

Honolulu, Hawaii
March 18, 2016

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

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

Sir:

Your Committee on Agriculture, 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, which includes qualifying licensees acting as limited agents of the Board of Agriculture;
- (2) Exempting the possession, cultivation, sale, receipt, or transfer of industrial hemp from the 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 Hawaii Farm Bureau, Mahealani Farms Inc., Kokolulu Farm & Cancer Retreats Inc., Ka'u Specialty LLC, Kihei Community Association, Maui Hemp Institute for Research and Innovation, Nellie's Rentals, We Are One, Inc., Hffuu, MHI, and numerous concerned individuals supported this measure. The Department of



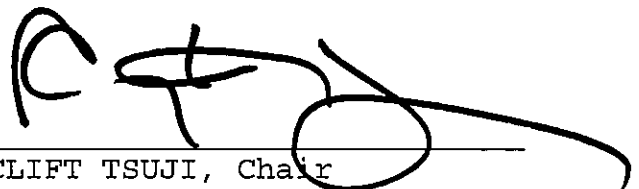
Agriculture supported the intent of this measure. Alexander & Baldwin, Inc. submitted comments on this measure.

Should the Committees on Judiciary and Finance deliberate on this measure, your Committee on Agriculture respectfully requests that:

- (1) The Committees on Judiciary and Finance examine and evaluate the merits of the proposed revisions to this bill submitted by Alexander & Baldwin, Inc.;
- (2) The Committee on Judiciary examine the legal implications to the State by its participation in the Pilot Program; and
- (3) The Committee on Finance consider appropriating \$550,000 for one full-time equivalent position in the Department of Agriculture to effectuate the Pilot Program.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2659, S.D. 2, and recommends that it pass Second Reading and be referred to your Committee on Judiciary.

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



CLIFT TSUJI, Chair



State of Hawaii
House of Representatives
The Twenty-eighth Legislature

H8CR 1098-16

Record of Votes of the Committee on Agriculture

Bill/Resolution No.: SB2659 SD2	Committee Referral: AGR, JUD, FIN	Date: 3/17/2016		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input checked="" type="checkbox"/> Pass, unamended (as is) <input type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
AGR Members	Ayes	Ayes (WR)	Nays	Excused
1. TSUJI, Clift (C)	/			
2. ONISHI, Richard H.K. (VC)	/			
3. BROWER, Tom	/			
4. CACHOLA, Romy M.	/			
5. CHOY, Isaac W.	/			
6. DeCOITE, Lynn	/			
7. ITO, Ken	/			
8. KAWAKAMI, Derek S.K.				/
9. KONG, Sam Satoru				/
10. OHNO, Takashi	/			
11. TOKIOKA, James Kunane	/			
12. WOODSON, Justin H.	/			
13. MATSUMOTO, Lauren Kealohilani	/			
14. WARD, Gene				/
TOTAL (14)	11			3
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. <div style="text-align: center; font-size: 10pt;">committee acronym(s)</div>				
Vice Chair's or designee's signature:				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				