

1 ENGROSSED SENATE AMENDMENT  
TO

2 ENGROSSED HOUSE  
BILL NO. 3011

By: Smith of the House

and

Kidd of the Senate

7 An Act relating to agriculture; amending 2 O.S. 2021,  
8 Sections 3-402, as amended by Section 1, Chapter 265,  
9 O.S.L. 2022 (2 O.S. Supp. 2023, Section 3-402), 3-  
10 403, as amended by Section 2, Chapter 265, O.S.L.  
11 2022 (2 O.S. Supp. 2023, Section 3-403), Section 3-  
12 404, Section 3-406, and Section 3-408, as amended by  
13 Section 3, Chapter 265, O.S.L. 2022 (2 O.S. Supp.  
14 2023, Section 3-408), which relate to hemp; adding  
15 definition; requiring remediation to occur at certain  
16 location; providing guidance for noncompliant hemp;  
17 modifying the requirements for the selling of  
18 industrial hemp grain and other industrial hemp  
19 derivatives; requiring new and renewal applications  
20 to include a criminal history report or background  
21 check; providing timeline for harvesting after sample  
22 collection; modifying the causes to deny, revoke or  
23 suspend a license; and providing an effective date.

18 AUTHOR: Add the following House Coauthor: Waldron

19 AMENDMENT NO. 1. Page 1, strike the title, enacting clause and  
20 entire bill and insert

21 "An Act relating to agriculture; amending 2 O.S.  
22 2021, Sections 3-402 and 3-403, as amended by  
23 Sections 1 and 2, Chapter 265, O.S.L. 2022 (2 O.S.  
24 Supp. 2023, Sections 3-402 and 3-403), which relate  
to the Oklahoma Industrial Hemp Program; modifying  
definitions; modifying amount of allowable delta-9  
tetrahydrocannabinol concentration; requiring certain

1 harvest within certain time frame; modifying elements  
2 of remediation; allowing animal consumption of  
3 industrial hemp within certain criteria; amending 2  
4 O.S. 2021, Sections 3-404, 3-406.1, and 3-408, as  
5 amended by Section 3, Chapter 265, O.S.L. 2022 (2  
6 O.S. Supp. 2023, Section 3-408), which relate to the  
7 Oklahoma Industrial Hemp Program; modifying elements  
8 of application process; modifying elements of  
9 remediation; modifying amount of allowable delta-9  
10 tetrahydrocannabinol concentration; and providing an  
11 effective date.

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

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

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

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

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

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

24 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

1 includes possessing or storing industrial hemp in a vehicle for any  
2 period of time other than during its actual transport from the  
3 premises of a licensed person to cultivate or process industrial  
4 hemp to the premises of another licensed person;

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

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

22 8. "Licensee" means a person who holds a valid Industrial Hemp  
23 License to grow industrial hemp under the Oklahoma Industrial Hemp  
24 Program. A licensee shall have the ability to remediate

1 noncompliant industrial hemp with a total delta-9  
2 tetrahydrocannabinol concentration of not more than one percent  
3 (1.0%) on a dry-weight basis for retesting as set forth by the  
4 Department as long as the noncompliant industrial hemp has a total  
5 delta-9 tetrahydrocannabinol concentration of not more than three-  
6 tenths of one percent (0.3%) on a dry-weight basis after retesting,  
7 and the option to remediate the industrial hemp through the  
8 reasonable destruction of the flower or shredding of the entire lot  
9 into a homogeneous biomass results in the remediation of any part of  
10 the industrial hemp plant that is above three-tenths of one percent  
11 (0.3%) on a dry-weight basis. All noncompliant hemp must be tracked  
12 and documented. The State Board of Agriculture shall have  
13 jurisdiction over such remediation, which includes, but is not  
14 limited to, destruction through composting, burning, or other  
15 regulated disposal methods if the industrial hemp is not remediated  
16 into a final product before processing below three-tenths of one  
17 percent (0.3%) on a dry-weight basis;

18 ~~8.~~ 9. "License" means authorization by the Department for any  
19 person to grow and cultivate industrial hemp on a registered land  
20 area as part of the Oklahoma Industrial Hemp Program; and

21 ~~9.~~ 10. "Processing" means converting industrial hemp into a  
22 marketable form, including the production of all derivatives,  
23 extracts, cannabinoids, isomers, acids, salts, and salts of isomers.

