marijuana use by employees or prevent property owners from prohibiting or restricting marijuana-related conduct on that property in most cases. It also would not affect federal law regarding marijuana. It would vest in the Oklahoma Medical Marijuana Authority the power to license and regulate conduct under the Act and administer and enforce the Act pursuant to specified requirements. Local governments could regulate the time, place, and manner of operation of businesses licensed pursuant to this Act, but not limit the number or completely prohibit such businesses. It would restrict business licenses to existing medical marijuana licensees for the first two years. While the measure requires enforcement and thus may have a fiscal impact on the state, it is designed to be self-funding: it would impose a 15% excise tax on sales to consumers (not applicable to medical marijuana) to fund the Authority, with the surplus directed to localities where sales occur (10%), to the General Revenue Fund (30%), to courts (10%), to schools (for programs to prevent substance abuse and improve student retention and performance) (30%), and to drug addiction treatment programs (20%). The measure would provide a judicial process for people to seek modification, reversal, redesignation, or expungement of certain prior marijuana-related judgments and sentences. It would provide for severability and an effective date.

Shall the proposal be approved?

For the proposal -- YES

Against the proposal -- NO

A "YES" vote is a vote in favor of this measure. A "NO" vote is a vote against this measure.

FILED
JAN 04 2022
OKLAHOMA SECRETARY
OF STATE

Instructions for Proponents:

1. Please type and insert only the full text of the suggested ballot title.
2. Do not write or type anywhere on this form except where indicated.
3. Once completed, this form must be submitted for filing along with a full copy of the proposed measure and a completed 'Proponent's Gist of the Proposition' form.

(OKSOS-SWIP-Fm01-1021)

State Question No. **820**, Initiative Petition No. **434** **FILED**

WARNING

JAN 04 2022

IT IS A FELONY FOR ANYONE TO SIGN AN INITIATIVE OR REFERENDUM PETITION UNDER ANY NAME OTHER THAN HIS OWN, OR KNOWINGLY TO SIGN HIS NAME MORE THAN ONCE ON THE MEASURE, OR TO SIGN THE PETITION WHEN HE IS NOT A LEGAL VOTER.

INITIATIVE PETITION

To the Honorable John Kevin Stitt, Governor of Oklahoma:

We the undersigned legal voters of the State of Oklahoma respectfully order that the following proposed law shall be submitted to the legal voters of the State of Oklahoma for their approval or rejection at the next regular general election (or at a special election as may be lawfully called by the Governor), and each for himself/herself says: I have personally signed this petition; I am a legal voter of the State of Oklahoma; my first name, last name, zip code, house number, and month and day of my birth are correctly written on this form. The time for filing this petition expires ninety (90) days from _____. The question we herewith submit to our fellow voters is:

Shall the following proposed law be approved?

An Act relating to adult use marijuana: creating the Adult Use Marijuana Regulation Act; defining terms; specifying limitations on application of the Act; establishing legal protections for personal use of marijuana; setting age, quantity and other limitations; establishing penalties for use, possession, cultivation, production, transportation, delivery or distribution in violation of the Act; vesting authority to license, administer, enforce, and regulate under the Act in the Oklahoma Medical Marijuana Authority; providing for the issuance of rules and regulations related to adult use marijuana; setting requirements for and limitations on such licensing, administration, enforcement and regulation; establishing protections for licensees and contractors; establishing license eligibility requirements; establishing restrictions regarding cultivation, processing, testing, storage, transfer, import and export, security, and location; providing for local government regulation within limits; establishing the Oklahoma Marijuana Revenue Trust Fund; establishing an excise tax, and providing for collection and distribution of proceeds thereof; requiring annual reporting; providing for retroactive application; establishing a judicial process for resentencing, reversal of convictions, or modification of judgment and sentence for individuals previously convicted of certain marijuana-related offenses; establishing rules of construction; providing for codification, severability, and an effective date.

BE IT ENACTED BY THE PEOPLE OF OKLAHOMA:

SECTION 1. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 431 of Title 63, unless there is created a duplication in numbering, reads as follows:

This Act shall be known and may be cited as the “Adult Use Marijuana Regulation Act.”

SECTION 2. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 432 of Title 63, unless there is created a duplication in numbering, reads as follows:

Definitions

Terms used in this Act mean:

