

1 ENGROSSED SENATE
2 BILL NO. 635

By: Paxton of the Senate

and

Dobrinski of the House

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4
5
6 An Act relating to Oklahoma Industrial Hemp Program;
7 amending 2 O.S. 2021, Section 3-402, as amended by
8 Section 1, Chapter 265, O.S.L. 2022 (2 O.S. Supp.
9 2022, Section 3-402), which relates to definitions;
10 defining term; requiring registration of hemp-derived
11 cannabinoid product with the State Board of
12 Agriculture; establishing conditions for registration
13 by applicant to the Board; providing for promulgation
14 of rules by Board for registration; establishing
15 requirements for labeling and packaging necessary to
16 sell hemp-derived cannabinoid products in the state;
17 allowing for hemp-derived cannabinoids to be added to
18 products under certain conditions; prohibiting
19 distribution of products if misbranded or
20 adulterated; allowing the Board to issue and enforce
21 stop sale, stop use, or removal of products under
22 certain conditions; providing for codification; and
23 providing an effective date.
24

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. 2022,
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;

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

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

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

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

15 6. "Hemp-derived cannabinoid product" means a product that
16 contains cannabinoids that are extracted from hemp or resin from
17 hemp by physical or chemical means and is intended for
18 administration to a consumer including, but not limited to,
19 concentrates, oils, tinctures, edibles, pills, topicals, gels,
20 creams, and other derivative forms. The term shall also mean
21 products available for animal or human consumption, which may be in
22 the form of inhalation into the respiratory system and ingestion in
23 the gastrointestinal system, or tissue absorption. The term shall
24 not include seeds or seed-derived ingredients that are generally

1 recognized as safe by the United States Food and Drug
2 Administration;

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

9 ~~7.~~ 8. "Licensee" means a person who holds a valid Industrial
10 Hemp License to grow industrial hemp under the Oklahoma Industrial
11 Hemp Program. A licensee shall have the ability to remediate
12 noncompliant industrial hemp with a delta-9 tetrahydrocannabinol
13 concentration of not more than one percent (1.0%) on a dry-weight
14 basis for retesting as set forth by the Department as long as the
15 noncompliant industrial hemp has a delta-9 tetrahydrocannabinol
16 concentration of not more than three-tenths of one percent (0.3%) on
17 a dry-weight basis after retesting, and the option to remediate the
18 industrial hemp through the reasonable destruction of the flower or
19 shredding of the entire lot into a homogeneous biomass results in
20 the remediation of any part of the industrial hemp plant that is
21 above three-tenths of one percent (0.3%) on a dry-weight basis. All
22 noncompliant hemp must be tracked and documented. The State Board
23 of Agriculture shall have jurisdiction over such remediation, which
24 includes, but is not limited to, destruction through composting,

1 burning, or other regulated disposal methods if the industrial hemp
2 is not remediated into a final product before processing below
3 three-tenths of one percent (0.3%) on a dry-weight basis;

4 ~~8.~~ 9. "License" means authorization by the Department for any
5 person to grow and cultivate industrial hemp on a registered land
6 area as part of the Oklahoma Industrial Hemp Program; and

7 ~~9.~~ 10. "Processing" means converting industrial hemp into a
8 marketable form, including the production of all derivatives,
9 extracts, cannabinoids, isomers, acids, salts and salts of isomers.

10 SECTION 2. NEW LAW A new section of law to be codified
11 in the Oklahoma Statutes as Section 3-412 of Title 2, unless there
12 is created a duplication in numbering, reads as follows:

13 A. Each hemp-derived cannabinoid product shall be registered
14 with the State Board of Agriculture prior to distribution in this
15 state by the manufacturer. The application shall be submitted to
16 the State Department of Agriculture on a registration form provided
17 by the Board.

18 B. All registration shall expire on December 31 of the year for
19 which the hemp-derived cannabinoid product is registered.

20 C. The applicant shall submit with the application for
21 registration a copy of the label and, upon request of the
22 Department, a copy of all advertisements, brochures, posters, and
23 television and radio announcements to be used in promoting the sale
24 of the hemp-derived cannabinoid product.

1 D. If the Board discovers any hemp-derived cannabinoid product
2 that is not registered, for which the registration was falsely
3 submitted, or for which the registration was late, the Board may
4 assess an administrative penalty. The penalty shall be assessed per
5 offending product.

6 E. The State Board of Agriculture may promulgate rules
7 containing the requirements for registration, registration fees,
8 label requirements, and any other rules necessary for the
9 implementation of this section.