24

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

4 Section 3-403. A. 1. A licensee is authorized to engage in  
5 the growth, cultivation, handling or processing of industrial hemp  
6 and may remediate noncompliant industrial hemp with a total delta-9  
7 tetrahydrocannabinol concentration of not more than one percent  
8 (1.0%) on a dry-weight basis and prepare for retesting as set forth  
9 by the Department as long as the noncompliant industrial hemp has a  
10 total delta-9 tetrahydrocannabinol concentration of not more than  
11 three-tenths of one percent (0.3%) on a dry-weight basis after  
12 retesting, or all or part of the product is disposed of in the  
13 process of remediation so that only a compliant product (with a  
14 total delta-9 tetrahydrocannabinol concentration of not more than  
15 three-tenths of one percent (0.3%) on a dry-weight basis) is left,  
16 or all disposable waste is destroyed following a remediation  
17 process. Upon a sample collection verifying a compliant delta-9  
18 tetrahydrocannabinol concentration, the licensee shall harvest  
19 within thirty (30) days of sample collection.

20 ~~2. A remediation facility shall be an option of the remediation~~  
21 ~~process. The licensee may remediate any noncompliant industrial~~  
22 ~~hemp at its own facilities, affiliated facilities, or third-party~~  
23 ~~facilities as long as these facilities are licensed and approved by~~  
24 ~~the State Board of Agriculture as a remediation facility. The State~~

1 ~~Board of Agriculture shall be notified before any noncompliant~~  
2 ~~industrial hemp is transported to a remediation facility~~ Remediation  
3 shall occur on the facility of the licensee. Noncompliant  
4 industrial hemp shall not leave such facility until a compliant test  
5 is conducted by the Department or a lab approved by the Department.  
6 Retesting of any noncompliant industrial hemp shall be done within  
7 sixty (60) days post-harvest. Within seven (7) days of receiving  
8 notice of a measured tetrahydrocannabinol concentration that exceeds  
9 the acceptable hemp tetrahydrocannabinol level but is less than one  
10 percent (1.0%), the licensed grower shall consent to the destruction  
11 of all cannabis from that lot, or he or she may request remediation  
12 and a post-harvest retest in a homogenized form in accordance with  
13 the procedures established by the State Board of Agriculture. A  
14 measured tetrahydrocannabinol concentration that exceeds one percent  
15 (1.0%) shall require the licensed grower to properly dispose of all  
16 cannabis from that lot. The retest fee shall be paid in an amount  
17 established by the State Board of Agriculture. Samples with a  
18 measured tetrahydrocannabinol concentration of one percent (1.0%) or  
19 greater shall not be eligible for a post-harvest retest or  
20 remediation and shall be destroyed.

21 3. Licensees ~~are allowed to~~ may sell industrial hemp grain and  
22 other industrial hemp derivatives that are either grown or processed  
23 in this state, that do not include the flower, for the purpose of  
24 livestock feed and other animal consumption in this state if the

1 licensee meets the requirements for compliant hemp with a total  
2 delta-9 tetrahydrocannabinol concentration not more than three-  
3 tenths of one percent (0.3%).

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

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

13 Section 3-404. A. A person intending to engage in industrial  
14 hemp growth, cultivation, handling, or processing authorized under  
15 the Oklahoma Industrial Hemp Program shall apply to the Oklahoma  
16 Department of Agriculture, Food, and Forestry for a license prior to  
17 planting, handling, or processing the industrial hemp.

- 18 1. The application shall include:
- 19 a. the name and address of the applicant,
  - 20 b. the legal description, global positioning system  
21 location, and map of the land area on which the  
22 applicant will engage in industrial hemp growth and  
23 cultivation operations, handling operations or  
24 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



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

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

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

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

22 F. Each licensee shall report any changes to information  
23 provided in the license application within ten (10) days of such  
24

1 change to the Department and the United States Department of  
2 Agriculture Farm Service Agency.