- A. “Adult use license” means a license issued pursuant to this Act.
- B. “Authority” means the Oklahoma Medical Marijuana Authority or any successor department, division, or agency.
- C. “Consumer” means a person twenty-one years of age or older. “Consumer” does not include licensed patients.
- D. “Entity” means an individual, a sole proprietorship, a general partnership, a limited partnership, a limited liability company, a trust, an estate, an association, a corporation, or any other legal or commercial entity.
- E. “Marijuana” shall have the same meaning as such term is defined in Section 2-101 of this title and shall not include any plant or material which is grown, processed or sold pursuant to the provisions of the Oklahoma Industrial Hemp Program.
- F. “Marijuana accessory” means any equipment, product, or material, which is specifically designed for use in planting, propagating, cultivating, growing, harvesting, manufacturing, compounding, converting, producing, processing, preparing, testing, analyzing, packaging, repackaging, storing, containing, ingesting, inhaling, or otherwise introducing marijuana into the human body.
- G. “Marijuana product” means a product that contains cannabinoids that have been extracted from plant material or the resin therefrom by physical or chemical means including, but not limited to, oils, tinctures, edibles, pills, topical forms, gels, creams, vapors, patches, liquids, and forms administered by a nebulizer, excluding live plant forms.
- H. “Marijuana-infused product” means a product infused with marijuana including, but not limited to, edible products, ointments and tinctures.
- I. “Medical marijuana” means marijuana that is acquired, grown, processed, manufactured, dispensed, tested, transported, possessed, or used pursuant to 63 O.S. 420 et seq.

- J. "Medical marijuana business license" means a license issued pursuant to 63 O.S. § 427.14.
- K. "Medical marijuana license" means a license issued pursuant to 63 O.S. § 420 et seq.
- L. "Patient" or "Licensed patient" means a person who has been issued a medical marijuana patient license by the State Department of Health or Oklahoma Medical Marijuana Authority.
- M. "School" means a public or private elementary or secondary school which is primarily used for classroom instruction. A homeschool, daycare or child-care facility shall not be considered a "school" as used in this Act.
- N. "Unduly burdensome" means that the measures necessary to comply with the rules or ordinances adopted pursuant to this section subject adult use licensees or potential licensees to such a high investment of money, time, or any other resource or asset that a reasonably prudent businessperson would not operate a marijuana business.

SECTION 3. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 433 of Title 63, unless there is created a duplication in numbering, reads as follows:

Limitations

Notwithstanding any other provisions of this Act, this Act does not limit or affect laws that prohibit or otherwise regulate:

- A. Delivery or distribution of marijuana or marijuana accessories, with or without consideration, to a person younger than twenty-one (21) years of age;
- B. Operating or being in physical control of any motor vehicle, train, aircraft, motorboat, or other motorized form of transport while under the influence of marijuana;
- C. Consumption of marijuana while operating or being in physical control of a motor vehicle, train, aircraft, motorboat, or other motorized form of transport, while it is being operated;
- D. Smoking marijuana while riding in the passenger seat or compartment of a motor vehicle, aircraft, motorboat, or other motorized form of transport, while it is being operated;
- E. Possession or consumption of marijuana or possession of marijuana accessories on the grounds of a public or private preschool, elementary school, or high school, in a school bus, or on the grounds of any correctional facility;
- F. Smoking or vaping marijuana in a public place; or

- G. Undertaking any task under the influence of marijuana, if doing so would constitute negligence or professional malpractice.

SECTION 4. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 434 of Title 63, unless there is created a duplication in numbering, reads as follows:

Employment, Property, and Patients

Notwithstanding any other provisions of this Act, this Act does not:

- A. Limit any privileges, rights, immunities, or defenses of a patient, medical marijuana licensee, or medical marijuana business licensee as provided under Oklahoma law;
- B. Require that an employer accommodate conduct permitted by this Act;
- C. Affect an employer's ability to restrict conduct permitted by this Act by employees;
- D. Limit the right of a person who occupies, owns, or controls private property from prohibiting or otherwise regulating conduct permitted by this Act on or in that property, except that a lease agreement may not prohibit a tenant from lawfully possessing and consuming marijuana by means other than smoking; or
- E. Limit the ability of the state or a local government to prohibit or restrict any conduct permitted under this Act within a building owned, leased, or occupied by the state or the local government.

SECTION 5. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 435 of Title 63, unless there is created a duplication in numbering, reads as follows:

Personal Use Protections

- A. Subject to the limitations in this Act, the following acts are not unlawful and shall not be an offense under state law or the laws of any local government within the state or be subject to a civil fine, penalty, or sanction, or be a basis for detention, search, or arrest, or to deny any right or privilege, or to seize or forfeit assets under state law or the laws of any local government, if the person is at least twenty-one (21) years of age:
 - 1. Possessing, purchasing, using, ingesting, inhaling, processing, transporting, delivering without consideration, or distributing without consideration one (1) ounce or less of marijuana, eight (8) grams or less of marijuana in a concentrated form, and/or eight (8) grams or less of marijuana in concentrated form contained within marijuana products or marijuana-infused products.
 - 2. Possessing, planting, cultivating, harvesting, drying, processing, or manufacturing not more than six (6) mature marijuana plants and six (6) seedlings, and possessing the marijuana produced by the plants and seedlings, provided:

