

An Act

ENROLLED HOUSE
BILL NO. 2930

By: West (Rick) of the House

and

Simpson of the Senate

An Act relating to agriculture; amending 2 O.S. 2011, Sections 5-3.2, as last amended by Section 1, Chapter 123, O.S.L. 2015 and 5-3.4, as amended by Section 3, Chapter 123, O.S.L. 2015 (2 O.S. Supp. 2020, Sections 5-3.2 and 5-3.4), which relate to the Oklahoma Agriculture Enhancement and Diversification Program; modifying categories within the Program; eliminating authority to allocate certain funds on a matching basis; modifying preference for grant recipients; prohibiting consideration of certain applications; specifying certain materials shall be subject to the Oklahoma Open Records Act; eliminating authority to hold certain executive sessions; providing certain exemptions; and providing an effective date.

SUBJECT: Agriculture

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

SECTION 1. AMENDATORY 2 O.S. 2011, Section 5-3.2, as last amended by Section 1, Chapter 123, O.S.L. 2015 (2 O.S. Supp. 2020, Section 5-3.2), is amended to read as follows:

Section 5-3.2 A. The State Board of Agriculture is hereby authorized to establish and administer the Oklahoma Agriculture Enhancement and Diversification Program.

B. The purpose of the Oklahoma Agriculture Enhancement and Diversification Program is to promote and encourage the interests of agriculture through the allocation of funds, by grant or loan, to individuals, cooperatives and other agricultural entities to:

1. Develop new or expanded uses of agricultural products;
2. Develop new or expanded benefits of agricultural events;
3. Increase agricultural productivity;
4. Provide added value to agricultural products or events;
5. Benefit the agricultural producer; and
6. Benefit the agricultural interests of ~~Oklahoma~~ this state.

C. The Program shall consist of the following categories:

1. ~~Cooperative marketing~~ Value-added agriculture grants and loans for entities or individuals ~~intending to work together~~ to develop or establish production, processing or marketing of agricultural products. The purpose of this category is to provide funding for promoting productivity, providing added value to agricultural products, stimulating and fostering agricultural diversification and encouraging processing innovations;

2. ~~Marketing and utilization grants and loans to assist in the development or implementation of sound domestic or foreign marketing plans for Oklahoma agricultural products, by products, or new and better uses for existing agricultural products through the financing of marketing feasibility studies, business plans, and test marketing;~~

~~3.~~ Farm diversification grants or loans for projects dealing with the diversification of family farms or ranches to nontraditional crops, livestock, agritourism, or on-farm, value-added processing of agricultural commodities;

~~4. Basic and applied~~ 3. Product development and research grants and loans for agricultural business creation or expansion, or research which will likely lead to a marketable agricultural product through the focusing of research efforts on uses and processing of Oklahoma agricultural products and by-products, including but not limited to:

- a. focused research which enhances the value of an agricultural product or by-product,
- b. feasibility studies, and

- c. product development and test-marketing costs, ~~and~~
- d. ~~projects that are driven by an entrepreneur or the industry; and;~~

~~5.~~ 4. Agricultural event or events that benefit and further the public interest in agriculture; and

5. Veteran or young farmer grants or loans for veterans and young farmers that are engaged or will be engaged in expansion or creation of events that benefit and further the public interest in agriculture an agricultural business.

D. The State Board of Agriculture shall promulgate rules governing the Oklahoma Agriculture Enhancement and Diversification Program.

SECTION 2. AMENDATORY 2 O.S. 2011, Section 5-3.4, as amended by Section 3, Chapter 123, O.S.L. 2015 (2 O.S. Supp. 2020, Section 5-3.4), is amended to read as follows:

Section 5-3.4 A. The Oklahoma Department of Agriculture, Food, and Forestry shall require eligible applicants to submit information, forms and reports as are necessary to properly and efficiently administer the Oklahoma Agriculture Enhancement and Diversification Program.

B. Persons may apply to the Department for grant or loan funds in accordance with rules promulgated by the State Board of Agriculture. Applications for grant or loan funds shall be approved or denied by the Department in accordance with criteria promulgated by the State Board of Agriculture pursuant to the Oklahoma Agriculture Enhancement and Diversification Program.

~~C. The State Board of Agriculture may also allocate monies from the fund to eligible applicants on a matching basis.~~

~~D.~~ Grant or loan funds may be made available to eligible applicants pursuant to evaluation by the Department based on the following criteria:

1. Preference may be given to the applicants whose:

- a. industrial and nonfood production processes utilize agricultural products,
- b. food, feed and fiber products and uses are innovative and add to the value of agricultural products,
- c. applications demonstrate a high probability of job creation and return-on-investment,
- d. proposals feature research that is innovative as well as commercially plausible,
- e. proposals demonstrate a high probability of rapid commercialization,
- f. projects demonstrate a shared commitment for funding from other private or public sources or from the applicant,
- g. proposals center efforts on nonurban locales,
- h. principals are individuals, a group of individuals, an individual on behalf of a group, or corporations which meet the criteria set forth in Section 951 of Title 18 of the Oklahoma Statutes, to market a product or formulate or implement a marketing plan for agricultural products which have not been marketed through existing marketing cooperatives produced or processed in Oklahoma,
- i. proposals contain the potential to create additional income for the farm unit,
- j. proposals provide for new and innovative plans for marketing the product, and
- k. proposals for agricultural events that expose new audiences to agriculture or benefit the entire state or a large geographic region of the state; and

2. Consideration shall not be given to applications for:

- a. research or marketing plans which do not clearly meet the stated objectives of the Oklahoma Agriculture Enhancement and Diversification Act,

- b. proposals which are aimed solely at business expansion or creation without regard to agricultural products utilization,
- c. research or marketing plans that cannot reasonably be expected to result in a viable commercial application, or that are or have been duplicated by other research efforts, ~~or~~
- d. proposals for agricultural events that do not result in expansion of the event or encourage additional public interest in the event, or
- e. proposals for growing or any other aspect of medical marijuana.

~~E. D.~~ 1. Any information submitted to or compiled by the Department with respect to the marketing plans, financial statements, trade secrets, research concepts, methods or products, or any other proprietary information of persons, firms, associations, partnerships, agencies, corporations, institutions of higher education, nonprofit research institutions or other entities pursuant to the Oklahoma Agriculture Enhancement and Diversification Program shall not be disclosed pursuant to the Oklahoma Open Records Act or in public hearings and shall be kept confidential, except to the extent that the person or entity which provided such information or which is the subject of such information consents to disclosure.

2. ~~Executive sessions may be held to discuss such materials if deemed necessary by the Board~~ In the event that an independent group of reviewers is used to analyze and recommend projects for approval by the Board, any meeting of such group shall be exempt from the Oklahoma Open Meeting Act.

SECTION 3. This act shall become effective November 1, 2021.

Passed the House of Representatives the 10th day of March, 2021.

Presiding Officer of the House
of Representatives

Passed the Senate the 20th day of April, 2021.

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: _____