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

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

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

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

12 Section 3-406.1. An industrial hemp ~~processor~~ licensee ~~may~~  
13 shall only remediate any industrial hemp legally grown pursuant to  
14 the Oklahoma Department of Agriculture, Food, and Forestry and the  
15 United States Department of Agriculture programs ~~so long as all THC~~  
16 ~~is removed and it is processed as Cannabidiol (CBD) at the~~  
17 licensee's facility. Noncompliant hemp shall not leave the facility  
18 until a compliant test is conducted by the Department or a lab  
19 approved by the Department.

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

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

- 1 1. Violates any provision of the Oklahoma Industrial Hemp  
2 Program or rules adopted pursuant to the program;
- 3 2. Engages in fraud or deception in the procurement of or  
4 attempt to procure a license under the Oklahoma Industrial Hemp  
5 Program or provides false information on a license application;
- 6 3. Refuses or fails to cooperate and assist the Department with  
7 the inspection process;
- 8 4. Refuses or fails to provide any information required or  
9 requested by the Department for purposes of the Oklahoma Industrial  
10 Hemp Program;
- 11 5. Knowingly provides false, misleading or incorrect  
12 information pertaining to the licensee's cultivation, handling or  
13 processing of industrial hemp to the Department by any means,  
14 including information provided in any application form, report,  
15 record or inspection required or maintained for purposes of the  
16 Oklahoma Industrial Hemp Program;
- 17 6. Fails to submit any report required by the Oklahoma  
18 Industrial Hemp Program; or
- 19 7. Fails to pay fees required by the Oklahoma Industrial Hemp  
20 Program.
- 21 B. 1. If a sample of a licensee's industrial hemp tests higher  
22 than three-tenths of one percent (0.3%) but less than one percent  
23 (1.0%) on a dry-weight basis for total delta-9 tetrahydrocannabinol  
24 concentration, the licensee shall not be subject to any penalty

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

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

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

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

13  
14 Passed the Senate the 17th day of April, 2024.

15  
16 \_\_\_\_\_  
17 Presiding Officer of the Senate

18 Passed the House of Representatives the \_\_\_\_ day of \_\_\_\_\_,  
19 2024.

20  
21 \_\_\_\_\_  
22 Presiding Officer of the House  
23 of Representatives  
24

1 ENGROSSED HOUSE  
2 BILL NO. 3011

By: Smith of the House

3 and

4 Kidd of the Senate

5  
6 An Act relating to agriculture; amending 2 O.S. 2021,  
7 Sections 3-402, as amended by Section 1, Chapter 265,  
8 O.S.L. 2022 (2 O.S. Supp. 2023, Section 3-402), 3-  
9 403, as amended by Section 2, Chapter 265, O.S.L.  
10 2022 (2 O.S. Supp. 2023, Section 3-403), Section 3-  
11 404, Section 3-406, and Section 3-408, as amended by  
12 Section 3, Chapter 265, O.S.L. 2022 (2 O.S. Supp.  
13 2023, Section 3-408), which relate to hemp; adding  
14 definition; requiring remediation to occur at certain  
15 location; providing guidance for noncompliant hemp;  
16 modifying the requirements for the selling of  
17 industrial hemp grain and other industrial hemp  
18 derivatives; requiring new and renewal applications  
19 to include a criminal history report or background  
20 check; providing timeline for harvesting after sample  
21 collection; modifying the causes to deny, revoke or  
22 suspend a license; and providing an effective date.

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

24 SECTION 7. 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;

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

21        7. "Key participant" is a person or persons who have a direct  
22 or indirect financial interest in the entity producing hemp, such as  
23 an owner or partner in a partnership. A key participant also  
24 includes persons in a corporate entity, including tribally owned

1 corporation individuals, at executive levels, including chief  
2 executive officer, chief operating officer, and chief financial  
3 officer. This does not include such management personnel as farm,  
4 field, or shift managers. This definition also does not include a  
5 member of the leadership of a tribal government who is acting in  
6 their capacity as a tribal leader except when that member exercises  
7 executive managerial control over hemp production.

