

DAVID Y. IGE
Governor

SHAN S. TSUTSUI
Lt. Governor



SCOTT E. ENRIGHT
Chairperson, Board of Agriculture

PHYLLIS SHIMABUKURO-GEISER
Deputy to the Chairperson

State of Hawaii
DEPARTMENT OF AGRICULTURE
1428 South King Street
Honolulu, Hawaii 96814-2512
Phone: (808) 973-9600 FAX: (808) 973-9613

TESTIMONY OF SCOTT E. ENRIGHT
CHAIRPERSON, BOARD OF AGRICULTURE

BEFORE THE HOUSE COMMITTEE ON AGRICULTURE

JANUARY 27, 2017
8:30 A.M.
CONFERENCE ROOM 312

HOUSE BILL NO. 96
RELATING TO INDUSTRIAL HEMP

Chairperson Creagan and Members of the Committee:

Thank for the opportunity to testify on House Bill No. 96, relating to industrial hemp. This bill authorizes the Board of Agriculture to regulate industrial hemp growers and growing of industrial hemp for research purposes. This bill also repeals Act 228, SLH 2016. The department opposes this bill and recommends retaining Act 228, SLH 2016.

The department is currently awaiting approval from the governor to conduct public hearing on the proposed administrative rules to Act 228, SLH 2016. Repealing Act 228, SLH 2016 would slow the start of the Industrial Hemp Pilot Program as the department would need to draft another set of rules which would further delay the department's ability to begin the program.

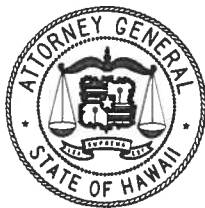
This bill severely limits the department's ability to perform testing by removing the one inspector position, which will subject the program's participants to the oversight, scrutiny and intervention by the U.S. Drug Enforcement Agency. The purpose of having in-program testing is to provide protection for hemp growers from law enforcement scrutiny. Eliminating the designated inspector position eliminates the department's ability to perform testing at all.



The proposed memorandum of understanding (MOU) relationship is undefined within this measure. The bill simply implies that applicants who meet minimal registration requirements will enter into an MOU with the department without specifying the nature, purpose, or scope of the MOU. Rules must be adopted first to identify what needs to be specified in the MOU. Given the federal status of hemp and the fact that changing to an MOU process from a licensing process would not generate a pilot program any faster, it benefits the State to maintain the current licensor-licensee relationship with hemp growers as stated in Act 228, SLH 2016 rather than pursuing an undefined, ambiguous MOU relationship with hemp growers.

The term "registered seed breeder" is likely to create confusion. No criteria are provided as to what qualifies an individual to be a registered seed breeder. The department does not have the resources to administer a certified hemp seed program such as Colorado's Department of Agriculture (CDA), which certifies seeds approved by CDA to be guaranteed hemp performing seeds, which are seeds that grow in the designated climate below 0.3% tetrahydrocannabinol (THC) levels. Allowing an individual to create and provide seeds which are untested, would create confusion among buyers about the quality and performance attributed to the seeds. The department does not have the resources to oversee or guarantee a certified hemp seed program.

Thank you for the opportunity to testify on this measure.



**TESTIMONY OF
THE DEPARTMENT OF THE ATTORNEY GENERAL
TWENTY-NINTH LEGISLATURE, 2017**

LATE

ON THE FOLLOWING MEASURE:

H.B. NO. 96, RELATING TO INDUSTRIAL HEMP.

BEFORE THE:

HOUSE COMMITTEE ON AGRICULTURE

DATE: Friday, January 27, 2017

TIME: 8:30 a.m.

LOCATION: State Capitol, Room 312

TESTIFIER(S): Douglas S. Chin, Attorney General, or
Andrew Goff, Deputy Attorney General

Chair Creagan and Members of the Committee:

The Department of the Attorney General provides the following comments on this bill, the purpose of which is to authorize the Board of Agriculture to register and allow persons to grow and sell industrial hemp. We are concerned that this bill will place potential industrial hemp growers at a higher risk for federal prosecution.

Generally, growing industrial hemp is illegal under federal law. A limited exception exists that authorizes a state department of agriculture to grow or cultivate industrial hemp if:

- (1) the industrial hemp is grown or cultivated for purposes of research conducted under an agricultural pilot program or other agricultural or academic research; and
- (2) the growing or cultivating of industrial hemp is allowed under the laws of the State in which such institution of higher education or State department of agriculture is located and such research occurs.

