

FILED

DEC 2 7 2019

OKLAHOMA SECRETARY
OF STATE

December 27, 2019

The Honorable Michael Rogers Oklahoma Secretary of State 2300 N. Lincoln Boulevard, Ste. 122 Oklahoma City, Oklahoma 73105-4897

Re: Initiative Petition

Dear Mr. Secretary:

Please accept for filing the enclosed copy of an initiative petition regarding adult-use marijuana. Also enclosed is a suggested ballot title.

Very truly yours,

MMZ

D. Kent Meyers

Melanie Wilson Rughani

CROWE & DUNLEVY

Braniff Building

324 N. Robinson Ave., Ste. 100

Oklahoma City, OK 73102

**Counsel for Proponents** 

# **FILED**

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#### PROPOSED BALLOT TITLE

**OKLAHOMA SECRETARY** 

This measure adds a new article to the Constitution, which would generally legistategulate and tax marijuana for adults 21+ under state law (but not alter the rights of medical marijuana licensees). Specifically, it protects the personal use of marijuana for those 21+, while establishing quantity limits, safety standards, and other restrictions. It maintains prohibitions on impaired driving and distribution to, or use by, those under 21. It would not affect employers' ability to restrict marijuana use by employees. Property owners generally may restrict marijuana on their property. The Oklahoma Marijuana Authority would license, regulate and administer the article pursuant to specified requirements. It permits municipalities, upon popular vote, to limit or prohibit retail licenses. It imposes a 15% excise tax on sales (not applicable to medical marijuana) to fund the Authority, localities where sales occur, schools (for programs to prevent substance abuse and improve student retention and performance), and drug-addiction treatment programs, while ensuring such funds must add to, not replace, existing funding. It provides a judicial process for people to seek modification, reversal, redesignation or expungement of certain prior marijuana-related judgments and sentences. Its provisions are severable and would take effect in 90 days.

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.

State Question No. 807, Initiative Petition No. 423

#### WARNING

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

FILED.

## **INITIATIVE PETITION**

DEC 2 7 2019

To the Honorable John Kevin Stitt, Governor of Oklahoma:

OKLAHOMA SECRETARY OF STATE

We the undersigned legal voters of the State of Oklahoma respectfully order that the following proposed Amendment to the Constitution 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 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 residence is correctly written after my name. 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 new Article 31 to the Oklahoma Constitution be approved?

BE IT ENACTED BY THE PEOPLE OF OKLAHOMA THAT A NEW ARTICLE 31 TO THE OKLAHOMA CONSTITUTION BE APPROVED:

# CONSTITUTION OF OKLAHOMA, ARTICLE 31 MARIJUANA

#### § 1. Definitions

Terms used in this article mean:

- (1) "Authority" means the Oklahoma Marijuana Authority or any successor department, division, or agency.
- (2) "Consumer" means a person twenty-one years of age or older. "Consumer" does not include licensed patients.
- (3) "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.
- (4) "Hemp" means the plant of the genus cannabis, and any part of that plant, including the seeds thereof and all derivatives, extracts, cannabinoids, isomers, acids, salts, and salts of isomers, whether growing or not with a delta-9 tetrahydrocannabinol concentration of not more than three-tenths of one percent on a dry weight basis.
- (5) "License" or "Licensee" means a license issued or an entity licensed pursuant to this article.
- (6) "Local government" means a county, municipality, or other political subdivision.
- (7) "Marijuana" means cannabis indica, cannabis sativa, and cannabis ruderalis, hybrids of such species, as well as resin extracted from the plant and marijuana-infused products. "Marijuana" does not include hemp, or commodities or products manufactured with

