

# An Act

ENROLLED HOUSE  
BILL NO. 3011

By: Smith and Waldron of the  
House

and

Kidd of the Senate

An Act relating to agriculture; amending 2 O.S. 2021, Sections 3-402 and 3-403, as amended by Sections 1 and 2, Chapter 265, O.S.L. 2022 (2 O.S. Supp. 2023, Sections 3-402 and 3-403), which relate to the Oklahoma Industrial Hemp Program; modifying definitions; defining term; modifying amount of allowable delta-9 tetrahydrocannabinol concentration; requiring certain harvest within certain time frame; modifying elements of remediation; allowing animal consumption of industrial hemp within certain criteria; amending 2 O.S. 2021, Sections 3-404, 3-406.1, and 3-408, as amended by Section 3, Chapter 265, O.S.L. 2022 (2 O.S. Supp. 2023, Section 3-408), which relate to the Oklahoma Industrial Hemp Program; modifying elements of application process; modifying elements of remediation; modifying amount of allowable delta-9 tetrahydrocannabinol concentration; and providing an effective date.

SUBJECT: Agriculture

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. AMENDATORY 2 O.S. 2021, Section 3-402, as amended by Section 1, Chapter 265, O.S.L. 2022 (2 O.S. Supp. 2023, Section 3-402), is amended to read as follows:

Section 3-402. As used in the Oklahoma Industrial Hemp Program:

1. "Department" means the Oklahoma Department of Agriculture, Food, and Forestry;

2. "Fiber" means the stalk of the industrial hemp plant and does not include the flower or seeds of the plant;

3. "Flower" means the part of the industrial hemp plant that contains the majority of the industrial hemp plant's tetrahydrocannabinol and other cannabinoids;

4. "Grain" means all of the parts of an industrial hemp plant except the stalk or the flower of the industrial hemp plant;

5. "Handling" means possessing or storing industrial hemp for any period of time on premises owned, operated or controlled by a person licensed to cultivate or process industrial hemp and also includes possessing or storing industrial hemp in a vehicle for any period of time other than during its actual transport from the premises of a licensed person to cultivate or process industrial hemp to the premises of another licensed person;

6. "Industrial hemp" means the plant *Cannabis sativa* L. and any part of the plant, including the seeds thereof, and all derivatives, extracts, cannabinoids, isomers, acids, salts and salts of isomers, whether growing or not, with a total delta-9 tetrahydrocannabinol concentration of not more than three-tenths of one percent (0.3%) on a dry-weight basis;

7. "Key participant" means a person who has a direct or indirect financial interest in the entity producing hemp, such as an owner or partner in a partnership. A key participant includes an individual who is part of a corporate entity or a tribal-owned corporation. A key participant also includes an executive-level individual such as a chief executive officer, chief operating officer, or chief financial officer. Such term shall not include such management personnel as a farm, field, or shift manager or a member of the leadership of a tribal government who is acting in his or her capacity as a tribal leader except when such member exercises executive managerial control over hemp production;

8. "Licensee" means a person who holds a valid Industrial Hemp License to grow industrial hemp under the Oklahoma Industrial Hemp Program. A licensee shall have the ability to remediate noncompliant industrial hemp with a total delta-9 tetrahydrocannabinol concentration of not more than one percent (1.0%) on a dry-weight basis for retesting as set forth by the Department as long as the noncompliant industrial hemp has a total

delta-9 tetrahydrocannabinol concentration of not more than three-tenths of one percent (0.3%) on a dry-weight basis after retesting, and the option to remediate the industrial hemp through the reasonable destruction of the flower or shredding of the entire lot into a homogeneous biomass results in the remediation of any part of the industrial hemp plant that is above three-tenths of one percent (0.3%) on a dry-weight basis. All noncompliant hemp must be tracked and documented. The State Board of Agriculture shall have jurisdiction over such remediation, which includes, but is not limited to, destruction through composting, burning, or other regulated disposal methods if the industrial hemp is not remediated into a final product before processing below three-tenths of one percent (0.3%) on a dry-weight basis;

~~8.~~ 9. "License" means authorization by the Department for any person to grow and cultivate industrial hemp on a registered land area as part of the Oklahoma Industrial Hemp Program; and

~~9.~~ 10. "Processing" means converting industrial hemp into a marketable form, including the production of all derivatives, extracts, cannabinoids, isomers, acids, salts, and salts of isomers.

