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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 mankind has  
2 cultivated hemp as a source of food and fiber for thousands of  
3 years. Modern production methods have utilized hemp's oilseed  
4 to make high-grade food and beauty products. The stalks produce  
5 fiber and cellulose for everything from automotive parts and  
6 fine clothing to building materials and fuel.

7           The legislature further finds that according to estimates  
8 by the Hemp Industries Association, retail sales of industrial  
9 hemp products in the United States have grown steadily since  
10 1990 to more than \$580,000,000 annually in 2013. California  
11 manufacturers of hemp products currently import tens of  
12 thousands of acres' worth of hemp seed, oil, and fiber products  
13 from around the world that could be produced by American farmers  
14 at a more competitive price. Additionally, the intermediate  
15 processing of hemp seed, oil, food ingredients, and fiber could  
16 create jobs in close proximity to the fields of cultivation.

17           The legislature further finds that support for industrial  
18 hemp farming is occurring at the national level. California,



1 Colorado, Delaware, Hawaii, Illinois, Indiana, Kentucky, Maine,  
 2 Montana, Nebraska, North Dakota, Oregon, South Carolina,  
 3 Tennessee, Utah, Vermont, Washington, and West Virginia have  
 4 defined industrial hemp as a distinct agricultural crop and  
 5 removed barriers to its production. Furthermore, President  
 6 Obama signed the 2014 Farm Bill into law, which authorizes  
 7 industrial hemp research and pilot programs in states that  
 8 regulate hemp farming under the authority of the state  
 9 department of agriculture. Farmers and universities in  
 10 Colorado, Kentucky, and Vermont have already planted hemp crops  
 11 to conduct pilot programs after registering with their state  
 12 department of agriculture.

13 The purpose of this Act is to authorize industrial hemp to  
 14 be grown for purposes of research conducted under an  
 15 agricultural pilot program or other agricultural or academic  
 16 research by an institution of higher education or by others  
 17 acting under specific agreement with and under the authority of  
 18 the Hawaii department of agriculture.

19 SECTION 2. Chapter 141, Hawaii Revised Statutes, is  
 20 amended by adding a new part to be appropriately designated and  
 21 to read as follows:



1                   **"PART . INDUSTRIAL HEMP**

2           **§141- Definitions.** As used in this part:

3           "Board" means the board of agriculture.

4           "Chairperson" means the chairperson of the board of  
5 agriculture.

6           "Industrial hemp" means the plant *Cannabis sativa* L. and  
7 any part of such plant, whether growing or not, with a delta-9  
8 tetrahydrocannabinol concentration of not more than 0.3 per cent  
9 on a dry weight basis, that is cultivated in connection with an  
10 institution of higher education, a registered seed breeder, or  
11 an approved seed cultivar as authorized by this part.

12           "Institution of higher education" means a public or private  
13 institution of higher learning as defined in section 101 of the  
14 Higher Education Act of 1965 (20 U.S.C. 1001).

15           "Registered seed breeder" means an individual or public or  
16 private institution or organization that is registered with the  
17 chairperson to develop seed cultivars intended for sale or  
18 research.

19           "Seed cultivar" means a variety of industrial hemp.

20           "Seed development plan" means a strategy devised by a  
21 registered seed breeder, or applicant seed breeder, detailing



1 the breeder's planned approach to growing and developing a new  
2 seed cultivar for industrial hemp.

3 **§141- Growing of industrial hemp for research purposes;**

4 **registration.** (a) Except when grown by an institution of  
5 higher education or by a registered seed breeder developing a  
6 new Hawaii seed cultivar, industrial hemp shall be grown only if  
7 it is on the list of approved seed cultivars. The board may  
8 from time to time add or remove any seed cultivar from the list.

9 (b) The list of approved seed cultivars shall include the  
10 following:

11 (1) Industrial hemp seed cultivars that have been  
12 certified by the Organization for Economic Cooperation  
13 and Development; and

14 (2) Hawaii varieties of industrial hemp seed cultivars  
15 that have been certified by the board.