- hemp, or any other ingredient combined with marijuana to prepare topical, oral, or rectal administrations, food, drink, or other products.
- (8) "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.
- (9) "Marijuana-infused product" means a product that contains cannabinoids that have been extracted from marijuana or the resin therefrom by physical or chemical means, including but not limited to concentrates, oils, tinctures, edibles, pills, topical forms, gels, creams, and other derivative forms.
- (10) "Medical marijuana" means marijuana that is acquired, grown, processed, manufactured, dispensed, tested, transported, possessed, or used for a medical purpose.
- (11) "Medical marijuana business license" means a license issued to a business under Oklahoma's medical marijuana laws, including but not limited to a medical marijuana dispensary license, medical marijuana processor license, medical marijuana commercial grower license, medical marijuana laboratory license, and medical marijuana transporter license.
- "Medical marijuana license" means a license issued by the Authority proving the holder of such license is a member of a state-regulated medical marijuana program.
- (13) "Patient" or "Licensed patient" means a person that has been issued a medical marijuana license pursuant to Oklahoma law and Authority regulations.
- "School" means a public or private preschool or a public or private elementary or secondary school used for school classes and instruction. A homeschool, daycare, child-care facility, or other structure not primarily used for school classes and student instruction shall not be considered a "school" as used in this article.
- "Unduly burdensome" means that the measures necessary to comply with the rules or ordinances adopted pursuant to this section subject 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.

## §2. Limitations

Notwithstanding the provisions of this article, this article does not limit or affect laws that prohibit or otherwise regulate:

- (1) Delivery or distribution of marijuana or marijuana accessories, with or without consideration, to a person younger than twenty-one years of age;
- Purchase, possession, use, or transport of marijuana or marijuana accessories by a person younger than twenty-one years of age;
- (3) Consumption of marijuana by a person younger than twenty-one years of age;
- (4) 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;
- (5) 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;

- (6) 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;
- (7) 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;
- (8) Smoking marijuana in a public place, other than in an area licensed by the Authority for consumption, unless otherwise allowed by the Legislature or a local government;
- (9) Undertaking any task under the influence of marijuana, if doing so would constitute negligence or professional malpractice; or
- (10) Processing or performing solvent-based extractions on marijuana if the equipment or process utilizes butane, propane, carbon dioxide or any potentially hazardous material, unless licensed for this activity by the Authority.

## §3. Employment, Property, and Patients

Notwithstanding the provisions of this article, this article does not:

- (1) Limit any privileges, rights, immunities, or defenses of a patient, medical marijuana licensee, or medical marijuana business licensee as provided under Oklahoma law;
- (2) Require that an employer accommodate conduct permitted by this article;
- (3) Affect an employer's ability to restrict conduct permitted by this article by employees;
- (4) Limit the right of a person who occupies, owns, or controls private property from prohibiting or otherwise regulating conduct permitted by this article 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
- (5) Limit the ability of the state or a local government to prohibit or restrict any conduct permitted under this article within a building owned, leased, or occupied by the state or the local government.

#### §4. Personal Use Protections

- (1) Subject to the limitations in this article, 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 years of age:
  - (a) Possessing, purchasing, using, ingesting, inhaling, processing, transporting, delivering without consideration, or distributing without consideration one ounce or less of marijuana, eight grams or less of marijuana in a concentrated form, and/or eight grams or less of marijuana in concentrated form contained within marijuana-infused products. The quantities listed here are cumulative.
  - (b) Possessing, planting, cultivating, harvesting, drying, processing, or manufacturing not more than six mature marijuana plants and six 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 ounce are kept in or on the grounds of one private residence, are in a locked space, and are not visible and recognizable as marijuana by normal, unaided vision from a public place; and