SECTION 2. AMENDATORY 2 O.S. 2021, Section 3-403, as amended by Section 2, Chapter 265, O.S.L. 2022 (2 O.S. Supp. 2023, Section 3-403), is amended to read as follows:

Section 3-403. A. 1. A licensee is authorized to engage in the growth, cultivation, handling or processing of industrial hemp and may remediate noncompliant industrial hemp with a total delta-9 tetrahydrocannabinol concentration of not more than one percent (1.0%) on a dry-weight basis and prepare for retesting as set forth by the Department as long as the noncompliant industrial hemp has a total delta-9 tetrahydrocannabinol concentration of not more than three-tenths of one percent (0.3%) on a dry-weight basis after retesting, or all or part of the product is disposed of in the process of remediation so that only a compliant product (with a total delta-9 tetrahydrocannabinol concentration of not more than three-tenths of one percent (0.3%) on a dry-weight basis) is left, or all disposable waste is destroyed following a remediation process. Upon a sample collection verifying a compliant delta-9 tetrahydrocannabinol concentration, the licensee shall harvest within thirty (30) days of sample collection.

~~2. A remediation facility shall be an option of the remediation process. The licensee may remediate any noncompliant industrial~~

~~hemp at its own facilities, affiliated facilities, or third-party facilities as long as these facilities are licensed and approved by the State Board of Agriculture as a remediation facility. The State Board of Agriculture shall be notified before any noncompliant industrial hemp is transported to a remediation facility~~ Remediation shall occur on the facility of the licensee. Noncompliant industrial hemp shall not leave such facility until a compliant test is conducted by the Department or a lab approved by the Department. Retesting of any noncompliant industrial hemp shall be done within sixty (60) days post-harvest. Within seven (7) days of receiving notice of a measured tetrahydrocannabinol concentration that exceeds the acceptable hemp tetrahydrocannabinol level but is less than one percent (1.0%), the licensed grower shall consent to the destruction of all cannabis from that lot, or he or she may request remediation and a post-harvest retest in a homogenized form in accordance with the procedures established by the State Board of Agriculture. A measured tetrahydrocannabinol concentration that exceeds one percent (1.0%) shall require the licensed grower to properly dispose of all cannabis from that lot. The retest fee shall be paid in an amount established by the State Board of Agriculture. Samples with a measured tetrahydrocannabinol concentration of one percent (1.0%) or greater shall not be eligible for a post-harvest retest or remediation and shall be destroyed.

3. Licensees ~~are allowed to~~ may sell industrial hemp grain and other industrial hemp derivatives that are either grown or processed in this state, that do not include the flower, for the purpose of livestock feed and other animal consumption in this state if the licensee meets the requirements for compliant hemp with a total delta-9 tetrahydrocannabinol concentration not more than three-tenths of one percent (0.3%).

B. The activities performed under the Oklahoma Industrial Hemp Program shall not subject the persons participating in the program to criminal liability under the Uniform Controlled Dangerous Substances Act. The exemption from criminal liability provided for in this subsection is a limited exemption that shall be strictly construed and shall not apply to an activity that is not expressly permitted under the Oklahoma Industrial Hemp Program.

SECTION 3. AMENDATORY 2 O.S. 2021, Section 3-404, is amended to read as follows:

Section 3-404. A. A person intending to engage in industrial hemp growth, cultivation, handling, or processing authorized under

the Oklahoma Industrial Hemp Program shall apply to the Oklahoma Department of Agriculture, Food, and Forestry for a license prior to planting, handling, or processing the industrial hemp.

1. The application shall include:

- a. the name and address of the applicant,
- b. the legal description, global positioning system location, and map of the land area on which the applicant will engage in industrial hemp growth and cultivation operations, handling operations or processing operations, ~~and~~
- c. a statement of intended end use, and
- d. a criminal history record check for all key participants submitted with the initial or renewal application.

2. By submitting an application, the applicant acknowledges and agrees that:

- a. information provided to the Department may be provided to law enforcement agencies,
- b. the applicant shall allow and fully cooperate with any inspection and sampling that the Department deems necessary,
- c. the applicant will submit all required reports by the applicable due dates specified by the Department, and
- d. the applicant has the legal right to cultivate, handle or process industrial hemp on the registered land area and shall grant the Department access for inspection and sampling.

B. The Department shall collect a nonrefundable fee from the applicant at the time of application. The Department shall set a fee schedule based on the size and use of the land area on which the licensee will conduct industrial hemp growing or cultivation operations and shall set the fee at a level sufficient to generate the amount of monies necessary to cover the Department's direct costs in implementing the Oklahoma Industrial Hemp Program. Denied

applications for a license may be resubmitted within a twelve-month period. The Department may waive the fee for resubmitted applications.

C. A license issued pursuant to this section is valid for one (1) year. In order to continue engaging in industrial hemp growth and cultivation operations in Oklahoma, the licensee shall annually apply for a license in accordance with subsection A of this section. The Department may set a separate fee schedule for renewal of existing licenses in good standing.