- (i) The plants and seedlings and any marijuana produced by the plants and seedlings in excess of one (1) ounce are kept in or on the grounds of one (1) private residence and are not visible and recognizable as marijuana by normal, unaided vision from a public place; and
 - (ii) Not more than twelve (12) plants and twelve (12) seedlings are kept in or on the grounds of a private residence at one time.
- 3. Assisting another person who is at least twenty-one (21) years of age, or allowing property to be used, in any of the acts permitted by this Act.
- 4. Possessing, purchasing, using, delivering, distributing, manufacturing, transferring, or selling marijuana accessories to persons twenty-one (21) years of age or older.
- 5. Transporting not more than six (6) mature marijuana plants and six (6) seedlings cultivated in compliance with subsection A(2) of this section for testing and/or manufacturing, and/or donation of marijuana for scientific research, provided such transportation is permitted by the Authority.
- B. A person shall not be denied custody of or visitation or parenting time with a minor child, and there is no presumption of neglect or child endangerment, for conduct that is addressed and permitted by this Act, unless the behavior of the person creates an unreasonable danger to the safety of the minor child.
- C. A person currently under parole, probation, or other state supervision, or released awaiting trial or other hearing, may not have that status revoked or be punished or otherwise penalized based solely on conduct that is addressed and permitted by this Act.
- D. A consumer shall not be required to provide an adult use licensee with identifying information other than identification to determine the consumer's age, and an adult use licensee may not retain any personally identifying information about the consumer for more than sixty days (60) without the consumer's written permission.
- E. No conduct addressed and permitted by this Act shall constitute the basis for detention, search, or arrest; and except when law enforcement is investigating whether a person is operating a motor vehicle, train, aircraft, motorboat, or other motorized form of transport while impaired, the odor of marijuana or burnt marijuana, the possession or suspicion of possession of marijuana without evidence of quantity in excess of the lawful amount, or the possession of multiple containers of marijuana without evidence of quantity in excess of the lawful amount shall not individually or in combination with each other constitute reasonably articulable suspicion of a crime. Marijuana, marijuana products and marijuana-infused products as permitted by this Act are not contraband nor subject to seizure.

- F. A person shall not be denied eligibility in public assistance programs based solely on conduct that is addressed and permitted by this Act, unless required by federal law.
- G. A person shall not be denied by the state or local government the right to own, purchase or possess a firearm, ammunition, or firearm accessories based solely on conduct that is addressed and permitted by this Act. 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 that is addressed and permitted by this Act.
- H. Nothing in this section or this Act may be construed to limit any privileges, rights, immunities or defenses of patients, medical marijuana licensees, or medical marijuana business licensees or to change or affect any law or regulation addressing medical marijuana or to apply any fine or other penalty to a patient. Any restrictions or limitations on persons or consumers set forth in this section or elsewhere in the Act do not apply to patients, medical marijuana licensees, or medical marijuana business licensees if the restriction or limitation is inconsistent with Oklahoma's laws related to medical marijuana.

SECTION 6. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 436 of Title 63, unless there is created a duplication in numbering, reads as follows:

Personal Use Penalties

- A. A consumer who, contrary to §5 of this Act, cultivates marijuana plants that are visible and recognizable as marijuana by normal, unaided vision from a public place is subject to a civil fine not exceeding two-hundred and fifty dollars (\$250).
- B. A consumer who smokes or vapes marijuana in a public place where the smoking of tobacco is prohibited is subject to a civil fine not exceeding twenty-five dollars (\$25). Smoking marijuana in a public place shall not constitute the basis for detention, search, or arrest.
- C. A person who is under twenty-one (21) years of age, is not a licensed patient, and possesses, uses, ingests, inhales, transports, delivers without consideration or distributes without consideration not more than the amount of marijuana allowed for adults twenty-one (21) years of age or older by § 5 of this Act or possesses, delivers without consideration, or distributes without consideration marijuana accessories is subject to a civil fine not to exceed one-hundred dollars (\$100) and forfeiture of the marijuana. The person shall be provided the option of attending up to four (4) hours of drug education or counseling in lieu of the fine.
- D. Subject to §5 of this Act, a consumer who possesses more than the amount of marijuana allowed pursuant to § 5 of this Act but not more than twice that amount, or produces more than the amount of marijuana allowed pursuant to §5 of this Act but not more than

twice that amount, or delivers without consideration or distributes without consideration to a person who is at least twenty-one (21) years of age more than the amount of marijuana allowed pursuant to § 5 of this Act but not more than twice the amount of marijuana allowed by §5 of this Act, or possesses with intent to deliver or distribute to a person who is at least twenty-one (21) years of age more than the amount of marijuana allowed pursuant to § 5 of this Act but not more than twice the amount of marijuana allowed by §5 of this Act is subject to a civil fine not exceeding two hundred dollars (\$200) and forfeiture of the marijuana. Any person under twenty-one (21) years of age who is subject to a fine under this Section shall be provided the option of attending up to eight (8) hours of drug education or counseling in lieu of the fine.

