

## MINUTES OF REGULAR MEETING

PUBLIC BODY: OMMA Executive Advisory Council

DATE & TIME: January 17th, 2025 9:00 am

ADDRESS: OKLAHOMA STATE CAPITOL-2300 N. LINCOLN OKLAHOMA CITY, OK  
73105 ROOM 230

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### **Agenda Item 1:**

#### **Call to Order, Quorum Check**

Adria Berry, OMMA Executive Director and Chair of the Executive Advisory Council, called the meeting to order on January 17th, 2025, at 9:00 am. Public notice of the special meeting was filed and posted with the Oklahoma Secretary of State. The final agenda was posted at both entrances of the Oklahoma Medical Marijuana Authority (“OMMA”) building on January 15th, 2025, at 12:55 p.m.

Council members present: Council Chair Adria G. Berry, Randy Hendrix, Kadi Nail

Council members absent: David Gerken

Quorum was not established. Chair Adria Berry welcomed all members and acknowledged changes in leadership in both the House and Senate, which have led to delays in appointments. Due to these delays, the council will proceed steadily in its approach to ramping up the newly formed Advisory Council.

#### **Introduction of New Council Member**

Chair Berry introduced Randy Hendrix, a new appointee of former Speaker McCall. Randy briefly introduced himself, sharing that he is from Tulsa, Oklahoma, where he has been involved in the medical marijuana industry since June 2018. He operates a medical marijuana grow facility and processing licenses in the industry. Prior to entering this field, Randy had a history of entrepreneurship.

#### **Resignation of Council Member Nancy McCumber**

Chair Berry addressed the resignation of Council Member Nancy McCumber, acknowledging her brief service to the council and thanking her for her contributions. It was noted that Nancy was an appointee of the Senate Pro Tem, who is aware of her resignation and will appoint a new member to fill the vacancy. The council extended their best wishes to Nancy for her future endeavors.

### **Agenda Item 2:**

#### **Discussion of 2025 Legislative Session and bills filed that may impact cannabis regulation – Ashley Crall, Director Government Affairs**

#### **Overview of Legislative Session:**

Oklahoma Medical Marijuana Authority Executive Advisory Council

**Director of Government Affairs, Ashley Crall**, provided an update (see attachment A) on the upcoming legislative session, with the filing deadline for bills having passed yesterday. Thousands of bills were filed, and Ashley noted that OMMA is still reviewing the language of these bills.

Ashley outlined the general legislative process, explaining how a bill becomes a law, from introduction and committee review to passage in both the House and Senate, followed by reconciliation and the Governor's approval. After becoming law, OMMA is responsible for rulemaking to implement the legislation.

#### **OMMA's Role in Legislation:**

**Chair Adria Berry** emphasized that OMMA does not advocate for or against proposed legislation but works to assist with data and fiscal impact information. She urged Council members and stakeholders to stay engaged with the legislative process to ensure the needs of businesses and patients are represented.

Ashley Crall emphasized that OMMA's role is to regulate and license the medical marijuana industry. OMMA does not advocate or lobby for any legislative change but provides relevant information to legislators. She encouraged everyone to track legislation via the state websites ([okhouse.gov](http://okhouse.gov) and [oksenate.gov](http://oksenate.gov)) and OMMA's legislation tracking page.

#### **Bills Filed in the Legislative Session:**

**Ashley Crall** presented an overview of key bills filed that could impact cannabis regulation, cannabis patients, or Oklahoma residents in general. The bills were presented at a high level, with details provided for each. Some notable bills include:

- **House Bill 1163:** Changes penalties for those possessing medical marijuana without a license.
- **House Bill 1714:** Prohibits employer discrimination based on off-duty cannabis use.
- **House Bill 1750:** Prohibits intentional marijuana use by a pregnant woman with a medical marijuana patient license.
- **Senate Bill 23:** Prohibits smoking marijuana in a motor vehicle with a minor present.
- **Senate Bill 320:** Imposes a weekly limit on medical marijuana purchases of 2.5 ounces per week for patients.
- **Senate Bill 518:** Adds warnings regarding driving under the influence of medical marijuana.
- **Senate Bill 640:** Increases the distance between dispensaries and schools from 1,000 feet to 3,000 feet.
- **Senate Bill 774:** Modifies the medical marijuana patient license identifier to a shorter format.
- Additional bills covering various aspects of medical marijuana regulation, including advertising, physician education, and business ownership were also discussed. Ashley encouraged Council members to review all bills in detail and stay updated on their progress.

#### **OMMA Rulemaking Update:**

Ashley Crall provided an update on OMMA's proposed permanent rules. The public comment period ran from November 15 to December 17, 2024, and a public comment hearing was held on

December 17, 2024. A total of 283 comments were received, with the majority focused on prepackaging requirements and updated testing standards.

OMMA plans to publish a response to the comments by **February 1, 2025**, along with an agency rule report. Stakeholders will be notified via email, and the report will be available on OMMA's website. The proposed rules are based on newly passed legislation, including **House Bill 3361**, **Senate Bill 758**, **Senate Bill 1635**, and **Senate Bill 1939**.

#### **Council Discussion:**

**Chair Adria Berry** opened the floor for questions or discussion points from Council members regarding the legislative session or Ashley's presentation. **Council Members Randy Hendrix and Kadi Nail** indicated no questions or comments at this time.

#### **Agenda Item 3:**

##### **OMMA Legislative Budget Request Overview – Brian Walters, Chief Financial Officer**

**Chair Berry** introduced OMMA's Chief Financial Officer, Brian Walters, to present the budget overview. **Brian Walters**, a native Oklahoman, shared his professional background. He holds an undergraduate degree in finance and a master's in business, along with a CPA license in Oklahoma. Before joining OMMA in August 2023, he worked in various industries, including manufacturing, oil field construction, and support services, and had his own accounting firm.

