

STAND. COM. REP. NO.

3406

Honolulu, Hawaii

APR 04 2014

RE: H.B. No. 154  
H.D. 2  
S.D. 2

Honorable Donna Mercado Kim  
President of the Senate  
Twenty-Seventh State Legislature  
Regular Session of 2014  
State of Hawaii

Madam:

Your Committee on Ways and Means, to which was referred H.B. No. 154, H.D. 2, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO INDUSTRIAL HEMP,"

begs leave to report as follows:

The purpose and intent of this measure is to authorize the Director of the College of Tropical Agriculture and Human Resources at the University of Hawaii at Manoa to establish a two-year industrial hemp remediation and biofuel crop pilot program.

Prior to the hearing on this measure, your Committee made available a proposed S.D. 2 for review and comment. The proposed S.D. 2 amends this measure by:

- (1) Adding a reference in section 1 to section 7606 of the federal Agricultural Act of 2014 authorizing institutions of higher education and state departments of agriculture to conduct industrial hemp research;
- (2) Changing all references to the "director" of the College of Tropical Agriculture and Human Resources at the University of Hawaii Manoa to the "dean";
- (3) Changing all references to "pilot program" to "research program";



- (4) Removing the requirement that the program be issued a federally controlled substance registration by the United States Department of Justice, Drug Enforcement Administration;
- (5) Changing the date to submit the final report to the Legislature from no later than twenty days prior to the convening of the 2015 Regular Session to no later than twenty days prior to the convening of the 2016 Regular Session;
- (6) Removing the requirement that the final report contain information on the best method for disposal of the different contaminants extracted from the soil by industrial hemp;
- (7) Removing the provision authorizing the adoption of rules to implement and set standards for participation in the program;
- (8) Removing the appropriation to the University of Hawaii for the program;
- (9) Changing the effective date from July 1, 2012, to July 1, 2014, and the repeal date from July 1, 2015, to July 1, 2016; and
- (10) Making technical nonsubstantive amendments for the purposes of style, clarity, and consistency.

Your Committee received written comments in support of H.B. No. 154, S.D. 1, from the Department of Business, Economic Development, and Tourism; the Department of Public Safety; College of Tropical Agriculture and Human Resources of the University of Hawaii at Manoa; Life of the Land; 1978 Conventional People; and twenty-four individuals. The Department of Agriculture submitted comments on this measure.

Your Committee received written comments in support of the proposed S.D. 2 from the University of Hawaii at Manoa; the Department of Business, Economic Development, and Tourism; the Department of Agriculture; and twelve individuals.

Your Committee finds that permitting the University of Hawaii to participate in industrial hemp research, as authorized by the



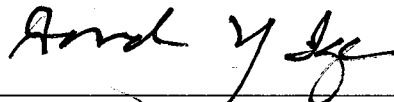
recently enacted federal Agricultural Act of 2014, will enable researchers to develop and refine our knowledge of the benefits of industrial hemp, including its use for removing contaminants from soil through phytoremediation. In addition, the program offers the opportunity to research the viability of industrial hemp as an environmentally friendly and efficient biofuel feedstock.

Your Committee has amended this measure by adopting the proposed S.D. 2 and amending it further by:

- (1) Adding language that requires the research project to meet the requirements established by section 7606(b)(1)(B)(i) and (ii) of the federal Agricultural Act of 2014;
- (2) Defining the term "industrial hemp";
- (3) Adding an appropriation of an unspecified amount, to be expended by the College of Tropical Agriculture and Human Resources for the industrial hemp remediation and biofuel crop research program;
- (4) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (5) Making technical nonsubstantive amendments for the purposes of style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 154, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 154, H.D. 2, S.D. 2.

Respectfully submitted on  
behalf of the members of the  
Committee on Ways and Means,



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DAVID Y. IGE, Chair



The Senate  
 Twenty-Seventh Legislature  
 State of Hawai'i

**Record of Votes**  
**Committee on Ways and Means**  
**WAM**

Bill / Resolution No.:* <b>HB154 HDZ SDI</b>	Committee Referral: <b>AG WENE, WAM</b>	Date: <b>4-2-14</b>		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
IGE, David Y. (C)	✓			
KIDANI, Michelle N. (VC)	✓			
CHUN OAKLAND, Suzanne	✓			
DELA CRUZ, Donovan M.				✓
ENGLISH, J. Kalani	✓			
ESPERO, Will	✓			
KAHELE, Gilbert	✓			
KEITH-AGARAN, Gilbert S.C.	✓			
KOUCHI, Ronald D.	✓			
RUDERMAN, Russell E.	✓			
THIELEN, Laura H.	✓			
TOKUDA, Jill N.	✓			
SLOM, Sam	✓			
12	0	0	0	1
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <i>Michelle N. Kidani</i>				
<b>Distribution:</b> Original             Yellow             Pink             Goldenrod File with Committee Report             Clerk's Office             Drafting Agency             Committee File Copy				

\*Only one measure per Record of Votes