- E. A person shall not be subject to any additional fees, fines, or other penalties for the violations addressed in this section other than those set forth in this section. Further, a person shall not be subject to increased punishment for any other crime on the basis of their having undertaken any of the conduct listed in Sections 5 or 6 of this Act.
- F. It is expressly prohibited to operate extraction equipment or utilize extraction processes on marijuana if the equipment or process utilizes butane, propane, carbon dioxide or any potentially hazardous or volatile solvent in a residential property.
- G. Nothing in this section or this Act may be construed to limit any privileges, rights, immunities, or defenses of patients, medical marijuana licensees or medical marijuana business licensees or to change or affect any law or regulation addressing medical marijuana or to apply any fine or other penalty to a patient. Any restrictions or limitations on persons or consumers set forth in this section or elsewhere in the Act do not apply to patients, medical marijuana licensees, or medical marijuana business licensees if the restriction or limitation is inconsistent with Oklahoma's laws related to medical marijuana.

SECTION 7. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 437 of Title 63, unless there is created a duplication in numbering, reads as follows:

Licensing

- A. The Oklahoma Medical Marijuana Authority shall have the power to license and regulate the cultivation, processing, manufacture, testing, transport, delivery, and sale of marijuana in the state by adult use licensees and to administer and enforce this Act.
- B. The Authority shall accept applications for and issue adult use marijuana business licenses, including but not limited to:
 - 1. Adult use marijuana commercial grower;
 - 2. Adult use marijuana processor;
 - 3. Adult use marijuana dispensary;
 - 4. Adult use marijuana transporter; and
 - 5. Adult use marijuana testing laboratory.

- C. An entity may hold both a medical marijuana business license and a license under this Act of the same type to operate at the same location consistent with Authority regulations and this Act.

SECTION 8. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 438 of Title 63, unless there is created a duplication in numbering, reads as follows:

Rules and Regulations

- A. Not later than 90 days after the effective date of this Act, the Authority shall promulgate rules and issue regulations necessary for the implementation and enforcement of this Act. The rules shall be reasonable and shall include:
1. Procedures for issuing an adult use license and for renewing, suspending, and revoking an adult use license;
 2. Application, licensing, and renewal fees for adult use licenses, none of which shall exceed \$2,500;
 3. Qualifications for adult use licensure that are directly and demonstrably related to the operation of an adult use marijuana business;
 4. Requirements and standards for safe cultivation, processing, manufacture, dispensing, and distribution of marijuana, marijuana products and marijuana-infused products by adult use licensees, including health standards to ensure the safe preparation of marijuana products and marijuana-infused products and prohibitions on pesticides that are not safe for use on marijuana;
 5. Standards, procedures (including, but not limited to, process validation), and requirements to test marijuana, marijuana products and marijuana-infused products for components demonstrated to adversely impact human health; and a requirement that marijuana, marijuana products and marijuana-infused products be tested by an independent marijuana testing laboratory;
 6. Labeling standards that protect public health by requiring the listing of pharmacologically active ingredients, including, but not limited to, tetrahydrocannabinol (THC), cannabidiol (CBD), and other cannabinoid content, the THC and other cannabinoid amount in milligrams per serving or percentage, the number of servings per package, and quantity limits per sale to comply with the allowable possession amount;
 7. Requirements that packaging and labels shall not be made to be attractive to children, requirements for warning labels, and requirements that marijuana, marijuana products, and marijuana-infused products be sold in resealable, child-

resistant packaging designed to be significantly difficult for children under five (5) years of age to open and not difficult for adults to use properly;

8. Security requirements, including lighting, physical security, and alarm requirements, and requirements for securely transporting marijuana between adult use licensees;
9. Packaging and labeling requirements to ensure consumer safety and accurate information;
10. Reasonable restrictions on the manufacture and sale of edible marijuana products or marijuana-infused products to ensure consumer and child safety;
11. Inspection, tracking, and record-keeping requirements to ensure regulatory compliance and to prevent diversion;
12. Restrictions on advertising, marketing, and display of marijuana by adult use licensees to prevent advertising and marketing to persons under twenty-one (21) years of age;
13. Requirements to ensure that all applicable statutory environmental, agricultural, waste management, waste disposal, and food and product safety requirements are followed;
14. Requirements to prevent the sale and diversion of marijuana to persons under twenty-one (21) years of age;
15. Requirements to ensure that no adult use licensee may process or sell edible marijuana products or marijuana-infused products in shapes or packages that are attractive to children or that are easily confused with commercially sold candy or products that do not contain marijuana;
16. A seed-to-sale tracking system that tracks marijuana throughout the distribution chain from either the seed or immature plant stage until the marijuana, marijuana product, or marijuana-infused product is sold to a consumer to ensure that no marijuana, marijuana products or marijuana-infused products are sold or otherwise transferred except as authorized by law and to aid the Authority in ensuring compliance with this act and the rules promulgated by the Authority;
17. Administrative penalties for the failure to comply with rules adopted pursuant to this Act; and
18. Such other matters as are necessary for the fair, impartial, and comprehensive administration of this Act.

