



REINS Report: Oklahoma Medical Marijuana Authority. TITLE 442

CHAPTER 10. ADOPTED CODES

Summary of proposed rule change

The Oklahoma Medical Marijuana Authority (OMMA) has submitted a rule change for Title 442, Chapter 10. Oklahoma Medical Marijuana Regulations. This section of rules outlines the regulations which the industry must follow to deliver their products to the public. The proposed change would update the agency’s rules to comply with **HB 2807, SB 518, SB 774, SB 1039, and SB 1066 from the 2025 legislative session and address changes in statute under 63 O.S. § 420, 63 O.S. § 427.7, 63 O.S. § 427.10, 63 O.S. § 427.14, 63 O.S. § 427.16, 63 O.S. § 427.18, 63 O.S. § 427.27, 63 O.S. § 427.28, and 63 O.S. § 431.1. 1.** The expansive changes were submitted within one rule change, addressing functions such as packaging, warning labels, licensing, applications, provider updates and lab updates. Due to the large number of changes, the agency received more than 100 public comments and estimates that the changes represent a major rule, with an economic impact over one million dollars over the next five years. The agency provided ample documentation for LOFT to analyze.

OMMA has broad rulemaking authority both for the implementation of their statutes and within this rule change. The following are the multiple statutes which authorize this major rule change:

Statute Section	Rulemaking Authorization	Bill Reference
<u>§63-427.4 (E)</u>	May promulgate rules governing the oversight and implementation of the Oklahoma Medical Marijuana and Patient Protection Act	Overall Agency Authority & SB 774
<u>§63-431.1 (A)</u>	Authorized to promulgate rules regarding the pre-packaging of medical marijuana products	HB 2807 & SB 518
<u>§63-427.14b (I)</u>	May promulgate rules to implement the provisions of this section including, but not limited to, required application materials to be submitted by the applicant and utilized by the Authority to determine medical marijuana business licensing fees pursuant to this section.	SB 1039
<u>§63-427.10 (H)</u>	Shall promulgate rules to establish initial and continuing medical education requirements for recommending physicians	SB 1066

LOFT analysis of agency compliance with Section 303 of Title 75 of the Oklahoma Statutes

LOFT provides the following analysis in accordance with 62 O.S. § 8016: “LOFT shall inform the chairs of the designated committees if the rule impact statement from the agency is incomplete or contains substantive inaccuracies.”

Determination: LOFT finds the agency’s rule impact statement COMPLETE

75 O.S. §303 directs agencies on how to promulgate a new administrative rule. In this case, the agency followed the process correctly: the OMMA’s Notice of Rulemaking Intent appeared in the Oklahoma Register, the comment period duration was sufficient, a public hearing was held, and the OMMA created all necessary documents to support the fulfillment of the statute. The agency’s Rule Impact Statement does provide an economic impact; however, the small response rate of the survey sent by the agency to businesses may not reflect the full economic impact on this industry. Nonetheless, the agency followed statute and gathered the information requested by law. Additionally, the agency provided comprehensive documentation.

LOFT analysis of rule impact

OMMA’s rule impact statement is complete, with methodology that addresses each piece of legislation. OMMA categorizes this rules packet as major as it is likely to have a fiscal impact greater than \$1 million over five years. LOFT concurs the changes are likely to have an economic impact that exceeds \$1 million over a five-year period, but contends the economic analysis presented by OMMA understates the impact. LOFT bases this conclusion on the following:

- Less than two percent of businesses responded to a survey sent by OMMA to 4,963 licensed marijuana businesses in Oklahoma seeking details regarding the costs associated with each piece of legislation.
- OMMA’s economic analysis does not consider the impact on businesses of various types or sizes. For example, in accordance with the provisions of HB 2807, OMMA’s rules require that marijuana businesses pre-package products prior to transportation and sale. This change will increase costs to the marijuana industry, but those costs may more easily be absorbed by larger businesses. A study of the markets’ elasticity, on both the supplier and consumer sides, would have been useful data from which to determine the economic effect of the regulation.
- The annual and five-year costs reported by OMMA in the Rule Impact Statement do not extrapolate the costs to the entire market. For example, under HB 2807 OMMA used the averages from 55 licensed businesses to determine an average annual cost of \$23,581 to pre-package products. OMMA then lists the five-year cost to be five times the annual amount, totaling \$117,905. This figure needs to be expanded one additional step to the full market of growers and processors to understand the total impact. Applying the average annual cost of \$23,581 to the total number of businesses (2,157 growers and 682 processors) would result in a total economic impact of \$66.9 million in the first year and a five-year total of \$334.7 million.¹

Summary of attachments:

Checklist of Title 303.75 completion

¹ OMMA Dashboard as of 4/13/2026

Section Reference	Requirement Description	Completion Status
Section 303(A)(1)	NRI to 'The Oklahoma Register'.	12/1/20205
Section 303(A)(2)	Hold comment period	12/1/25-1/7/26
Section 303 (A)(3)	Hold a Hearing, if required.	1/7/2026
Section 303 (A)(4)	Effect the various types of business and governmental entities.	Yes
Section 303 (A)(5)	Effect on the various types of consumer groups.	Yes
Section 303(A)(6)	Notice to the Governor and appropriate cabinet secretary.	Automatic
Section 303(A)(6) Continued	Governor or Cabinet express disapproval?	No
Section 303(B)	'Notice of Rulemaking Intent (NRI) Requirements for the Oklahoma Register Publication	In OK Register
Section 303 (B)	NRI in correct format?	Yes
Section 303 (C)	If a hearing was not originally scheduled, Did the public request a hearing?	N/A
Section 303(D)(1)	Issue a rule impact statement	Yes
Section 303(D)(2)	Consult with counties, municipalities, and school boards if revenue or expenditures are affected.	Yes
Section 303(D)(3)	Rule Impact Statement Must include the following:	
Section 303(D)(3)(a)	Statement of need	Yes
D3B	Major or nonmajor classification.	Yes
D3C	Description of the rule.	Yes
D3D	Classes of persons the rule will affect/who will bear the costs.	Yes
D3E	Classes of persons the rule will benefit	Yes
D3F	A comprehensive analysis of the rule's economic impact	Yes
D3G	Methodology and assumptions used to determine the economic impact.	Yes
D3H	Economic impact on any political subdivisions	Yes
D3I	Economic effect on small business as provided by the Oklahoma Small Business Regulatory Flexibility Act.	Yes
D3J	Cost and impact of the proposed rule on business and economic development in this state, local government units of this state, and individuals.	Yes
D3K	Effect of the proposed rule on the public health, safety, and environment.	Yes
D3L	Detrimental effect on the public health, safety, and environment if the proposed rule is not implemented	Yes
D3M	Date of preparation	10/28/2025
Section 303(D)(4)	Was Rule Impact Statement waived by Governor?	N/A
	Adoption of rule possible If adopted in substantial compliance with Title 75, Section 303	In OK Register