D. All industrial hemp plant material shall be planted, grown and harvested under a valid license. Any plant material that is not harvested in the license period in which it was planted or volunteer plants that are not destroyed must be declared for inclusion in a subsequent license.

E. If the licensee wishes to alter the land area on which the licensee will conduct industrial hemp growth, cultivation, handling or processing operations within thirty (30) days of any new license, before altering the area, the licensee shall submit to the Department and the United States Department of Agriculture Farm Service Agency an updated legal description, global positioning system location, and map specifying the proposed alterations.

F. Each licensee shall report any changes to information provided in the license application within ten (10) days of such change to the Department and the United States Department of Agriculture Farm Service Agency.

G. A licensee shall maintain all records pertaining to the license and growing records for a minimum of three (3) years.

H. The Department shall promulgate rules necessary to implement the licensing program and to implement the Oklahoma Industrial Hemp Program.

I. The Department shall promulgate rules to facilitate transportation of industrial hemp.

SECTION 4. AMENDATORY 2 O.S. 2021, Section 3-406.1, is amended to read as follows:

Section 3-406.1 An industrial hemp ~~processor~~ licensee ~~may~~ shall only remediate any industrial hemp legally grown pursuant to the

Oklahoma Department of Agriculture, Food, and Forestry and the United States Department of Agriculture programs ~~so long as all THC is removed and it is processed as Cannabidiol (CBD) at the licensee's facility.~~ Noncompliant hemp shall not leave the facility until a compliant test is conducted by the Department or a lab approved by the Department.

SECTION 5. AMENDATORY 2 O.S. 2021, Section 3-408, as amended by Section 3, Chapter 265, O.S.L. 2022 (2 O.S. Supp. 2023, Section 3-408), is amended to read as follows:

Section 3-408. A. The Department may deny, revoke or suspend a license if the licensee:

1. Violates any provision of the Oklahoma Industrial Hemp Program or rules adopted pursuant to the program;
2. Engages in fraud or deception in the procurement of or attempt to procure a license under the Oklahoma Industrial Hemp Program or provides false information on a license application;
3. Refuses or fails to cooperate and assist the Department with the inspection process;
4. Refuses or fails to provide any information required or requested by the Department for purposes of the Oklahoma Industrial Hemp Program;
5. Knowingly provides false, misleading or incorrect information pertaining to the licensee's cultivation, handling or processing of industrial hemp to the Department by any means, including information provided in any application form, report, record or inspection required or maintained for purposes of the Oklahoma Industrial Hemp Program;
6. Fails to submit any report required by the Oklahoma Industrial Hemp Program; or
7. Fails to pay fees required by the Oklahoma Industrial Hemp Program.

B. 1. If a sample of a licensee's industrial hemp tests higher than three-tenths of one percent (0.3%) but less than one percent (1.0%) on a dry-weight basis for total delta-9 tetrahydrocannabinol concentration, the licensee shall not be subject to any penalty

under the Oklahoma Industrial Hemp Program if the crop is destroyed or remediated.

2. A licensee that negligently violates the provisions of the Oklahoma Industrial Hemp Program three times in any five-year period shall be ineligible to obtain a license pursuant to the Oklahoma Industrial Hemp Program for a period of five (5) years beginning on the date of the third violation.

C. Any person convicted of a felony relating to a controlled substance under state or federal law shall be ineligible during the ten-year period following the date of conviction to participate in this program.

SECTION 6. This act shall become effective November 1, 2024.



Passed the House of Representatives the 30th day of April, 2024.

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Presiding Officer of the House  
of Representatives

Passed the Senate the 17th day of April, 2024.

\_\_\_\_\_  
Presiding Officer of the Senate

OFFICE OF THE GOVERNOR

Received by the Office of the Governor this \_\_\_\_\_

day of \_\_\_\_\_, 20\_\_\_\_\_, at \_\_\_\_\_ o'clock \_\_\_\_\_ M.

By: \_\_\_\_\_

Approved by the Governor of the State of Oklahoma this \_\_\_\_\_

day of \_\_\_\_\_, 20\_\_\_\_\_, at \_\_\_\_\_ o'clock \_\_\_\_\_ M.

\_\_\_\_\_  
Governor of the State of Oklahoma

OFFICE OF THE SECRETARY OF STATE

Received by the Office of the Secretary of State this \_\_\_\_\_

day of \_\_\_\_\_, 20\_\_\_\_\_, at \_\_\_\_\_ o'clock \_\_\_\_\_ M.

By: \_\_\_\_\_