- (ii) Not more than twelve plants and twelve seedlings are kept in or on the grounds of a private residence at one time.
- (c) Assisting another person who is at least twenty-one years of age, or allowing property to be used, in any of the acts permitted by this article.
- (d) Possessing, purchasing, using, delivering, distributing, manufacturing, transferring, or selling marijuana accessories to persons twenty-one years of age or older.
- (e) Transporting not more than six mature marijuana plants and six seedlings cultivated in compliance with subsection (1)(b) of this section for testing and/or manufacturing, and/or donation of marijuana for scientific research, provided such transportation is permitted by the Authority or the Legislature.
- A person shall not be denied parental rights, custody of, or visitation with a minor child by the state or local government based solely on conduct that is permitted by this article, unless the person's behavior is such that it creates an unreasonable danger to the minor child that can be established by clear and convincing evidence.
- (3) A person currently under parole, probation, or other state supervision, or released awaiting trial or other hearing, may not be punished or otherwise penalized based solely on conduct that is permitted by this article.
- (4) A consumer shall not be required to provide a licensee with identifying information other than identification to determine the consumer's age, and a licensee may not retain any personally identifying information about the consumer for more than sixty days (60) without the consumer's written permission.
- (5) No conduct permitted by this article shall constitute the basis for detention, search, or arrest; and except when law enforcement is investigating whether a person is operating a motor vehicle, 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 and marijuana-infused products as permitted by this article are not contraband nor subject to seizure.
- (6) A person shall not be denied eligibility in public assistance programs based solely on conduct that is permitted by this article, unless required by federal law.
- (7) 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 permitted by this article. 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 permitted by this article.
- (8) Nothing in this section or this article may be construed to limit any privileges, rights, immunities or defenses of patients, medical marijuana licensees, or medical marijuana businesses or to change or affect any law or regulation addressing marijuana for medical use 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 article do not apply to patients, medical marijuana licensees, or medical marijuana businesses if the restriction or limitation is inconsistent with Oklahoma's laws related to medical marijuana.

## §5. Personal Use Penalties

- (1) A consumer who, contrary to §4 of this article, 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.
- (2) A consumer who, contrary to §4 of this article, cultivates marijuana plants that are not kept in a locked space is subject to a civil fine not exceeding two-hundred and fifty dollars.
- (3) A consumer who smokes marijuana in a public place, other than in an area licensed for such activity by the Authority or unless otherwise allowed by the Legislature or a local government, is subject to a civil fine not exceeding twenty-five dollars. Smoking marijuana in a public place shall not constitute the basis for detention, search, or arrest.
- (4) A person who is under twenty-one 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 years of age or older by § 4 of this article or possesses, delivers without consideration, or distributes without consideration marijuana accessories is subject to a civil fine not to exceed one-hundred dollars and forfeiture of the marijuana. The person shall be provided the option of attending up to four hours of drug education or counseling in lieu of the fine.
- (5) Subject to §4 of this article, a consumer who possesses not more than twice the amount of marijuana allowed pursuant to §4 of this article, produces not more than twice the amount of marijuana allowed pursuant to §4 of this article, delivers without consideration or distributes without consideration to a person who is at least twenty-one years of age not more than twice the amount of marijuana allowed by §4 of this article, or possesses with intent to deliver or distribute not more than twice the amount of marijuana allowed by §4 of this article:
  - (a) For a first violation, is subject to a civil fine not exceeding two hundred dollars and forfeiture of the marijuana;
  - (b) For a second violation, is subject to a civil fine not exceeding three hundred dollars and forfeiture of the marijuana;
  - (c) For a third or subsequent violation, is subject to a civil fine not exceeding five hundred dollars and forfeiture of the marijuana; or
  - (d) For a person under twenty-one years of age who is not a licensed patient, is subject to a civil fine not to exceed two hundred dollars and forfeiture of the marijuana. Any such person shall be provided the option of attending up to eight hours of drug education or counseling in lieu of the fine.
- (6) 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 4 or 5 of this article.
- (7) After January 1, 2024, the Legislature may adjust the fines set forth in this article, but any increase shall be no greater than necessary to adjust for inflation.
- (8) 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 material in a residential property or without a license to do so from the Authority.
- (9) Nothing in this section or this article may be construed to limit any privileges, rights, immunities, or defenses of patients, medical marijuana licensees or medical marijuana businesses or to change or affect any law or regulation addressing marijuana for medical

use 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 article do not apply to patients, medical marijuana licensees, or medical marijuana businesses if the restriction or limitation is inconsistent with Oklahoma's laws related to medical marijuana.