19. The Authority shall, to the extent practicable, keep its regulation of adult-use licensees consistent with its regulation of medical marijuana business licensees, except as necessary to differentiate between differences in statute between medical and adult-use marijuana.
- B. The Authority shall not promulgate a rule or regulation or establish a fee that is unduly burdensome.
- C. The Authority shall approve an adult use license application and issue an adult use license if:
1. The applicant has submitted the application in compliance with the rules promulgated by the Authority, is in compliance with this Act and the rules, and has paid the required fee; and
 2. The proposed adult use licensee would not be in violation of a local ordinance consistent with this Act that was in effect at the time of the application.
- D. For the first twenty-four (24) months after the Authority begins to accept license applications under this Act, the Authority shall accept applications from and issue adult use licenses only to entities that have held a medical marijuana business license for at least one year as of the date this Act takes effect.
- E. Any rule or regulation adopted by the Authority pursuant to this Act must comply with the Oklahoma Administrative Procedures Act.

SECTION 9. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 439 of Title 63, unless there is created a duplication in numbering, reads as follows:

Licensee Protections

- A. Actions and conduct by an adult use licensee, an adult use licensee's employee, and an adult use licensee's agent, as permitted pursuant to an adult use license issued by the Authority, or by those who allow property to be used by an adult use licensee, an adult use licensee's employee, or an adult use licensee's agent, as permitted pursuant to an adult use license issued by the Authority, are not unlawful and shall not be an offense under state law, or the laws of any local government within the state, or be subject to a civil fine, penalty, or sanction, or be a basis for detention, search, or arrest, or to deny any right or privilege, or to seize or forfeit assets under state law or the laws of any local government within the state.
- B. No contract shall be unenforceable on the basis that marijuana is prohibited by federal law.
- C. A holder of a professional or occupational license is not subject to professional discipline for providing advice or services arising out of or related to adult use marijuana licensees

or applications for adult use marijuana licenses on the basis that marijuana is prohibited by federal law.

SECTION 10. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 440 of Title 63, unless there is created a duplication in numbering, reads as follows:

Licensee Restrictions

- A. An adult use licensee may not cultivate, process, test, or store marijuana at any location other than a physical address approved by the Authority and that is secured in a manner that prevents access by persons not permitted by the adult use licensee to access the area.
- B. An adult use licensee shall comply with security measures to prevent unauthorized access to marijuana, marijuana products and marijuana-infused products in accordance with Authority rules and this Act.
- C. No adult use licensee may refuse representatives of the Authority the right during the hours of operation to inspect the licensed premises or to audit the books and records of the adult use licensee.
- D. No adult use marijuana dispensary licensee that is permitted to sell marijuana to consumers may be located within 1,000 feet of a school, as set forth in 63 O.S. § 425(G).
- E. No adult use licensee may sell or otherwise transfer tobacco or alcoholic beverages from the same location as marijuana.
- F. No adult use licensee may import or export marijuana into or out of Oklahoma until allowed to do so under federal law.
- G. Nothing in this section or this Act may be construed to limit any privileges, rights, immunities, or defenses of patients, medical marijuana licensees or medical marijuana business licensees or to change or affect any law or regulation addressing medical marijuana or to apply any fine or other penalty to a patient, medical marijuana licensee, or medical marijuana business licensee. Any restrictions or limitations on persons or consumers set forth in this section or elsewhere in the Act do not apply to patients, medical marijuana licensees, or medical marijuana business licensees if the restriction or limitation is inconsistent with Oklahoma's laws related to medical marijuana.

SECTION 11. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 441 of Title 63, unless there is created a duplication in numbering, reads as follows:

Local Governments

Subject to sections 5 and 9 of this Act,

- A. A county or municipal government may regulate the time, place, and manner of operation of adult use business licensees licensed pursuant to this Act, so long as those regulations are not unduly burdensome, but may not limit the number or completely prohibit the establishment or operation of adult use business licensees licensed pursuant to this Act, or any category of license issued pursuant to this Act, within its boundaries.
- B. The State Department of Health shall make available to political subdivisions a list of marijuana-licensed premises, marijuana businesses or any other premises where marijuana or its by-products are licensed to be cultivated, grown, processed, stored or manufactured under this Act to aid county and municipal governments in identifying locations within their jurisdiction and ensure compliance with local regulations.
- C. All marijuana-licensed premises, marijuana businesses or any other premises where marijuana, marijuana products or marijuana-infused products are licensed to be cultivated, grown, processed, stored or manufactured under this Act shall submit with their application, after notifying the political subdivision of their intent, a certificate of compliance from the political subdivision where the facility of the applicant or use is to be located certifying compliance with zoning classifications, applicable municipal ordinances and all applicable safety, electrical, fire, plumbing, waste, construction and building specification codes.
- D. Nothing in this section or this Act may be construed to limit any privileges, rights, immunities, or defenses of patients, medical marijuana licensees or medical marijuana business licensees or to change or affect any law or regulation addressing medical marijuana or to apply any fine or other penalty to a patient, medical marijuana licensee, or medical marijuana business licensee. Any restrictions or limitations set forth in this section or elsewhere in the Act do not apply to patients, medical marijuana licensees, or medical marijuana business licensees if the restriction or limitation is inconsistent with Oklahoma's laws related to medical marijuana.

