

BILL SUMMARY
2nd Session of the 58th Legislature

Bill No.:	HB 3439
Version:	PCS2
Request Number:	10880
Author:	Rep. Kerbs
Date:	3/17/2022
Impact:	ODAFF: \$0
	Conservation: \$255,000-\$375,500

Research Analysis

The committee substitute for HB 3439 amends the Oklahoma Industrial Hemp Program to add definitions for distinct parts of the plant and to modify the definition of "licensee" in order to provide a framework for remediation of industrial hemp that exceeds the allowed .3% concentration of THC but is less than 1%. The measure allows the licensee to remediate noncompliant hemp on site, or transport it to a remediation facility after informing the State Board of Agriculture.

Other changes to the program include:

- Licensees can sell industrial hemp, excluding the flower, to livestock or pet feed manufacturers.
- The measure directs the Oklahoma Conservation Commission to create a carbon credit trading program exclusive to industrial hemp.

Prepared By: Tricia Hines

Fiscal Analysis

According to the Oklahoma Department of Agriculture, Food and Forestry, there is no fiscal impact from this measure.

According to the Oklahoma Conservation Commission, it will need to have test done in order to create the rules for the carbon credit program. The Commission received an initial quote from Oklahoma State University to do the test with the initial site costing \$255,045.18 and any additional site costing \$120,420.00. The Commission says at least two sites will need to be tested across the state in order to create the rules, meaning the study would cost the Commission \$375,465.20.

Hemp Carbon Sequestration Project – Initial Site

Land lease (50 acres @\$30 per acre)	\$ 1,500.00
Field operations @\$400 per acre	\$ 20,000.00
Senior Personnel	\$ 27,700.00
Technician Support	\$ 17,345.00
Graduate Student	\$ 25,000.00
Eddy Flux System	\$ 60,000.00
Contiguous field license	\$ 500.00
Internet costs	\$ 420.00
Soil Sampling	\$ 10,000.00
Soil Analysis	\$ 8,000.00

Plant sampling	\$ 10,000.00
Plant analysis	\$ 8,000.00
Travel	\$ 2,000.00
Indirect costs	\$ 64,580.18
Total	\$ 255,045.18

**Hemp Carbon Sequestration Project –
Additional Site**

Land lease (50 acres @\$30 per acre)	\$ 1,500.00
Field operations @\$400 per acre	\$ 20,000.00
Eddy Flux System	\$ 60,000.00
Contiguous field license	\$ 500.00
Internet costs	\$ 420.00
Soil Sampling	\$ 10,000.00
Soil Analysis	\$ 8,000.00
Plant sampling	\$ 10,000.00
Plant analysis	\$ 8,000.00
Travel	\$ 2,000.00
Total	\$ 120,420.00

Prepared By: Mariah Searock

Other Considerations

None.