10 SECTION 3. NEW LAW A new section of law to be codified
11 in the Oklahoma Statutes as Section 3-413 of Title 2, unless there
12 is created a duplication in numbering, reads as follows:

13 A. Each container of hemp-derived cannabinoid product shall be
14 labeled on the face or display side in a readable and conspicuous
15 form to show at a minimum the following information:

- 16 1. The net weight of the contents;
- 17 2. The name of the product;
- 18 3. The total amount of milligrams of hemp-derived cannabinoid
19 in the entire package;
- 20 4. Milligrams per serving of cannabidiol (CBD),
21 tetrahydrocannabinol (THC), or any other marketed cannabinoid, if
22 applicable;
- 23 5. A list of all ingredients;
- 24

- 1 6. A statement that the product is not approved for any medical
- 2 use by the United States Food and Drug Administration;
- 3 7. The lot or batch number;
- 4 8. The expiration or best-by date;
- 5 9. Adequate directions for use;
- 6 10. A web address, QR code, or other scannable barcode
- 7 accessing the laboratory testing reports;
- 8 11. The country or state of origin where hemp is sourced;
- 9 12. Servings per package;
- 10 13. Means for reporting adverse events;
- 11 14. The name, address, and telephone number of the registrant;
- 12 and
- 13 15. Warnings regarding children, pets, and pregnancy.
- 14 B. The applicant shall submit a current label with a working
- 15 barcode for the certificate of analysis for the hemp-derived
- 16 cannabinoid products with the application.
- 17 C. A hemp-derived cannabinoid product shall not imitate any
- 18 packaging used for products typically marketed to children.
- 19 D. All packaging shall be child-resistant.
- 20 E. Packaging that contains more than one (1) serving shall be
- 21 resealable.
- 22 F. If the Board approved the guaranteed analysis and listing of
- 23 a hemp-derived cannabinoid product, the product shall be subject to
- 24 inspection and analysis.

1 G. The Board may prescribe methods and procedures of inspection
2 and analysis of hemp-derived cannabinoid products. The Board may
3 stipulate, by rule, the quantities that are allowed in a hemp-
4 derived cannabinoid product.

5 SECTION 4. NEW LAW A new section of law to be codified
6 in the Oklahoma Statutes as Section 3-414 of Title 2, unless there
7 is created a duplication in numbering, reads as follows:

8 A. A hemp-derived cannabinoid may be added to an ingestible
9 product during the manufacturing process or prior to retail sale at
10 a food service establishment.

11 B. The hemp-derived cannabinoid shall be obtained from product
12 grown under the United States Department of Agriculture (USDA) hemp
13 licensing program.

14 C. The food processor or food service establishment shall
15 obtain a valid certificate of analysis from the licensed USDA hemp
16 grower or processor and provide a copy upon request or inspection.

17 SECTION 5. NEW LAW A new section of law to be codified
18 in the Oklahoma Statutes as Section 3-415 of Title 2, unless there
19 is created a duplication in numbering, reads as follows:

20 A. No person shall distribute misbranded hemp-derived
21 cannabinoid product. A hemp-derived cannabinoid product shall be
22 considered misbranded if:

23 1. The labeling is false or misleading;

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1 2. The product is distributed under the name of another hemp-
2 derived cannabinoid product; or

3 3. The product is not labeled in compliance with the rules of
4 the State Board of Agriculture.

5 B. No person shall distribute an adulterated hemp-derived
6 cannabinoid product. A hemp-derived cannabinoid product shall be
7 considered adulterated if:

8 1. The product contains any deleterious or harmful substance in
9 sufficient amounts to render the product injurious to beneficial
10 plant life, animals, humans, aquatic life, soil, or water when
11 applied in accordance with directions for use on the label;

12 2. Adequate warning statements or directions for use, which may
13 be necessary to protect plant life, animals, humans, aquatic life,
14 soil, or water, are not shown upon the label; or

15 3. The product's composition falls below or differs from that
16 which the product is purported to possess by labeling.

17 SECTION 6. NEW LAW A new section of law to be codified
18 in the Oklahoma Statutes as Section 3-416 of Title 2, unless there
19 is created a duplication in numbering, reads as follows:

20 A. The State Board of Agriculture may issue and enforce a stop
21 sale, stop use, or removal order to the owner or custodian of any
22 lot of hemp-derived cannabinoid product. The owner or custodian
23 shall hold the lot of hemp-derived cannabinoid product until the
24 time when the product or labeling complies with this act.

1 B. It shall be a violation of this act for any person to:

2 1. Distribute a hemp-derived cannabinoid product that is not
3 registered with the State Board of Agriculture;

4 2. Distribute a hemp-derived cannabinoid product that is not
5 labeled in accordance with the requirements of the Board;

6 3. Distribute a hemp-derived cannabinoid product that is
7 misbranded;

8 4. Distribute a hemp-derived cannabinoid product that is
9 adulterated;

10 5. Violate any provision of the requirements of the Board; or

11 6. Fail to comply with a stop sale, stop use, or removal order.

12 SECTION 7. This act shall become effective November 1, 2023.

13 Passed the Senate the 22nd day of March, 2023.

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16 Presiding Officer of the Senate

17 Passed the House of Representatives the ____ day of _____,
18 2023.

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20 _____
21 Presiding Officer of the House
22 of Representatives
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