

STAND. COM. REP. NO.

1666

Honolulu, Hawaii

April 6, 2017

RE: S.B. No. 773
S.D. 2
H.D. 1

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Ninth State Legislature
Regular Session of 2017
State of Hawaii

Sir:

Your Committee on Finance, to which was referred S.B. No. 773, S.D. 2, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO AGRICULTURE,"

begs leave to report as follows:

The purpose of this measure is to amend the Industrial Hemp Pilot Program by:

- (1) Establishing an industrial hemp special fund to be administered by the Department of Agriculture;
- (2) Requiring each county to recognize the cultivation of industrial hemp or industrial hemp cultivated for the purposes of the Pilot Program as an agricultural product, use, and activity;
- (3) Specifying that any agricultural land used for the cultivation of industrial hemp for the purposes of the Pilot Program shall qualify for the minimum dedication period and be assessed at the lowest percentage of fair market value;

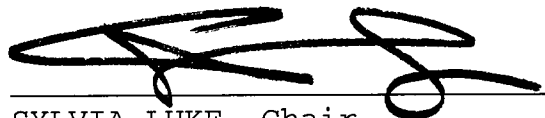


- (4) Allowing applicants for an industrial hemp license to apply at any time during the year in which the applicant plans to grow industrial hemp;
- (5) Requiring Pilot Program licensees to submit additional reports as required by the Board of Agriculture;
- (6) Repealing the requirement for a movement permit to transport industrial hemp grain or plant material;
- (7) Restricting cultivation of industrial hemp under the pilot project to agricultural product, use, or activity by licensed owners, lessees, or occupiers on state agricultural land use districts; and
- (8) Amending license application and physical facility requirements.

The Department of Agriculture and Kihei Community Association testified in support of this measure. The Department of Budget and Finance provided comments.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 773, S.D. 2, H.D. 1, and recommends that it pass Third Reading.

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



SYLVIA LUKE, Chair