SECTION 12. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 442 of Title 63, unless there is created a duplication in numbering, reads as follows:

Marijuana Tax

- A. An excise tax of fifteen percent (15%) is imposed upon the gross receipts of all sales of marijuana sold by an adult use marijuana dispensary licensee to a consumer. This tax shall not apply to the sale of medical marijuana to a licensed patient or caregiver for use by a licensed patient.
- B. The Oklahoma Tax Commission shall by rule establish a procedure for the collection of this tax and shall collect the tax.
- C. This tax shall be paid in addition to any other applicable state or local sales tax.

SECTION 13. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 443 of Title 63, unless there is created a duplication in numbering, reads as follows:

Oklahoma Marijuana Revenue Trust Fund

- A. There is hereby created a trust fund to be known as the “Oklahoma Marijuana Revenue Trust Fund.” The trust fund shall consist of all monies received by the Oklahoma Tax Commission from tax proceeds collected pursuant to the marijuana excise tax established by this Act.
- B. Monies from the Oklahoma Marijuana Revenue Trust Fund will be applied first to finance the costs of the Authority reasonably necessary for implementation of this Act. Any monies that exceed the budgeted amount for running the Authority shall be expended only for the following purposes:
 - 1. Ten percent (10%) to the municipalities (or counties, for unincorporated areas) where the retail sales occurred;
 - 2. Ten percent (10%) to the State Judicial Revolving Fund;
 - 3. Thirty percent (30%) to the General Revenue Fund;
 - 4. Thirty percent (30%) to grants to public schools to develop and support programs designed to prevent and reduce substance abuse and improve student retention and performance, by supporting students who are at risk of dropping out of school, promoting alternatives to suspension or expulsion that focus on student retention, remediation, and professional care, and providing after-school support and enrichment programs for students in kindergarten through 12th grade that include art, music, athletics, and academics; and
 - 5. Twenty percent (20%) to provide grants to agencies and not-for-profit organizations, whether government or community-based, to increase access to evidence-based low-barrier drug addiction treatment, prioritizing medically proven treatment and overdose prevention and reversal methods and public or private treatment options with an emphasis on reintegrating recipients into their local communities, to support overdose prevention education, and to support job placement, housing, and counseling for those with substance use disorders.
- C. Funds shall be appropriated from the Oklahoma Marijuana Revenue Trust Fund only for the purposes specified in subsection B of this section. Grants awarded pursuant to subparagraph B(4) of this section shall be awarded by the Oklahoma State Department of Education or its successor, and grants awarded pursuant to subparagraph B(5) of this section shall be awarded by the Oklahoma Department of Mental Health and Substance Abuse Services or its successor from funds appropriated from the trust fund. Even when the funds from the trust fund are used for these purposes, funds from the trust fund shall not be used to supplant or replace other state funds supporting the entities and programs specified in subsection B of this section.

SECTION 14. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 444 of Title 63, unless there is created a duplication in numbering, reads as follows:

Annual Report

The Authority shall publish an annual report that includes the number and types of adult use licenses issued, the number and types of adult use licenses denied and the reason therefor, demographic information on adult use licensees and adult use license denials, a description of any enforcement or disciplinary action taken against adult use licensees, a statement of revenues and expenses of the Authority related to the implementation, administration, and enforcement of this Act, and a statement from the Oklahoma Tax Commission of taxes collected in accordance with this Act, with an accounting for how those revenues were disbursed.

SECTION 15. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 445 of Title 63, unless there is created a duplication in numbering, reads as follows:

Retroactive Application

- A. A person currently serving a sentence for a conviction, whether by trial or by plea of guilty or *nolo contendere*, who would not have been guilty of an offense or who would have been guilty of a lesser offense under this Act had it been in effect at the time of the offense, may file a petition for resentencing, reversal of conviction and dismissal of case, or modification of judgment and sentence before the trial court that entered the judgment of conviction in the person's case to request resentencing, modification, or reversal in accordance with this Act.
- B. Upon receiving a petition under subsection (A), the court shall presume the petitioner satisfies the criteria in subsection (A) and without delay resentence, reverse the conviction as legally invalid, or modify the judgment and sentence unless the State opposes the petition or alleges that granting the petition would pose an unreasonable risk of danger to an identifiable individual's safety.
- C. In the event that the State opposes the petition or alleges that granting the petition would pose an unreasonable risk of danger to an identifiable individual's safety, the petitioner shall be entitled to a hearing on the record, including the opportunity to question witnesses and present evidence supporting the granting of an order for resentencing, reversal and dismissal, or modification of the judgment and sentence. The State shall bear the burden of proving, by clear and convincing evidence, that the petitioner does not satisfy the criteria in subsection (A) or that granting the petition would pose an unreasonable risk of danger to an identifiable individual if alleged. Unless the State sustains its burden, the court shall resentence, reverse the conviction as legally invalid and dismiss the case, or modify the judgment and sentence. Any outstanding fines, court costs, and fees imposed in connection with the conviction at issue shall be waived.
- D. Any persons brought before the court upon an application to revoke a suspended sentence for a conviction that would not have been an offense or would have been a lesser offense

had this Act been in effect at the time of the offense shall have their sentence vacated or modified in accordance with the provisions of this Act. Any persons brought before the court upon an application to accelerate a deferred sentence for charges that would not have been an offense or would have been a lesser offense had this Act been in effect at the time of the offense shall have their charges vacated or modified in accordance with the provisions of this Act. Any outstanding fines, court costs, and fees imposed in connection with the conviction at issue shall be waived.

