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# A BILL FOR AN ACT

RELATING TO INDUSTRIAL HEMP.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. The legislature finds that industrial hemp is a  
2 suitable crop for Hawaii that will contribute to the future  
3 viability of the State's agricultural industry. According to  
4 estimates by the Hemp Industries Association, retail sales of  
5 industrial hemp products in the United States have grown  
6 steadily since 1990 to more than \$620,000,000 annually in 2014.  
7 California manufacturers of hemp products currently import tens  
8 of thousands of acres' worth of hemp seed, oil, and fiber  
9 products from around the world that could be produced by  
10 American farmers at a more competitive price. Additionally, the  
11 intermediate processing of hemp seed, oil, food ingredients, and  
12 fiber could create jobs in close proximity to the fields of  
13 cultivation.

14           As a food crop, industrial hemp seeds and oil have high  
15 nutritional value, including healthy fats and protein. As a  
16 fiber crop, industrial hemp can be used in the manufacture of  
17 clothing, building supplies, animal bedding, and other products.  
18 As a fuel crop, industrial hemp seeds can be processed into



1 biodiesel energy, and stalks can be pelletized or flaked for  
2 burning or processed for cellulosic ethanol.

3 The purpose of this Act is to:

- 4 (1) Legalize industrial hemp as an agricultural product;
- 5 and
- 6 (2) Promote research and development of markets for
- 7 industrial hemp.

8 SECTION 2. The Hawaii Revised Statutes is amended by  
9 adding a new chapter to be appropriately designated and to read  
10 as follows:

11 "CHAPTER

12 INDUSTRIAL HEMP

13 § -1 Purpose. The purpose of this chapter is to  
14 establish appropriate policies and procedures related to the  
15 production of industrial hemp in the State.

16 § -2 Definitions. As used in this chapter:

17 "Department" means the department of agriculture.

18 "Grower" means any person or business entity licensed under  
19 this chapter as an industrial hemp grower.

20 "Hemp products" means all products made from industrial  
21 hemp, including but not limited to cloth, cordage, fiber, food,



1 fuel, paint, paper, particle board, plastics, seed, seed meal,  
2 seed oil, and certified seed for cultivation, if the seeds  
3 originate from industrial hemp varieties.

4 "Industrial hemp" shall have the same meaning as in section  
5 329-1.

6 § -3 Industrial hemp; agricultural production.

7 Industrial hemp is an agricultural product that may be grown,  
8 produced, possessed, and commercially traded in the State to  
9 produce hemp products pursuant to this chapter.

10 § -4 Licensing; application. (a) Any person or  
11 business entity that engages in the production of industrial  
12 hemp shall be licensed as an industrial hemp grower by the  
13 department. A license from the department authorizes industrial  
14 hemp production only at a site or sites specified by the  
15 license.

16 (b) A license from the department shall be valid for  
17 twenty-four months from the date of issuance. The license may  
18 be renewed and is not transferable. A person who has been  
19 convicted of a felony offense or a comparable offense in another  
20 jurisdiction shall not be eligible for a license under this  
21 chapter.



1 (c) When applying for a license, an applicant shall  
2 provide the following information to demonstrate that the  
3 applicant intends to grow and is capable of growing industrial  
4 hemp in accordance with this chapter:

5 (1) Filing with the department a set of classifiable  
6 fingerprints and written authorization allowing the  
7 department to conduct a criminal records check;

8 (2) Filing documentation with the department that  
9 certifies that the seeds obtained for planting are of  
10 a type and variety compliant with the maximum  
11 concentration of tetrahydrocannabinol as prescribed by  
12 this chapter;

13 (3) Filing with the department the location and acreage of  
14 all parcels sown and other field reference information  
15 as may be required by the department; and

16 (4) Any other information required by the department.

17 (d) To qualify for a license under this chapter, an  
18 applicant shall demonstrate the following to the satisfaction of  
19 the department that the applicant has adopted methods to ensure  
20 the legal production of industrial hemp:



1 (1) Ensuring that all parts of the industrial hemp plant  
2 that do not enter the stream of commerce as hemp  
3 products are destroyed, incorporated into the soil, or  
4 otherwise properly disposed;

5 (2) Maintaining records that reflect compliance with this  
6 chapter and with all other state laws related to the  
7 regulation of industrial hemp; and

8 (3) Satisfying any other requirements established by the  
9 department.

10 (e) Every grower shall maintain all production and sales  
11 records for at least three years.

