INITIAL RULE IMPACT STATEMENT

TITLE 442. OKLAHOMA MEDICAL MARIJUANA AUTHORITY

CHAPTER 10. MEDICAL MARIJUANA REGULATIONS

1. **STATEMENT OF THE NEED FOR THE RULE AND LEGAL BASIS SUPPORTING IT:**

The proposed emergency rules implement legislative changes mandated by HB 3143 from the 2026 legislative session and address changes in statute under 63 O.S. § 427.14a and 63 O.S. § 427.14c. The moratorium on processing and issuing new medical marijuana business licenses for dispensaries, processors, and commercial growers was extended to August 1, 2028, and added to 63 O.S. § 427.14a of state statute and OAC 442:10-5-3(h) of administrative code. Language prohibiting licensees from submitting an application to transfer ownership of a license if the licensee is subject to any administrative action that may result in revocation, suspension, or nonrenewal of the license or OBNDD registration was added to 63 O.S. § 427.14c of state statute and OAC 442:10-5-2(f) of administrative code. The emergency rules are intended to align rules with statute ahead of the August 1, 2026, moratorium extension effective date and provide clear guidance to licensees regarding license transfer applications.

2. **CLASSIFICATION OF THE RULE AS MAJOR OR NONMAJOR, WITH A JUSTIFICATION FOR THE CLASSIFICATION, INCLUDING AN ESTIMATE OF THE TOTAL ANNUAL IMPLEMENTATION AND COMPLIANCE COSTS INCURRED BY OR PASSED ALONG TO BUSINESSES, STATE, OR LOCAL GOVERNMENT UNITS, OR INDIVIDUALS AND A DETERMINATION OF WHETHER THOSE COSTS EXCEED $1 MILLION OVER THE INITIAL 5 YEAR PERIOD:**

The proposed rule changes are “nonmajor” because they do not impose any new implementation or compliance costs on businesses, state agencies, local government units, or individuals. While a fee is imposed for submitting a license transfer application, the proposed amendments do not increase that fee. Rather, they clarify that any pending administrative action must be completed in full before a license transfer application may be submitted. Accordingly, the proposed rule changes are not expected to result in additional implementation or compliance costs, and the total estimated costs incurred by or passed along to businesses, state agencies, local government units, or individuals are not expected to exceed $1 million during the initial five-year period.

3. **DESCRIPTION, INCLUDING A DETERMINATION OF WHETHER THE PROPOSED RULE IS MANDATED BY FEDERAL LAW, OR AS A REQUIREMENT FOR PARTICIPATION IN OR IMPLEMENTATION OF A FEDERALLY SUBSIDIZED OR ASSISTED PROGRAM, AND WHETHER THE PROPOSED RULE EXCEEDS THE REQUIREMENTS OF THE APPLICABLE FEDERAL LAW:**

The proposed rule is not mandated by federal law and is not required for participation in or implementation of a federally subsidized or assisted program. Rather, the proposed rule implements state law enacted through HB 3143 (2026). Because there are no applicable federal requirements governing the subject matter of the proposed rule, the proposed rule does not exceed any federal law or requirements.

4. **DESCRIPTION OF CLASSES OF PERSONS AFFECTED AND COST IMPACT RESPONSE, INCLUDING CLASSES THAT WILL BEAR THE COSTS OF THE**

PROPOSED RULE(S), AND ANY INFORMATION ON COST IMPACTS RECEIVED BY THE AGENCY FROM ANY PRIVATE OR PUBLIC ENTITIES:

The primary persons affected by the proposed rules are current and prospective medical marijuana business licensees and the Oklahoma Medical Marijuana Authority. The proposed emergency rules implement the statutory changes enacted through HB 3143 by extending the moratorium on certain medical marijuana business licenses and clarifying the eligibility requirements for submitting a license transfer application.

The Agency does not anticipate that the proposed rules will impose new compliance or implementation costs on affected persons. Because the emergency rules are limited to implementing the statutory requirements of HB 3143 and do not establish new fees or substantive regulatory obligations beyond those required by law, no class of persons is expected to bear additional costs as a result of the proposed rule changes.

The Agency has not received information from any private or public entity indicating that the proposed rules will result in additional cost impacts.

5. DESCRIPTION OF PERSONS BENEFITTING, VALUE OF BENEFIT AND EXPECTED HEALTH OUTCOMES:

Current licensed medical marijuana businesses, the Oklahoma Medical Marijuana Authority, patients, and the public are expected to benefit from the proposed rule changes. The amendments provide greater regulatory clarity by specifying the circumstances under which a license transfer application may be submitted and ensure consistent implementation of the statutory requirements enacted through HB 3143.

The value of these benefits includes increased regulatory certainty for licensees, more efficient administration and enforcement by the Agency, and continued implementation of the Legislature's policy decision to extend the moratorium on certain medical marijuana business licenses. By supporting a stable and effectively regulated medical marijuana program, the proposed rules are expected to promote public health and safety. The proposed rule changes are not anticipated to produce direct measurable health outcomes but are expected to contribute to the continued integrity and orderly administration of Oklahoma's medical marijuana program.

6. COMPREHENSIVE ANALYSIS OF THE RULE'S ECONOMIC IMPACT, INCLUDING ANY ANTICIPATED IMPACTS ON THE FULL-TIME-EMPLOYEE COUNT OF THE AGENCY, ANY COSTS OR BENEFITS, AND A DETAILED QUANTIFICATION OF IMPLEMENTATION AND COMPLIANCE COSTS ON THE AFFECTED BUSINESSES, BUSINESS SECTORS, PUBLIC UTILITY RATEPAYERS, INDIVIDUALS, STATE OR LOCAL GOVERNMENT UNITS, AND ON THE STATE ECONOMY AS A WHOLE. THE ANALYSIS SHOULD INCLUDE COST OF COMPLIANCE AND FEE CHANGES:

The Agency anticipates implementing and administering the proposed rule changes using existing personnel and resources. No increase in the Agency's full-time employee count is anticipated as a result of the proposed rules.