- E. Under no circumstances shall resentencing, reversal and dismissal, modification, revocation, or acceleration pursuant to this section result in the imposition of a supervision or imprisonment term longer than the original sentence, or the reinstatement of charges dismissed pursuant to a negotiated plea agreement, or require the payment of any additional fines or fees beyond those authorized by this Act.
- F. A person who has completed his or her sentence for a conviction, whether by trial or plea of guilty or *nolo contendere*, who would not have been guilty of an offense or who would have been guilty of a lesser offense under this Act had it been in effect at the time of the offense, may file a petition before the trial court that entered the judgment of conviction in the person's case to have the conviction dismissed, expunged, and vacated as legally invalid or redesignated as a civil infraction in accordance with this Act.
- G. The court shall presume the applicant satisfies the criteria in subsection (F) unless the State opposes the application and proves by clear and convincing evidence that the petitioner does not satisfy the criteria in subsection (F). If the petitioner satisfies the criteria in subsection (F), the court shall redesignate the conviction as a civil infraction or dismiss, expunge, and vacate the conviction as legally invalid in accordance with this Act. Any outstanding fines, court costs, and fees imposed in connection with the conviction at issue shall be waived.
- H. Unless requested by the applicant, no hearing is necessary to grant or deny an application filed under subsection (F).
- I. Any felony conviction or misdemeanor that is modified, resentenced, or redesignated as a civil infraction pursuant to subsection (B), (D), or (F) of this section shall be considered a civil infraction for all purposes.
- J. If the court that originally sentenced the petitioner is not available, the presiding judge shall designate another judge to rule on the petition or application.
- K. Nothing in this section shall be construed to diminish or abrogate any rights or remedies otherwise available to the petitioner or applicant.
- L. The provisions of this section shall apply equally to juvenile cases if the juvenile would have been guilty of a lesser offense under this Act.

- M. The Administrative Office of the Courts shall promulgate a simple form that may be used to file a petition under this section.

SECTION 16. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 446 of Title 63, unless there is created a duplication in numbering, reads as follows:

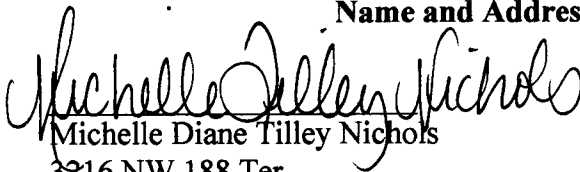
Severability

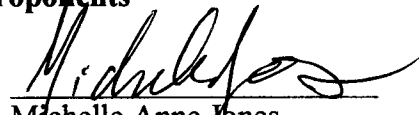
This Act shall be broadly construed to accomplish its purposes and intents. Nothing in this Act purports to supersede any applicable federal law, except where allowed by federal law. If any provision in this Act or the application thereof to any person or circumstance is held invalid or unconstitutional, such invalidity or unconstitutionality shall not affect other provisions or applications of the Act that can be given effect without the invalid or unconstitutional provision or application, and to this end the provisions of this Act are severable.

SECTION 17. Effective Date

This Act shall become effective ninety (90) days after it is approved by the People.

Name and Address of Proponents


Michelle Diane Tilley Nichols
3216 NW 188 Ter.
Edmond, OK 73012


Michelle Anne Jones
405 N. Aster Ave.
Broken Arrow, OK 74012

STATE QUESTION **820** INITIATIVE PETITION **434** FILED

JAN 04 2022

PROPONENT'S GIST OF THE PROPOSITION

OKLAHOMA SECRETARY
OF STATE

This gist statement will be affixed at the top of the signature sheet for circulation of signature

The gist of the proposition is:

This measure is intended to generally legalize, regulate and tax adult-use marijuana under state law (but not alter the rights of medical marijuana patients or licensees). Specifically, it would protect the personal use of marijuana for persons aged 21+, while establishing quantity limits, safety standards, and other restrictions and penalties for violations thereof. It would not affect an employer's ability to restrict marijuana use by employees or prevent property owners from prohibiting or restricting marijuana-related conduct on that property in most cases. It also would not affect federal law regarding marijuana. It would vest in the Oklahoma Medical Marijuana Authority the power to license and regulate conduct under the Act and administer and enforce the Act pursuant to specified requirements. Local governments could regulate the time, place, and manner of operation of businesses licensed pursuant to this Act, but not limit the number or completely prohibit such businesses. It would restrict business licenses to established medical marijuana licensees for the first two years. It would impose a 15% excise tax on sales to consumers (not applicable to medical marijuana) to fund the Authority, with the surplus directed to localities where sales occur (10%), to the General Revenue Fund (30%), to the courts (10%), to schools (for programs to prevent substance abuse and improve student retention and performance) (30%), and to drug addiction treatment programs (20%). It would provide a judicial process for people to seek modification, reversal, redesignation, or expungement of certain prior marijuana-related judgments and sentences. It would provide for severability and an effective date.