#### § 6. Licensing

- (1) The Oklahoma Medical Marijuana Authority is hereby renamed the Oklahoma Marijuana Authority.
- (2) The Authority shall have the power to license and regulate the cultivation, processing, manufacture, testing, transport, delivery, and sale of marijuana in the state and to administer and enforce this article.
- (3) The Authority shall, at minimum, accept applications for and issue:
  - (a) Licenses permitting commercial cultivators of marijuana to cultivate, package, transport, and sell marijuana, including sales to retail;
  - (b) Licenses permitting independent marijuana testing facilities to analyze and certify the safety, quality, and potency of marijuana and marijuana-infused products;
  - (c) Licenses permitting marijuana to be manufactured or processed into marijuanainfused products and packaged, prepared, and transported for sale, including sales to retail; and
  - (d) Licenses permitting retail sales outlets to sell, package, and deliver marijuana and marijuana-infused products to consumers.
- (4) Additional types or classes of licenses, including licenses that allow for only limited cultivation, processing, transportation, delivery, storage, sale, or purchase of marijuana, licenses that allow for the consumption of marijuana within designated areas, licenses that allow for cultivation for purposes of propagation, and licenses intended to facilitate scientific research or education, may be created.
- (5) An entity may hold both a medical marijuana business license and a license under this article of the same type to operate at the same location consistent with Authority regulations and this article.

#### § 7. Rules and Regulations

- (1) Not later than three hundred and sixty-five days after the effective date of this article, the Authority shall promulgate rules and issue regulations necessary for the implementation and enforcement of this article. The rules shall be reasonable and shall include:
  - (a) Procedures for issuing a license and for renewing, suspending, and revoking a license;
  - (b) Application, licensing, and renewal fees, not to exceed the amount necessary to cover the costs to the Authority of implementing and enforcing this article;
  - (c) Qualifications for licensure that are directly and demonstrably related to the operation of a marijuana business;
  - (d) Requirements and standards for safe cultivation, processing, manufacture, and distribution of marijuana and marijuana-infused products by licensees, including health standards to ensure the safe preparation of marijuana products and prohibitions on pesticides that are not safe for use on marijuana;

- (e) Standards, procedures, and requirements to test marijuana and marijuana-infused products for components demonstrated to adversely impact human health; and a requirement that marijuana and marijuana-infused products be tested by an independent marijuana testing facility;
- (f) 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, the number of servings per package, and quantity limits per sale to comply with the allowable possession amount;
- (g) Requirements that packaging and labels shall not be made to be attractive to children, requirements for warning labels, and requirements that marijuana and marijuana-infused products be sold in resealable, child-resistant packaging designed to be significantly difficult for children under five years of age to open and not difficult for adults to use properly, unless the marijuana is transferred for consumption on the premises where sold;
- (h) Security requirements, including lighting, physical security, and alarm requirements, and requirements for securely transporting marijuana between licensees;
- (i) Packaging and labeling requirements to ensure consumer safety and accurate information;
- (j) Reasonable restrictions on the manufacture and sale of edible marijuana-infused products to ensure consumer and child safety;
- (k) Inspection, tracking, and record-keeping requirements to ensure regulatory compliance and to prevent diversion;
- (l) Restrictions on advertising, marketing, and display of marijuana by licensees to prevent advertising and marketing to persons under twenty-one years of age:
- (m) A plan to promote and encourage small businesses and ownership and employment in the marijuana industry by people from economically distressed areas and to positively impact those areas;
- (n) Requirements to ensure that all applicable statutory environmental, agricultural, and food and product safety requirements are followed;
- (o) Requirements to prevent the sale and diversion of marijuana to persons under twenty-one years of age;
- (p) Requirements to ensure that no licensee may process or sell edible marijuana 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;
- (q) Administrative penalties for the failure to comply with rules adopted pursuant to this article; and
- (r) Such other matters as are necessary for the fair, impartial, and comprehensive administration of this article.
- (2) The Authority shall not promulgate a rule or regulation or establish a fee that is unduly burdensome.
- (3) Each application for a license must be submitted to the Authority, and upon receipt of the completed application and application fee, the Authority shall forward the application to

the municipality (or county, for an unincorporated area) in which the proposed licensee will be located, determine whether the applicant qualifies for a license and complies with this article, and issue the appropriate license or send the applicant a notice of rejection setting forth specific reasons why the Authority did not approve the license application within 90 days.

