An Act

ENROLLED HOUSE BILL NO. 2628

By: Echols and Grego of the House

and

Paxton of the Senate

An Act relating to industrial hemp; amending Sections 3 and 8, Chapter 64, O.S.L. 2018 (2 O.S. Supp. 2018, Sections 3-403 and 3-408), as amended by Sections 4 and 8 of Enrolled Senate Bill No. 868 of the 1st Session of the 57th Oklahoma Legislature, which relate to the Oklahoma Industrial Hemp Program; modifying authorization of licensee; removing penalty exception; removing disposal method requirement; and declaring an emergency.

SUBJECT: Oklahoma Industrial Hemp Program

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

SECTION 1. AMENDATORY Section 3, Chapter 64, O.S.L. 2018 (2 O.S. Supp. 2018, Section 3-403), as amended by Section 4 of Enrolled Senate Bill No. 868 of the 1st Session of the 57th Oklahoma Legislature, is amended to read as follows:

Section 3-403. A. A licensee is authorized to:

- 1. Engage in the growth and cultivation of industrial hemp for agricultural plant research purposes; and
- 2. Upon approval by the United States Department of Agriculture of the Oklahoma Industrial Hemp Program, engage in the growth, cultivation, handling or processing of industrial hemp.

- 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 2. AMENDATORY Section 8, Chapter 64, O.S.L. 2018 (2 O.S. Supp. 2018, Section 3-408), as amended by Section 8 of Enrolled Senate Bill No. 868 of the 1st Session of the 57th Oklahoma Legislature, 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 this 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%) delta-9 tetrahydrocannabinol concentration, the licensee shall not be subject to any penalty under the Oklahoma Industrial Hemp Program if the crop is destroyed; and
- 2. The disposal method used shall be based on rules promulgated by the State Board of Agriculture and shall comply with a corrective action plan developed by the licensee.
- $\frac{\text{C.}}{\text{1.}}$ A licensee that negligently violates the provisions of the Oklahoma Industrial Hemp Program shall not be subject to a criminal enforcement action; and.
- 2. A licensee that negligently violates the provisions of the Oklahoma Industrial Hemp Program three (3) times in any five-year period shall be ineligible to obtain a license to produce hemp pursuant to the Oklahoma Industrial Hemp Program for a period of five (5) years beginning on the date of the third violation.
- $\frac{D_{\tau}}{C_{\star}}$ 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 3. It being immediately necessary for the preservation of the public peace, health or safety, an emergency is hereby declared to exist, by reason whereof this act shall take effect and be in full force from and after its passage and approval.

Passed the House of Representatives the 15th day of May, 2019.

Presiding Officer of the House of Representatives

Passed the Senate the 22nd day of May, 2019.

Presiding Officer of the Senate

OFFICE OF THE GOVERNOR					
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By:			_		
	Approved by the Governor of the State of Oklahoma this				
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