

Honolulu, Hawaii  
March 24, 2016

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

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

Sir:

Your Committee on Judiciary, to which was referred S.B. No. 2659, S.D. 2, entitled:

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

begs leave to report as follows:

The purpose of this measure is to determine the feasibility of industrial hemp farming in Hawaii by:

- (1) Establishing an Industrial Hemp Pilot Program (Pilot Program) that allows for the cultivation of industrial hemp and the distribution of its seed in Hawaii by and to qualifying licensees acting as limited agents of and under regulatory supervision by the Board of Agriculture;
- (2) Exempting the possession, cultivation, sale, receipt, or transfer of industrial hemp in accordance with the Pilot Program from acts constituting offenses related to drugs and intoxicating compounds; and
- (3) Appropriating funds for a full-time equivalent position in the Department of Agriculture to effectuate the Pilot Program.

The Hawai'i Center for Food Safety; Hawaii Farm Bureau; Maui Causes; Haleakala Chapter of the Hawaii Farmers Union United; We Are One, Inc.; 'Ai Pohaku; Kihei Community Association; National

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Hemp Association; HempStrand; Ka'u Specialty LLC; Soil Culture Consulting; Maui Hemp Institute for Research and Innovation; Maui Farmers Union United; Vote Hemp; Hawaii Farmers Union United Legislative Committee; and many individuals provided testimony in support of the measure. The Department of Agriculture supported the intent of the measure. Alexander and Baldwin, Inc. and Hawaii Farmers Union United supported the measure with amendments. A few individuals provided testimony in opposition. An individual provided comments.

Your Committee recognizes the positive effects the cultivation of industrial hemp will have on the State, such as the creation of jobs. Your Committee further recognizes innovative uses of industrial hemp, such as the efforts of farmers in northeastern Colorado who utilize hemp fibers as a substitute for graphene, a common but expensive component of batteries that can be replaced by hemp components at a fraction of the price.

Your Committee has amended this measure by:

- (1) Deleting the provision allowing for the cultivation or possession of industrial hemp with a laboratory test report that indicates a percentage of tetrahydrocannabinol (THC) concentration that is greater than 0.3 percent for purposes of developing new types of compliant industrial hemp as the 2014 Farm Bill does not currently authorize a THC concentration greater than 0.3 percent;
- (2) Amending the definition of "industrial hemp" to include industrial hemp with a THC concentration greater than 0.3 percent if allowed by federal law in order to accommodate an increase to the THC concentration limit should the federal government decide to do so in the future;
- (3) Clarifying that the Pilot Program may be conducted on multiple test sites; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.



As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2659, S.D. 2, as amended herein, and recommends that it be referred to your Committee on Finance in the form attached hereto as S.B. No. 2659, S.D. 2, H.D. 1.

Respectfully submitted on  
behalf of the members of the  
Committee on Judiciary,



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KARL RHOADS, Chair