Section 7606(a) of the Agricultural Act of 2014, Pub. L. 113-79.

That section also specifies that any pilot program must study the growth, cultivation, or marketing of industrial hemp in a manner that ensures only institutions of higher education and state departments of agriculture are used to grow or cultivate industrial hemp.

The U.S. Department of Agriculture (USDA), in consultation with U.S. Drug Enforcement Agency (DEA) and the U.S. Food and Drug Administration (FDA), released a statement of principles intended to inform the public, including state departments of agriculture, how Federal law applies to activities associated with industrial hemp grown in accordance with section 7606 of the Agricultural Act of 2014. This statement of principles reiterated that “[t]he growth and cultivation of industrial hemp may only take place in accordance with an agricultural pilot program to study the growth, cultivation, or marketing of industrial hemp established by a State department of agriculture or State agency responsible for agriculture in a State where the production of industrial hemp is otherwise legal under State law.” (Emphasis added).

The statement of principles also clarified the federal enforcement agencies’ policy towards commercial activity, stating “[f]or purposes of marketing research by institutions of higher education or State departments of agriculture (including distribution of marketing materials), but not for the purpose of general commercial activity, industrial hemp products may be sold in a State with an agricultural pilot program or among States with agricultural pilot programs but may not be sold in States where such sale is prohibited. Industrial hemp plants and seeds may not be transported across State lines.” (emphasis added).

Act 228, Session Laws of Hawaii 2016, authorized the State Department of Agriculture to establish an industrial hemp pilot program for agricultural or academic research. The pilot program is effective from July 1, 2016, through June 30, 2021. This bill proposes to repeal sections 1 and 2 of Act 228, and transition from an industrial hemp pilot program to the regulated cultivation of industrial hemp on a permanent statewide basis.

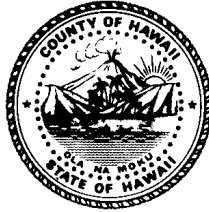
Instead of a pilot program in which individuals grow hemp as licensees of the State Department of Agriculture, this bill authorizes a process that allows individuals to be registered as hemp growers without significant control or regulation. The federal agencies listed above have made it clear that they prefer strong state regulation as opposed to federal intervention. As compared to Act 228, this bill would place the individual farmer at a higher risk for prosecution from federal law enforcement.

This bill also allows any registered hemp grower to sell industrial hemp to “any person engaged in agribusiness or other manufacturing for the purpose of processing or manufacturing the industrial hemp into hemp products.” As clarified in the statement of principles, general commercial activity would be considered illegal by the federal government at this time.

Additionally, while the bill requires those registrants who sell hemp to allow inspection, the bill is silent as to those registrants who do not plan to sell their hemp, and is devoid of any authority for the State Department of Agriculture to test hemp being grown to ensure compliance with state and federal law.

If Act 228 is to be repealed and replaced, it is suggested that wording be included that will (1) explicitly establish a pilot program run by the State Department of Agriculture for the purpose of researching industrial hemp, (2) give the State Department of Agriculture discretion in approving and regulating licensees, (3) give the State Department of Agriculture the authority to test and inspect any industrial hemp grown to ensure compliance with state and federal law, and (4) limit the allowed commercial activity to reduce any risk to the individual hemp grower. The Department of the Attorney General would be happy to review any proposed wording. Thank you for the opportunity to testify.

Maile "Medeiros" David
Council District 6
Portion N. S. Kona/Ka'ū /Volcano



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Fax: (808) 329-4786
Email: maile.david@hawaiicounty.gov

HAWAI'I COUNTY COUNCIL

County of Hawai'i
West Hawai'i Civic Center, Bldg. A
74-5044 Ane Keohokalole Hwy.
Kailua-Kona, Hawai'i 96740

LATE

January 26, 2017

Honorable Richard P. Creagan, Chair and
Members of the Committee on Agriculture
Hawai'i State Capitol, Conference Rm. 312
415 S. Beretania Street
Honolulu, Hawai'i 96813

Re: H.B. No. 186 - Relating to Coffee Berry Borer Beetle

Honorable Chair Creagan:

Mahalo a nui loa for the opportunity to provide testimony in support of this very important measure to assist our coffee farmers fight the devastating impacts of the Coffee Berry Borer Beetle. Extending the period of the pesticide subsidy program for costs incurred (from after June 30, 2014, and before July 1, 2019), to costs incurred (from and after June 30, 2014, and **before July 1, 2021**), will greatly benefit our coffee farmers and Hawai'i island's coffee industry.

