



**TESTIMONY OF
THE DEPARTMENT OF THE ATTORNEY GENERAL
TWENTY-NINTH LEGISLATURE, 2018**

ON THE FOLLOWING MEASURE:

H.B. NO. 2304, RELATING TO AGRICULTURE.

BEFORE THE:

HOUSE COMMITTEE ON AGRICULTURE

DATE: Wednesday, February 7, 2018 **TIME:** 8:45 a.m.

LOCATION: State Capitol, Room 312

TESTIFIER(S): Russell A. Suzuki, Acting Attorney General, or
Andrew Goff, Deputy Attorney General

Chair Creagan and Members of the Committee:

The Department of the Attorney General provides the following technical comments on this bill.

The purpose of this bill is to create a special fund for the department of agriculture industrial hemp pilot program. The proposed statutory amendment includes the following subsection:

(c) Moneys deposited into or appropriated to the special fund shall remain available until they are obligated or until the special fund is terminated.

This subsection could be interpreted as allowing funds to be expended from the special fund without the need for an appropriation. Pursuant to article VII, section 5, of the Hawaii State Constitution, money may not be expended from a special fund unless an appropriation is made out of that fund.

To resolve these concerns, we recommend amending the bill by deleting subsection c, found on page 2, lines 10-12, in its entirety.

Thank you for the opportunity to testify.

DAVID Y. IGE
Governor

DOUGLAS S. CHIN
Lt. Governor



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SCOTT E. ENRIGHT
Chairperson, Board of Agriculture

PHYLLIS SHIMABUKURO-GEISER
Deputy to the Chairperson

LATE

TESTIMONY OF SCOTT E. ENRIGHT
CHAIRPERSON, BOARD OF AGRICULTURE

BEFORE THE HOUSE COMMITTEE ON AGRICULTURE

FEBRUARY 7, 2018
8:45 A.M.
CONFERENCE ROOM 312

HOUSE BILL NO. 2304
RELATING TO AGRICULTURE

Chairperson Creagan and Members of the Committee:

Thanks for the opportunity to testify on House Bill No. 2304 relating to industrial hemp. This bill establishes a special fund within the department of agriculture to deposit and expend funds necessary for the operation of the industrial hemp pilot program. The Department strongly supports this bill.

In running the industrial hemp program, the Department will collect application fees, license fees, inspection fees, and fines. The Department hopes that the industrial hemp program eventually becomes self-sustaining, and towards that end finds it to be prudent to deposit money generated by the program into a fund dedicated to the program and its expenses. A special fund would allow program expenditures to be limited to and made according to the funds generated by the program, and not rely on general funds. This will help the Department assess and adjust the appropriateness of fees necessary for the program to be self-sustaining should the program become permanent.

Thank you for the opportunity to testify on this measure.





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LATE

February 7, 2018

HEARING BEFORE THE
HOUSE COMMITTEE ON AGRICULTURE

TESTIMONY ON HB 2304
RELATING TO AGRICULTURE

Room 312
8:45 AM

Aloha Chair Creagan, Vice Chair DeCoite, and Members of the Committee:

I am Randy Cabral, President of the Hawaii Farm Bureau (HFB). Organized since 1948, the HFB is comprised of 1,900 farm family members statewide, and serves as Hawaii's voice of agriculture to protect, advocate and advance the social, economic and educational interests of our diverse agricultural community.

HFB is in strong support of HB 2304, which establishes a special fund within the Hawaii Department of Agriculture to deposit funds necessary for the industrial hemp pilot program.

There is significant interest in growing industrial hemp for various end products in Hawaii. The development of such a program, including the current regulatory requirements to implement the program by the Department will require funds. This measure will assist with this need.

We respectfully request your support of this measure for the development of an alternative crop for Hawaii.

Thank you for this opportunity to provide our opinion on this important matter.

HB-2304

Submitted on: 2/5/2018 5:42:53 PM

Testimony for AGR on 2/7/2018 8:45:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
De MONT R. D. CONNER	Ho'omanapono Political Action Committee (HPAC)	Support	Yes

Comments:

HB-2304

Submitted on: 2/6/2018 8:41:57 AM

Testimony for AGR on 2/7/2018 8:45:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Jason Cabral		Oppose	No

Comments:

This is not feasible to enforce and causes damage to small businesses. This is intended only to hurt small businesses while allowing large retailers to continue to do business as usual.