- (4) The Authority shall approve a license application and issue a license if:
  - (a) The applicant has submitted the application in compliance with the rules promulgated by the Authority, is in compliance with this article and the rules, and has paid the required fee; and
  - (b) The proposed licensee would not be in violation of a local ordinance consistent with this article that was in effect at the time of the application.
- (5) The Authority shall begin accepting applications for licensure within twelve months after the effective date of this article. For the first twenty-four months after the Authority begins to receive applications, the Authority shall only accept applications from and issue licenses to existing medical marijuana business licensees.

## § 8. Licensee Protections

- (1) Actions and conduct by a licensee, a licensee's employee, and a licensee's agent, as permitted pursuant to a license issued by the Authority, or by those who allow property to be used by a licensee, a licensee's employee, or a licensee's agent, as permitted pursuant to a 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.
- (2) No contract is unenforceable on the basis that marijuana is prohibited by federal law.
- (3) 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 marijuana licensees or applications on the basis that marijuana is prohibited by federal law.

## § 9. Licensee Restrictions

- (1) A 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 licensee to access the area.
- (2) A licensee shall comply with security measures to prevent unauthorized access to marijuana and marijuana-infused products in accordance with Authority rules and this article.
- (3) No 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 licensee.
- (4) No licensee may allow a person under twenty-one years of age to volunteer or work for the licensee, unless allowed by Authority rule.
- Unless allowed by the Legislature or a local government, no retail licensee that is permitted to sell marijuana to consumers may be located within 1,000 feet of the primary entrance to a school.
- (6) No licensee may sell or otherwise transfer tobacco or alcoholic beverages from the same location as marijuana.

- (7) No licensee may import or export marijuana into or out of Oklahoma until allowed to do so under federal law.
- (8) The Legislature may establish Oklahoma residency requirements for licensees under this article.
- (9) Nothing in this section or this article may be construed to limit any privileges, rights, immunities, or defenses of patients, medical marijuana licensees or medical marijuana businesses or to change or affect any law or regulation addressing marijuana for medical use or to apply any fine or other penalty to a patient, medical marijuana licensee, or medical marijuana business. Any restrictions or limitations on persons or consumers set forth in this section or elsewhere in the article do not apply to patients, medical marijuana licensees, or medical marijuana businesses if the restriction or limitation is inconsistent with Oklahoma's laws related to medical marijuana.

#### §10. Local Governments

Subject to sections 4 and 8 of this article,

- (1) A local government may regulate the time, place, and manner of operation of businesses licensed pursuant to this article, but may not limit the number or completely prohibit the establishment or operation of businesses licensed pursuant to this article, or any category of license issued pursuant to this article, within its boundaries, except as permitted by this section.
- (2) Individuals may petition to initiate an ordinance to provide for the number of retail licenses issued pursuant to this article allowed within a municipality or to completely prohibit retail licenses issued pursuant to this article within a municipality, and such ordinance shall be submitted to the electors of the municipality at the next regularly scheduled election when a petition is signed by a number of qualified electors residing within the territorial limits of such municipal corporation equal to no less than twenty-five per centum of the total number of votes cast at the next preceding municipal election. This provision applies only to retail licenses issued pursuant to this article, and no other type of licenses.
- Until, and only until, the first regularly scheduled election following the election at which this article is adopted, a municipality may through local ordinance temporarily prohibit a retail licensee regulated under this article from being located within its jurisdiction.
- (4) A local government may not prohibit the transportation of marijuana through its jurisdiction on public roads by a licensee or as otherwise allowed by this article.
- (5) A local government may not adopt ordinances or regulations that are unduly burdensome or in conflict with this article.
- Nothing in this section or this article may be construed to limit any privileges, rights, immunities, or defenses of patients, medical marijuana licensees or medical marijuana businesses or to change or affect any law or regulation addressing marijuana for medical use or to apply any fine or other penalty to a patient, medical marijuana licensee, or medical marijuana business. Any restrictions or limitations set forth in this section or elsewhere in the article do not apply to patients, medical marijuana licensees, or medical marijuana businesses if the restriction or limitation is inconsistent with Oklahoma's laws related to medical marijuana.