12 (f) Every grower shall allow industrial hemp crops  
13 throughout the sowing, growing, harvesting, storage, and  
14 processing of the industrial hemp to be inspected by the  
15 department.

16 § -5 **Revocation and suspension of license; enforcement.**

17 (a) The department may deny, suspend, revoke, or refuse to  
18 renew the license of any grower who:

19 (1) Makes a false statement or misrepresentation on an  
20 application for a license or renewal of a license  
21 under this chapter; or



1 (2) Fails to comply with or violates this chapter or any  
2 rule adopted pursuant to this chapter.

3 (b) Revocation or suspension of a license may be in  
4 addition to any civil or criminal penalties imposed on a grower  
5 for a violation of any other state law or county ordinance.

6 § -6 **Research and development.** The department shall  
7 promote research and development of markets for industrial hemp  
8 to the extent that any particular research and development  
9 activity is not in violation of federal laws.

10 § -7 **Rulemaking authority.** The department shall adopt  
11 rules pursuant to chapter 91 to implement this chapter,  
12 including rules to require industrial hemp to be tested during  
13 growth for tetrahydrocannabinol concentration levels and to  
14 require adequate supervision of employees during the sowing,  
15 growing, harvesting, storage, and processing of industrial  
16 hemp."

17 SECTION 3. Chapter 712, Hawaii Revised Statutes, is  
18 amended by adding a new section to part IV to be appropriately  
19 designated and to read as follows:

20 "§712- Industrial hemp research activities. The  
21 possession, use, sale, or transfer of industrial hemp for



1 purposes of research and development as provided by law shall  
2 not constitute an offense involving a detrimental drug under  
3 section 712-1247, 712-1248, 712-1249, 712-1251, or 712-1255."

4 SECTION 4. Section 329-1, Hawaii Revised Statutes, is  
5 amended as follows:

6 1. By adding a new definition to be appropriately inserted  
7 and to read:

8 "Industrial hemp" means fiber and seed products derived  
9 from varieties of the cannabis plant that contain no more than  
10 0.3 per cent tetrahydrocannabinol, the mature stalks of the  
11 cannabis plant, fiber produced from the stalks of the cannabis  
12 plant, oil or cake derived from the seeds of the plant, and any  
13 other compound, manufacture, salt, derivative, mixture, or  
14 preparation of the mature stalks (except the resin extracted  
15 therefrom), fiber, oil, or cake, or the sterilized seed of the  
16 cannabis plant that is incapable of germination."

17 2. By amending the definition of "marijuana" to read:

18 "Marijuana" means all parts of the plant (genus) Cannabis  
19 whether growing or not; the seeds thereof, the resin extracted  
20 from any part of the plant; and every compound, manufacture,  
21 salt, derivative, mixture, or preparation of the plant, its



1 seeds, or resin. It does not include the mature stalks of the  
2 plant, fiber produced from the stalks, oil, or cake made from  
3 the seeds of the plant, industrial hemp, any other compound,  
4 manufacture, salt, derivative, mixture, or preparation of the  
5 mature stalks (except the resin extracted therefrom), fiber,  
6 oil, or cake, or the sterilized seed of the plant which is  
7 incapable of germination."

8 SECTION 5. Section 712-1240, Hawaii Revised Statutes, is  
9 amended by amending the definition of "marijuana" to read as  
10 follows:

11 "Marijuana" means any part of the plant (genus) cannabis,  
12 whether growing or not, including the seeds and the resin, and  
13 every alkaloid, salt, derivative, preparation, compound, or  
14 mixture of the plant, its seeds or resin, except that, as used  
15 herein, "marijuana" does not include hashish, industrial hemp as  
16 defined in section 329-1, tetrahydrocannabinol, and any  
17 alkaloid, salt, derivative, preparation, compound, or mixture,  
18 whether natural or synthesized, of tetrahydrocannabinol."

19 SECTION 6. New statutory material is underscored.

20 SECTION 7. This Act shall take effect on July 1, 2050.





**Report Title:**

Industrial Hemp; Marijuana

**Description:**

Provides the authority, procedures, and licensing requirements related to the production of industrial hemp as an agricultural product. Requires the department of agriculture to promote industrial hemp research and development of markets for industrial hemp. Requires the possession, use, sale, or transfer of industrial hemp for research and development purposes to not constitute certain offenses involving a detrimental drug. Effective 7/1/2050. (SD1)

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