Instructions for Proponents:

1. Please type and insert only the full text of the suggested ballot title.
2. Do not write or type anywhere on this form except where indicated.
3. Once completed, this form must be submitted for filing along with a full copy of the proposed measure and a completed 'Proponent's Suggested Ballot Title' form.

(OKSOS-SWIP-Fm02-1021)

J. Brian Bingman
Secretary of State and
Native American Affairs



J. Kevin Stitt
Governor

OKLAHOMA SECRETARY OF STATE

January 4, 2022

Michelle Diane Tilley Nichols
3216 NW 188 Ter.
Edmond, Oklahoma 73012

Michelle Anne Jones
405 N. Aster Ave.
Broken Arrow, Oklahoma 74012

Dear Proponent(s):

This acknowledges receipt of the petition submitted to the Secretary of State office, which has been designated as **State Question Number 820, Initiative Petition Number 434** and filed accordingly this 4th day of January 2022.

Now that the petition has officially been filed for the record, per Title 34 O.S. Section 8, it is the duty of the Secretary of State to cause to be published, a notice of such filing and the apparent sufficiency or insufficiency of the petition, and shall also include notice that any citizen or citizens of the state may file a protest as to the *constitutionality* of the petition, by a written notice to the Supreme Court and to the proponent(s) filing the petition. Any such protest must be filed within ten (10) business days after the publication of the notice.

As soon as the ten (10) business day appeal/protest period has concluded our office will be in contact regarding the next steps in the process.

If we may provide any further assistance or should you have any questions, please do not hesitate to me.

Thank you,

A handwritten signature in black ink, appearing to read "Amy Canton".

Amy Canton
Director, Executive Legislative Services
405.522.4565 / executivelegislative@sos.ok.gov

J. Brian Bingman
Secretary of State and
Native American Affairs



J. Kevin Stitt
Governor

OKLAHOMA SECRETARY OF STATE

January 4, 2022

Ms. Cindy Shea
Oklahoma Press Service
3601 N. Lincoln
Oklahoma City, Oklahoma 73105

Dear Ms. Shea:

Please find enclosed the following notices for publication.

- Notice of Filing for State Question 820, Initiative Petition 434

Per Title 34 O.S. § 8, the publication must appear in at least one newspaper of general circulation in the State of Oklahoma. Please publish the enclosed notice in *The Oklahoman*, *Tulsa World*, and the *Journal Record* as soon as possible.

Also, upon the completion of publication, please provide our office with the corresponding Affidavits of Publication. Should you have any questions, please do not hesitate to contact our office.

Sincerely,

A handwritten signature in black ink, appearing to read "Amy Canton".

Amy Canton
Director, Executive Legislative Services
Oklahoma Secretary of State Office

**NOTICE OF THE FILING OF STATE QUESTION 820, INITIATIVE PETITION 434,
THE APPARENT SUFFICIENCY THEREOF, AND NOTICE TO CITIZENS OF THE
STATE THAT ANY SUCH PROTEST, AS TO THE CONSTITUTIONALITY OF SAID
PETITION, MUST BE FILED ACCORDINGLY WITHIN TEN (10) BUSINESS DAYS
AFTER THIS NOTICE (Okla. Stat. tit. 34, § 8)**

NOTICE is hereby given that on January 4, 2022, State Question 820, Initiative Petition 434 was filed in the Office of the Oklahoma Secretary of State.

NOTICE is also hereby given that State Question 820, Initiative Petition 434 is SUFFICIENT for filing with the Office of the Oklahoma Secretary of State. The official record is available for public view via the Oklahoma Secretary of State website at <https://www.sos.ok.gov/documents/Questions/820.pdf>.

NOTICE is likewise, hereby given, as provided in Title 34 Section 8 of the Oklahoma Statutes, that any citizen or citizens of the state may file a protest as to the constitutionality of said petition, by a written notice to the Supreme Court and to the proponent(s) filing the petition. Any such protest must be filed within ten (10) business days after publication of this notice. Also, a copy of any such protest shall be filed with the Office of the Oklahoma Secretary of State.

Proponents of record for State Question 820, Initiative Petition 434:

Michelle Diane Tilley Nichols
3216 NW 188 Ter.
Edmond, Oklahoma 73012

Michelle Anne Jones
405 N. Aster Ave.
Broken Arrow, Oklahoma 74012

J. Brian Bingman
Secretary of State
State of Oklahoma