The proposed emergency rules implement the statutory requirements enacted through HB 3143 by extending the moratorium on certain medical marijuana business licenses and clarifying the eligibility requirements for submitting a license transfer application. The proposed rules do not establish new fees, increase existing fees, or impose new implementation or compliance costs on affected businesses, business sectors, individuals, state or local government units, or public utility ratepayers. Any fees associated with license transfer applications remain unchanged.

The agency does not anticipate that the proposed rules will have a measurable impact on the state economy as a whole. Because the proposed amendments are limited to implementing statutory requirements and providing regulatory clarification, the Agency has determined that no quantifiable implementation or compliance costs are expected to result from the proposed rule changes.

7. DETAILED EXPLANATION OF THE METHODOLOGY AND ASSUMPTIONS USED TO DETERMINE THE ECONOMIC IMPACT, INCLUDING THE DOLLAR AMOUNTS CALCULATED:

The Agency evaluated the proposed emergency rules by reviewing each amendment to determine whether it would create new implementation or compliance obligations, require additional staffing or resources, establish or increase fees, or otherwise impose measurable costs on affected persons. The Agency also evaluated the statutory requirements of HB 3143 to ensure that the proposed rules are limited to implementing the legislation and do not impose additional regulatory requirements beyond those required by law.

Based on this review, the Agency determined that the proposed rules do not create new implementation or compliance costs for businesses, individuals, state or local government units, or the Agency. Existing fees associated with license transfer applications are unchanged, and the Agency anticipates implementing the proposed rules using existing personnel and resources. Accordingly, the estimated additional implementation and compliance costs attributable to the proposed rule changes are $0.

8. IMPACT ON POLITICAL SUBDIVISIONS OR WHETHER IMPLEMENTATION WILL REQUIRE THEIR COOPERATION IN IMPLEMENTING OR ENFORCING THE RULE:

The proposed rules do not require the cooperation of political subdivisions to implement or enforce their provision. The Oklahoma Medical Marijuana Authority will administer and enforce the proposed rules within its existing statutory authority.

9. ADVERSE EFFECT ON SMALL BUSINESS:

The Agency does not anticipate that the proposed rules will have an adverse economic effect on small businesses. The proposed amendments implement statutory requirements and do not impose new implementation or compliance costs or establish new fees.

10. EFFORTS TO MINIMIZE COSTS AND IMPACT OF RULE ON ECONOMIC DEVELOPMENT IN THIS STATE, LOCAL GOVERNMENT UNITS, AND INDIVIDUALS:

The Agency minimized potential costs and impacts by limiting the proposed emergency rules to those necessary to implement the statutory requirements of HB 3143. The proposed rules do not

establish new fees or impose implementation or compliance costs beyond those required by law.

11. EFFECT ON PUBLIC HEALTH, SAFETY, AND ENVIRONMENT, AND IF THE PROPOSED RULE(S) IS/ARE DESIGNED TO REDUCE SIGNIFICANT RISKS TO THE PUBLIC HEALTH, SAFETY AND ENVIRONMENT, AND AN EXPLANATION OF THE NATURE OF THE RISK AND TO WHAT EXTENT THE PROPOSED RULE WILL REDUCE THE RISK:

The proposed rules support public health and safety by implementing the statutory requirements of HB 3143 and promoting the consistent administration of Oklahoma's medical marijuana regulatory program. While the proposed rules are not intended to directly reduce a specific public health, safety, or environmental risk, they contribute to the continued integrity of the State's regulatory framework. The proposed rules are not expected to have a direct effect on the environment.

12. DETRIMENTAL EFFECTS ON PUBLIC HEALTH, SAFETY, AND ENVIRONMENT WITHOUT ADOPTION:

Failure to adopt the proposed rules would result in Agency rules that are inconsistent with HB 3143, reducing regulatory clarity and creating uncertainty regarding implementation of the statute. Maintaining rules that accurately reflect current law supports the orderly administration and enforcement of Oklahoma's medical marijuana program and, in turn, the Agency's public health and safety mission.

13. ANALYSIS OF ALTERNATIVES TO ADOPTING THE RULE:

No reasonable alternative to the proposed rule changes would effectively implement the statutory requirements of HB 3143. The proposed amendments are limited to those necessary to conform the Agency's rules to state law.

14. ESTIMATES OF THE AMOUNT OF TIME THAT WOULD BE SPENT BY STATE EMPLOYEES TO DEVELOP THE RULE AND OF THE NUMBER OF OTHER RESOURCES THAT WOULD BE UTILIZED TO DEVELOP THE RULE:

Development of the proposed emergency rules required only the time of existing Agency personnel acting within the scope of their regular duties. No additional personnel, outside consultants, or other resources were required to develop the proposed rules.

15. SUMMARY AND PRELIMINARY COMPARISON OF ANY EXISTING OR PROPOSED FEDERAL REGULATIONS THAT ARE INTENDED TO ADDRESS THE ACTIVITIES TO BE REGULATED BY THE PROPOSED RULE:

The Agency is not aware of any existing or proposed federal regulations that address the activities regulated by the proposed rules. The proposed amendments implement state law governing Oklahoma's medical marijuana licensing program and do not correspond to a comparable federal regulatory framework.

16. PREPARATION AND MODIFICATION DATES:

This rule impact statement was prepared on July 22, 2026.