16 (c) Before cultivation, a grower of industrial hemp shall  
17 register with the board to engage in industrial hemp cultivation  
18 and request that the board certify the site where the hemp will  
19 be grown. The application for registration shall include the  
20 following information:



- 1           (1) The name, business address, and mailing address of the  
2           applicant;
- 3           (2) The legal description, global positioning system  
4           coordinates, and map of the land area on which the  
5           applicant plans to engage in industrial hemp  
6           cultivation or storage; and
- 7           (3) The approved seed cultivar to be grown and whether the  
8           seed cultivar will be grown for its grain or fiber, or  
9           as a dual purpose crop.

10           The application shall be accompanied by a registration fee,  
11 to be established by rules of the board, which shall be used to  
12 cover the costs of implementing, administering, and enforcing  
13 this part. The registration shall be valid for two years, after  
14 which the registrant shall renew the registration and pay the  
15 renewal fee, to be established by rules of the board.

16           (d) If the chairperson determines that the requirements  
17 for registration pursuant to this section are satisfied, the  
18 chairperson shall issue a registration to the applicant.

19           (e) A registrant that wishes to alter the land area on  
20 which the registrant conducts industrial hemp cultivation or  
21 storage shall, before altering the area, submit to the



1 chairperson an updated legal description, global positioning  
 2 system coordinates, and map specifying the proposed alteration.  
 3 If the chairperson receives and approves the updated  
 4 information, the chairperson shall notify the registrant in  
 5 writing that the registrant may cultivate industrial hemp on the  
 6 altered land area.

7 (f) A registrant that wishes to change the seed cultivar  
 8 grown shall submit to the chairperson the name of the new,  
 9 approved seed cultivar to be grown. If the chairperson receives  
 10 and approves the change to the registration, the chairperson  
 11 shall notify the registrant in writing that the registrant may  
 12 cultivate the new seed cultivar.

13 **§141- Cultivation by established agricultural research**  
 14 **institutions.** Institutions of higher education may cultivate or  
 15 possess industrial hemp with a laboratory test report that  
 16 indicates a percentage content of tetrahydrocannabinol that is  
 17 greater than 0.3 per cent if that cultivation or possession  
 18 contributes to the development of types of industrial hemp that  
 19 is not more than a tetrahydrocannabinol limit of 0.3 per cent.

20 **§141- Prohibited activities.** The possession outside of  
 21 a field of lawful cultivation of resin, flowering tops, or



1 leaves that have been removed from the hemp plant shall be  
2 prohibited; provided that the presence of a de minimis amount,  
3 or insignificant number, of hemp leaves or flowering tops in  
4 hemp bales that result from the normal and appropriate  
5 processing of industrial hemp shall not constitute possession of  
6 marijuana.

7       **§141- Rulemaking.** The board shall adopt rules pursuant  
8 to chapter 91 necessary for the purposes of this part. The  
9 board may contract with private growers to conduct research and  
10 pilot programs as allowed under section 7606 of the Farm Bill of  
11 2014. The board may apply for a registration with the United  
12 States Drug Enforcement Administration to import certified hemp  
13 seed for distribution to registered growers who have a written  
14 agreement with the board outlining the research they will be  
15 conducting."

16       SECTION 3. Chapter 141, Hawaii Revised Statutes, is  
17 amended by designating sections 141-1 to 141-10 as part I,  
18 entitled "General Provisions".

19       SECTION 4. Chapter 712, Hawaii Revised Statutes, is  
20 amended by adding a new section to part IV to be appropriately  
21 designated and to read as follows:



1        "§712- Industrial hemp. The possession, cultivation,  
2 sale, receipt, or transfer of industrial hemp as authorized  
3 under part           of chapter 141 shall not constitute an offense  
4 under this part."

5           SECTION 5. There is appropriated out of the general  
6 revenues of the State of Hawaii the sum of \$            or so much  
7 thereof as may be necessary for fiscal year 2015-2016 and the  
8 same sum or so much thereof as may be necessary for fiscal year  
9 2016-2017 for the establishment of one full-time equivalent  
10 (1.00 FTE) position in the department of agriculture to  
11 effectuate this Act.

12           The sums appropriated shall be expended by the department  
13 of agriculture for the purposes of this Act.

14           SECTION 6. New statutory material is underscored.

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





**Report Title:**

Industrial Hemp; Agriculture; Pilot Program; Appropriation

**Description:**

Authorizes the growing of industrial hemp for certain purposes under specified conditions. Appropriates funds for department of agriculture staff to assist in registration of industrial hemp growers and seed testing. Effective 7/1/2050. (SD2)

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