## §11. Marijuana Tax

(1) An excise tax of fifteen percent (15%) is imposed upon the gross receipts of all sales of marijuana sold by an entity licensed by the Authority pursuant to this article 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.
- (2) The Legislature may adjust this excise tax rate after November 3, 2024 to achieve the goals of undercutting illicit market prices and discouraging use by persons younger than twenty-one years of age while ensuring sufficient revenues are generated for the Oklahoma Marijuana Revenue Trust Fund.
- (3) The Oklahoma Tax Commission shall by rule establish a procedure for the collection of this tax and shall collect the tax.
- (4) This tax shall be paid in addition to any other applicable state or local sales tax.

## § 12. Oklahoma Marijuana Revenue Trust Fund

- (1) 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 article.
- 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 article. Any monies that exceed the budgeted amount for running the Authority shall be expended only for the following purposes:
  - (a) Four percent (4%) to the municipalities (or counties, for unincorporated areas) where the retail sales occurred;
  - (b) Forty-eight percent (48%) 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 12<sup>th</sup> grade that include art, music, athletics, and academics; and
  - (c) Forty-eight percent (48%) 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.
- (3) The Legislature shall appropriate funds from the Oklahoma Marijuana Revenue Trust Fund only for the purposes specified in subsection 2 of this section. Grants awarded pursuant to subparagraph 2 (b) of this section shall be awarded by the Oklahoma State Department of Education or its successor, and grants awarded pursuant to subparagraph 2 (c) 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, the Legislature shall not use funds from the trust fund to supplant or replace other state funds supporting the entities and programs specified in subsection 2 of this section.
- (4) In order to ensure that the funds from the trust fund are used to enhance and not supplant funding for the purposes set forth in subsection 2 of this section, the State Board of Equalization shall examine and investigate appropriations from the trust fund each year. At the meeting of the State Board of Equalization held within five (5) days after the monthly apportionment in February of each year, the State Board of Equalization shall issue a finding and report that shall state whether appropriations from the trust fund were

used to enhance or supplant existing funding for the entities and programs specified in subsection 2 of this section. If the State Board of Equalization finds that existing funding was supplanted by funds from the trust fund, the Board shall specify the amount by which funding was supplanted. In this event, the Legislature shall not make any appropriations for the ensuing fiscal year until an appropriation in that amount is made to replenish the trust fund.

#### § 13. Judicial Review

Any rule or regulation adopted by the Authority pursuant to this article must comply with the Oklahoma Administrative Procedures Act. Any person aggrieved by a final order is entitled to seek judicial review in accordance with Oklahoma law. If the Authority fails to timely promulgate rules required by this article, any resident of the state may commence a mandamus action in district court to compel performance by the Authority in accordance with this article.

## §14. Annual Report

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

## §15. Retroactive Application

- (1) 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 article 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 article.
- Upon receiving a petition under subsection (1), the court shall presume the petitioner satisfies the criteria in subsection (1) 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.
- (3) 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 (1) 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.
- (4) 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 article been in effect at the time of the offense shall have their sentence vacated or modified in accordance with the provisions of this article. 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 article been in effect at the time of the offense shall have their charges vacated or modified in accordance with the provisions of this article.

- 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 article.
- (6) 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 article 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 article.
- (7) The court shall presume the applicant satisfies the criteria in subsection (6) unless the State opposes the application and proves by clear and convincing evidence that the petitioner does not satisfy the criteria in subsection (6). If the petitioner satisfies the criteria in subsection (6), the court shall redesignate the conviction as a civil infraction or dismiss, expunge, and vacate the conviction as legally invalid in accordance with this article.
- (8) Unless requested by the applicant, no hearing is necessary to grant or deny an application filed under subsection (6).
- (9) Any felony conviction or misdemeanor that is modified, resentenced, or redesignated as a civil infraction pursuant to subsection (2), (4), or (6) of this section shall be considered a civil infraction for all purposes.
- (10) 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.
- (11) Nothing in this section shall be construed to diminish or abrogate any rights or remedies otherwise available to the petitioner or applicant.
- (12) The provisions of this section shall apply equally to juvenile cases if the juvenile would have been guilty of a lesser offense under this article.
- (13) Nothing in this section shall be construed as limiting the authority of the Legislature to make the process for ensuring retroactive application of this article less burdensome or automatic for persons currently serving sentences or under criminal justice supervision or who have been previously convicted for conduct now permitted or reclassified under this article, or to reduce or eliminate civil or criminal penalties for any marijuana-related conduct beyond what is set forth in this article.