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

1 is not remediated into a final product before processing below  
2 three-tenths of one percent (0.3%) on a dry-weight basis;

3 ~~8.~~ 9. "License" means authorization by the Department for any  
4 person to grow and cultivate industrial hemp on a registered land  
5 area as part of the Oklahoma Industrial Hemp Program; and

6 ~~9.~~ 10. "Processing" means converting industrial hemp into a  
7 marketable form, including the production of all derivatives,  
8 extracts, cannabinoids, isomers, acids, salts and salts of isomers.

9 SECTION 8. AMENDATORY 2 O.S. 2021, Section 3-403, as  
10 amended by Section 2, Chapter 265, O.S.L. 2022 (2 O.S. Supp. 2023,  
11 Section 3-403), is amended to read as follows:

12 Section 3-403. A. 1. A licensee is authorized to engage in  
13 the growth, cultivation, handling or processing of industrial hemp  
14 and may remediate noncompliant industrial hemp with a delta-9  
15 tetrahydrocannabinol concentration of not more than one percent  
16 (1.0%) on a dry-weight basis and prepare for retesting as set forth  
17 by the Department as long as the noncompliant industrial hemp has a  
18 delta-9 tetrahydrocannabinol concentration of not more than three-  
19 tenths of one percent (0.3%) on a dry-weight basis after retesting,  
20 or all or part of the product is disposed of in the process of  
21 remediation so that only a compliant product (with a delta-9  
22 tetrahydrocannabinol concentration of not more than three-tenths of  
23 one percent (0.3%) on a dry-weight basis) is left, or all disposable  
24 waste is destroyed following a remediation process.



1        2. ~~A remediation facility shall be an option of the remediation~~  
2 ~~process. The licensee may remediate any noncompliant industrial~~  
3 ~~hemp at its own facilities, affiliated facilities, or third-party~~  
4 ~~facilities as long as these facilities are licensed and approved by~~  
5 ~~the State Board of Agriculture as a remediation facility~~ Remediation  
6 shall occur on the licensee's facility. Noncompliant hemp shall not  
7 leave the licensee's facility until a compliant test is received.

8 The State Board of Agriculture shall be notified before any  
9 noncompliant industrial hemp is transported to a remediation  
10 facility. Retesting of any noncompliant industrial hemp shall be  
11 done within sixty (60) days post-harvest. Within seven (7) days of  
12 receiving notice of a measured tetrahydrocannabinol concentration  
13 that exceeds the acceptable hemp tetrahydrocannabinol level but is  
14 less than one percent (1.0%), the licensed grower shall consent to  
15 the destruction of all cannabis from that lot, or he or she may  
16 request remediation and a post-harvest retest in a homogenized form  
17 in accordance with the procedures established by the State Board of  
18 Agriculture. A measured tetrahydrocannabinol concentration that  
19 exceeds one percent (1.0%) shall require the licensed grower to  
20 properly dispose of all cannabis from that lot. The retest fee  
21 shall be paid in an amount established by the State Board of  
22 Agriculture. Samples with a measured tetrahydrocannabinol  
23 concentration of one percent (1.0%) or greater shall not be eligible  
24 for a post-harvest retest or remediation and shall be destroyed.

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

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

15           SECTION 9.           AMENDATORY           2 O.S. 2021, Section 3-404, is  
16 amended to read as follows:

17           Section 3-404. A. A person intending to engage in industrial  
18 hemp growth, cultivation, handling or processing authorized under  
19 the Oklahoma Industrial Hemp Program shall apply to the Oklahoma  
20 Department of Agriculture, Food, and Forestry for a license prior to  
21 planting, handling or processing the industrial hemp.

- 22           1. The application shall include:  
23               a. the name and address of the applicant,  
24

- 1           b. the legal description, global positioning system  
2           location, and map of the land area on which the  
3           applicant will engage in industrial hemp growth and  
4           cultivation operations, handling operations or  
5           processing operations, and  
6           c. a statement of intended end use.

