

Honolulu, Hawaii

APR 29 2016

RE: S.B. No. 2659  
S.D. 2  
H.D. 1  
C.D. 1

Honorable Ronald D. Kouchi  
President of the Senate  
Twenty-Eighth State Legislature  
Regular Session of 2016  
State of Hawaii

Honorable Joseph M. Souki  
Speaker, House of Representatives  
Twenty-Eighth State Legislature  
Regular Session of 2016  
State of Hawaii

Sirs:

Your Committee on Conference on the disagreeing vote of the Senate to the amendments proposed by the House of Representatives in S.B. No. 2659, S.D. 2, H.D. 1, entitled:

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

having met, and after full and free discussion, has agreed to recommend and does recommend to the respective Houses the final passage of this bill in an amended form.

The purpose of this measure is to establish an industrial hemp pilot program within the Department of Agriculture to allow the cultivation of industrial hemp and distribution of its seed in the State through limited agricultural or academic research activities, and appropriate funds for one full-time equivalent position to effectuate the pilot program.

Your Committee on Conference finds that industrial hemp is well suited to Hawaii's climate and soil and can grow to over ten feet in a short period of time with little water and no pesticides. According to estimates by the Hemp Industries Association, retail sales of industrial hemp products grew to over \$620,000,000 annually



in 2014. Industrial hemp has over 25,000 uses, including food, fiber, and fuel products, and has high potential to contribute to the future viability of the State's agricultural industry.

Your Committee on Conference has amended this measure by:


- (1) Inserting an appropriation amount of \$425,000 for the Department of Agriculture to effectuate the industrial hemp pilot program, to be allocated as follows:
  - (A) \$100,000 for a Program Coordinator position;
  - (B) \$75,000 for an Inspector position; and
  - (C) \$250,000 for the administrative costs of the program;
- (2) Changing the effective date to July 1, 2016, and the sunset date to June 30, 2021; and
- (3) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

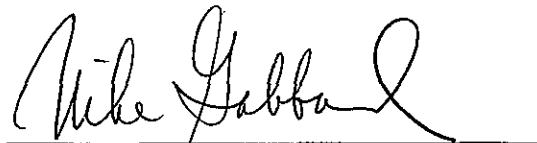
As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 2659, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2659, S.D. 2, H.D. 1, C.D. 1.


Respectfully submitted on behalf of the managers:

ON THE PART OF THE HOUSE

ON THE PART OF THE SENATE

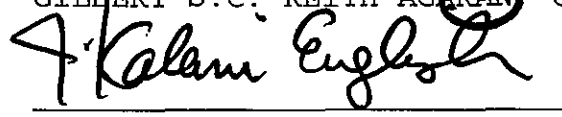
  
CLIFT TSUJI, Co-Chair

  
MIKE GABBARD, Chair

  
KARL RHOADS, Co-Chair

  
GILBERT S.C. KEITH-AGARAN Co-Chair

  
RICHARD H.K. ONISHI, Co-Chair

  
J. KALANI ENGLISH, Co-Chair



Record of Votes of a  
Conference Committee

Bill / Concurrent Resolution No.: <b>SB 2659, SD 2, HD 1</b>	Date/Time: April 28, 2016 3:35 PM
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The recommendation of the House and Senate managers is to pass with amendments (CD).

The Committee is reconsidering its previous decision.

<input type="checkbox"/> The recommendation of the Senate Manager(s) is to AGREE to the House amendments made to the Senate Measure	<input type="checkbox"/> The recommendation of the House Manager(s) is to AGREE to the Senate amendments made to the House Measure.
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Senate Managers	A	WR	N	E	House Managers	A	WR	N	E
GABBARD, Mike, Chr.	✓				TSUJI, Clift, Co-Chr.	✓			
KEITH-AGARAN, Gilbert S.C., Co-Chr.	✓	✓			RHOADS, Karl, Co-Chr.				✓
ENGLISH, J. Kalani, Co-Chr.	✓				ONISHI, Richard H.K., Co-Chr.	✓			
SLOM, Sam				✓	BELATTI, Della Au				✓
					THIELEN, Cynthia	✓			
<b>TOTAL</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>TOTAL</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>2</b>

A = Aye      WR = Aye with Reservations      N = Nay      E = Excused

Senate Recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted	House Recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted
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Senate Lead Chair's or Designee's Signature: 	House Lead Chair's or Designee's Signature: 
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Distribution:      Original      Yellow      Pink      Goldenrod  
                                  File with Conference Committee Report      House Clerk's Office      Senate Clerk's Office      Drafting Agency