## §16. Severability

This article shall be broadly construed to accomplish its purposes and intents. Nothing in this article purports to supersede any applicable federal law, except where allowed by federal law. If any provision in this article 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 article that can be given effect without the invalid or unconstitutional provision or application, and to this end the provisions of this article are severable.

## §17. Effective Date

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

Name and Address of Proponents

Ryan Kiesel

Residence: Oklahoma City, Oklahoma County

Mailing: 3022 NW 39th St. #57532

Oklahoma City, OK 73157

Michelle Tilley Nichols

Residence: Edmond, Oklahoma County Mailing: 5300 North Shartel, Box 18996

Oklahoma City, OK 73154

#### **SIGNATURES**

The gist of the proposition: This measure would add a new Article to the Oklahoma Constitution, which would 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 would vest in the Oklahoma Medical Marijuana Authority, renamed the Oklahoma Marijuana Authority, the power to license and regulate conduct under the article and administer and enforce the article pursuant to specified requirements. It would permit municipalities, upon petition and popular vote, to limit or prohibit retail licenses. It would restrict commercial licenses to existing medical marijuana licensees for the first two years licenses are issued, and permit the Legislature to establish Oklahoma residency requirements. 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, to schools (for programs to prevent substance abuse and improve student retention and performance), and to drug addiction treatment programs (with the Board of Equalization ensuring such funds do not replace existing funding). 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 judicial review, severability, and an effective date.

#### **WARNING**

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

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## **AFFIDAVIT**

STATE OF OKLAHOMA ) ss.				
COUNTY OF) ss.				
I,	, being first duly sworn, say:			
That I am at least eighteen (18) years old were signed in my presence. I believe that each address, and residence correctly, and that each si and the County of his residence as stated.	d and that all signatures on the signature sheet the signer has stated his or her name, mailing igner is a legal voter of the State of Oklahoma			
	Circulator's Signature			
	Address			
	City Zip Code			
Subscribed and sworn to before me this	day of, 20			
	Notary Public			
My Commission Expires:	Address			
My Commission Number:	City Zip Code			



## OKLAHOMA SECRETARY OF STATE

December 27, 2019

FILED

DEC 2 7 2019

OKLAHOMA SECRETARY
OF STATE

Ryan Kiesel 3022 NW 39<sup>th</sup> Street Oklahoma City, OK 73157

Michelle Tilley Nichols 5300 North Shartel, Box 18996 Oklahoma City, OK 73154

Dear Proponent(s):

This acknowledges receipt of the petition submitted to the Secretary of State office, which has been designated as **State Question Number 807**, **Initiative Petition Number 423** and filed accordingly this 27<sup>th</sup> day of December, 2019.

Per Title 34 O.S. Section 8, subsequent to the publication of the notice of filing of said petition, the apparent sufficiency or insufficiency thereof and notice that any citizen(s) of the state may file a protest as to the constitutionality of the petition, the Secretary of State will provide a notification to the proponent(s) of record, setting the date to begin circulation for signatures. The date set shall not be less than fifteen (15) days nor more than thirty (30) days from the date when all appeals, protests and rehearings have been resolved or the period for filing such has expired.

If we can provide any further assistance or should you have any questions, please do not hesitate to contact our office.

Thank you,

**Amy Canton** 

Director, Executive & Legislative Services

OKLAHOMA SECRETARY OF STATE OFFICE State Capitol Building, Room 122 Oklahoma City, OK 73105 405.522.4565 / executivelegislative@sos.ok.gov