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

- 9           a. information provided to the Department may be provided  
10           to law enforcement agencies,  
11           b. the applicant shall allow and fully cooperate with any  
12           inspection and sampling that the Department deems  
13           necessary,  
14           c. the applicant will submit all required reports by the  
15           applicable due dates specified by the Department, ~~and~~  
16           d. the applicant has the legal right to cultivate, handle  
17           or process industrial hemp on the registered land area  
18           and shall grant the Department access for inspection  
19           and sampling, and  
20           e. new and renewal applications shall include a criminal  
21           history report, or background check, for all key  
22           participants.

23           B. The Department shall collect a nonrefundable fee from the  
24 applicant at the time of application. The Department shall set a

1 fee schedule based on the size and use of the land area on which the  
2 licensee will conduct industrial hemp growing or cultivation  
3 operations and shall set the fee at a level sufficient to generate  
4 the amount of monies necessary to cover the Department's direct  
5 costs in implementing the Oklahoma Industrial Hemp Program. Denied  
6 applications for a license may be resubmitted within a twelve-month  
7 period. The Department may waive the fee for resubmitted  
8 applications.

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

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

20 E. If the licensee wishes to alter the land area on which the  
21 licensee will conduct industrial hemp growth, cultivation, handling  
22 or processing operations within thirty (30) days of any new license,  
23 before altering the area, the licensee shall submit to the  
24 Department and the United States Department of Agriculture Farm

1 Service Agency an updated legal description, global positioning  
2 system location, and map specifying the proposed alterations.

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

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

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

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

14 SECTION 10. AMENDATORY 2 O.S. 2021, Section 3-406, is  
15 amended to read as follows:

16 Section 3-406. A. At least thirty (30) days prior to harvest,  
17 each licensee shall file a harvest report on a form approved by the  
18 Department that includes:

19 1. A statement of intended disposition of its industrial hemp  
20 crop; and

21 2. The harvest date or dates, location and yield of each  
22 variety cultivated within a registered land area.

23 B. The licensee shall harvest within thirty (30) days of sample  
24 collection.

1        C. A licensee shall notify the Department immediately of any  
2 changes in a reported harvest date by more than five (5) days.

3        SECTION 11.        AMENDATORY        2 O.S. 2021, Section 3-408, as  
4 amended by Section 3, Chapter 265, O.S.L. 2022 (2 O.S. Supp. 2023,  
5 Section 3-408), is amended to read as follows:

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

8        1. Violates any provision of the Oklahoma Industrial Hemp  
9 Program or rules adopted pursuant to the program;

10       2. Engages in fraud or deception in the procurement of or  
11 attempt to procure a license under the Oklahoma Industrial Hemp  
12 Program or provides false information on a license application;

13       3. Refuses or fails to cooperate and assist the Department with  
14 the inspection process;

15       4. Refuses or fails to provide any information required or  
16 requested by the Department for purposes of the Oklahoma Industrial  
17 Hemp Program;

18       5. Knowingly provides false, misleading or incorrect  
19 information pertaining to the licensee's cultivation, handling or  
20 processing of industrial hemp to the Department by any means,  
21 including information provided in any application form, report,  
22 record or inspection required or maintained for purposes of the  
23 Oklahoma Industrial Hemp Program;

1           6. Fails to submit any report required by the Oklahoma  
2 Industrial Hemp Program; or

3           7. Fails to pay fees required by the Oklahoma Industrial Hemp  
4 Program.

5           B. 1. If a sample of a licensee's industrial hemp tests higher  
6 than three-tenths of one percent (0.3%) but less than one percent  
7 (1.0%) on a dry-weight basis for total delta-9 tetrahydrocannabinol  
8 concentration, the licensee shall not be subject to any penalty  
9 under the Oklahoma Industrial Hemp Program if the crop is destroyed  
10 or remediated.

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

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

20           SECTION 12. This act shall become effective November 1, 2024.

21  
22  
23  
24

1 Passed the House of Representatives the 5th day of March, 2024.

2  
3 \_\_\_\_\_  
4 Presiding Officer of the House  
5 of Representatives

6 Passed the Senate the \_\_\_ day of \_\_\_\_\_, 2024.

7  
8 \_\_\_\_\_  
9 Presiding Officer of the Senate