- **Budgeting Process Overview:**
  - OMMA operates on a fiscal year from July 1st to June 30th.
  - The legislative session, occurring before the fiscal year, determines OMMA's budget.
  - The budget process begins 6 to 9 months before the legislative session, which involves anticipating demands and resource allocation.
- **Fiscal Year 24 and 25:**
  - FY24 was the first year OMMA was appropriated a fixed budget, set at \$37 million.
  - For FY25, OMMA's budget increased to \$41.9 million.
  - The budget request for FY26 is \$41.7 million, which is either flat or slightly lower compared to FY25.
- **Funding Allocations:**
  - The FY26 request includes funding for a new licensing system that will enhance both the agency's and licensees' experience.
  - OMMA's FY26 budget request is broken into three categories:
    1. **Personnel:** \$27.5 million (a stable amount compared to previous years).
    2. **Operations:** \$5 million for building rent, fuel, supplies for inspectors, etc.
    3. **Information Technology:** \$3.9 million, including the new licensing system.
- **Tax Collection Overview:**
  - Since 2019 (FY19), the following tax collections have been recorded:
    - **State Sales Tax:** \$191 million
    - **Local Sales Tax (city and county):** \$174 million
    - **Medical Marijuana Excise Tax (7%):** \$278 million

- **Total Fiscal Impact:** \$644 million (from 2018 to June 30, 2024).
- OMMA does not receive all these funds; they are distributed to various areas.

#### **Agenda Item 4:**

##### **Council Member Updates**

- a) **How the impact of sales of cannabis sold in facilities outside of licensed dispensaries affects the medical marijuana business and patients of Oklahoma**
- b) **Access to, or restriction of, the purchase of medical cannabis in Oklahoma**
- c) **Any other Council member updates**

##### **Sales of Cannabis Outside Licensed Dispensaries:**

**Council Member Kadi Nail** raised concerns about cannabis products sold outside licensed dispensaries, particularly regarding unregulated sales in gas stations and other businesses. She emphasized the potential risks these unregulated products pose to patients and the medical marijuana market in Oklahoma.

**Chair Adria Berry** explained that OMMA only has regulatory authority over Delta 9 THC and that products outside this category are not under OMMA's jurisdiction. She stated that conversations with the legislature have taken place to address this issue. Additionally, she noted that the Industrial Hemp Act and Controlled Dangerous Substances Act suggest that certain products may be illegal in Oklahoma. The situation is being treated as a law enforcement issue, with efforts to gain support for better regulation or a potential ban, similar to actions taken in other states.

**Council Member Randy Hendrix** shared his experience from the dispensary front lines, estimating that Delta 8 products could account for 25% of revenue loss for dispensaries this year. He stressed the importance of bringing attention to the issue and implementing some form of regulation to control the market, noting the struggles within the dispensary industry in Oklahoma.

##### **Access to or Restriction of the Purchase of Medical Cannabis:**

**Council Member Kadi Nail** raised concerns about the current law limiting the purchase of medical cannabis to 3 oz per transaction, clarifying that it is not weekly. She pointed out that the new proposed law limiting purchases to 2.5 oz per week could negatively impact patients, especially those with advanced medical conditions like cancer, who may need more than 2.5 oz per week for treatment. Specifically, patients using RSO (Rick Simpson Oil) would be impacted, as RSO can be expensive in dispensaries and often requires larger amounts for effective use. Nail highlighted how the restriction could limit the ability for seriously ill patients, such as hospice patients, to obtain the necessary medication. She expressed concern that the limitations could worsen their condition and pain management options.

#### **Agenda Item 5:**

##### **Any matter not known about or which could not have been reasonably foreseen twenty-four (24) hours prior to the meeting.**

**Council Member Kadi Nail** raised the topic of the new law regarding THC use by pregnant women. She highlighted the potential life-saving benefits of THC for pregnant women suffering from uncontrolled vomiting. Kadi also stated that it could support the development of the baby's endocannabinoid system. Kadi emphasized the importance of research into these potential benefits

and noted that determining the appropriate treatment should not be the legislature or council's responsibility.

**Chair Adria Berry** asked if Kadi would be willing to speak with the bill author regarding this issue and offered support in organizing the meeting. Kadi agreed to do so.

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**Council Member Randy Hendrix** inquired about the timeline for the current legislative session and the need for timely action. He emphasized the importance of working with legislators early, as delays could hinder the industry's ability to influence important bills.

**Chair Adria Berry** provided a high-level overview of the legislative session timeline. She explained that the session is split into 16 weeks, divided into four-week increments. The first half of the session (February to the end of March) is critical for engaging with legislators, as bills go through committees. After this, it becomes more difficult to influence bills that have already progressed. April and May are primarily focused on budget and bills requiring reconciliation between the House and Senate.

**Ashley Crall** confirmed that bills are typically processed over a six-week period, with important deadlines occurring early in the session. She also noted that an update to the OMMA's legislative tracking page on the website might include specific deadlines for better reference.

**Council Member Randy Hendrix** pointed out that the next council meeting in April would likely be too late for impactful advocacy. He also stressed that speaking with any legislator, not just the bill's author, could be valuable, as legislators have connections and influence across various legislative efforts.

#### **Agenda Item 6:**

#### **Closing, Adjournment and Dismissal**

As there was no quorum of the Council present, no motion to adjourn was necessary. Chair Adria Berry adjourned the meeting at 9:38 am.

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Authorized Representative of the Council