

STAND. COM. REP. NO.

2539

Honolulu, Hawaii

MAR 03 2016

RE: S.B. No. 2787  
S.D. 2

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

Sir:

Your Committee on Judiciary and Labor, to which was referred  
S.B. No. 2787, S.D. 1, entitled:

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

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Provide the authority, procedures, and licensing requirements related to the production of industrial hemp as an agricultural product;
- (2) Require the Department of Agriculture to promote industrial hemp research and development of markets for industrial hemp; and
- (3) Exempt the possession, use, sale, or transfer of industrial hemp for research and development purposes from certain criminal offenses involving a detrimental drug.

Your Committee received testimony in support of this measure from the Department of Agriculture; Hawaii Farm Bureau; International Longshore and Warehouse Union, Local 142; and four individuals.

Your Committee 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

2016-1435 SSCR SMA.doc




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. This measure contributes to the future potential viability of the State's agricultural industry.

Your Committee has amended this measure by:

- (1) Clarifying that the possession, use, sale, or transfer of industrial hemp for research and development does not constitute an offense under part IV of chapter 712, Hawaii Revised Statutes, rather than specifying certain offenses, to conform to the language in S.B. No. 2659, S.D. 1 (Regular Session of 2016); and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2787, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2787, S.D. 2.

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



GILBERT S.C. KEITH-AGARAN, Chair