As a third generation Kona Coffee farmer, I understand and wholly support the intent of H.B. 186 and the positive benefits this legislation will have upon coffee farming communities in Hawai'i county. Your favorable consideration is greatly appreciated.

Very truly yours,

Maile David

Maile David, Councilmember
Hawai'i County Council
Council District 6

md/



P.O. Box 253, Kunia, Hawai'i 96759
Phone: (808) 848-2074; Fax: (808) 848-1921
e-mail info@hfbf.org; www.hfbf.org

January 27, 2016

HEARING BEFORE THE
HOUSE COMMITTEE ON AGRICULTURE

TESTIMONY ON HB 96
RELATING TO INDUSTRIAL HEMP

Room 312
8:30 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 interest of our diverse agricultural community.

HFB provides the following comments relating to HB 96, which repeals the industrial hemp pilot program and replacing it with a process for growing industrial hemp as a regulated crop.

Farm Bureau supports the production, processing, commercialization and use of industrial hemp. Farmers across the country are exploring opportunities associated with this crop and our colleagues in Kentucky have led efforts in the cultivation, processing and commercialization of industrial hemp. Kentucky leads other states in testing the waters for legal industrial hemp production.

Repeal of HRS 141, part II (Industrial Hemp Pilot Program). We understand that the legal cultivation of industrial hemp is authorized through Sec 7606 of the Farm Bill, attached below. The language specifically requires a agricultural pilot program or similar research program.

The Kentucky Department of Agriculture, Industrial Hemp site, specifically states: "As 7 U.S.C. § 5940 (2014 Farm Bill, Section 7606) authorized Departments of Agriculture to create industrial hemp research pilot programs, we wish to remind everyone that the focus of this program is research."

Our understanding is that the cultivation of hemp must be associated with a research program. While the intent to accelerate commercialization of industrial hemp is laudible, there is question of its' legality under Federal law.

Approved cultivars: The measure requires that the cultivars be approved by the Organization for Economic Cooperation and Development AND Hawaii varieties of industrial hemp seeds certified by the Board. This is language similar to that in Canadian law. However, the operative word in their statute is OR. This is an important distinction as the variety suitable for Hawaii may not be recognized by the International body. Most of the hemp growing around the world are in temperate regimes that are very different from our tropical environment. Would hemp varieties approved by the State Board need to apply to the international board for approval?

Prohibited Activities: While fiber is a product of industrial hemp, there are many other products that are currently in production around the world. Hemp seeds are a popular snack food and promoted as a “health food”. Oils and creams made from industrial hemp seeds are known to provide relief from pain such as arthritis. Hemp seed products provide significant revenue for Canadian industrial hemp growers .. many of the products imported into the United States. This chapter will prohibit industrial hemp growers in Hawaii from taking advantage of this market. Agriculture is most successful when the crop provides multiple revenue streams with minimum waste products. Viable economic success of industrial hemp would have its best chance if growers were provided flexibility to experiment with all of the plant parts, fiber, grain and oils. Growers would need to demonstrate that their crops are within the scope of the Federal limits of less than 0.3% THC that is defined in the HDOA rules for industrial hemp.

Hawaii Farm Bureau recognizes the opportunities provided by industrial hemp for our farmers. We look forward to working with the legislature in advancing this crop. Please consider these comments as this bill is reviewed.

Thank you for this opportunity to provide comments on this measure.

From: mailinglist@capitol.hawaii.gov
Sent: Thursday, January 26, 2017 10:41 AM
To: AGRtestimony
Cc: mendezj@hawaii.edu
Subject: *Submitted testimony for HB96 on Jan 27, 2017 08:30AM*

HB96

Submitted on: 1/26/2017

Testimony for AGR on Jan 27, 2017 08:30AM in Conference Room 312

Submitted By	Organization	Testifier Position	Present at Hearing
Javier Mendez-Alvarez	Individual	Support	No

Comments:

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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From: mailinglist@capitol.hawaii.gov
Sent: Wednesday, January 25, 2017 7:08 PM
To: AGRtestimony
Cc: mmmmahalo2000@aol.com
Subject: Submitted testimony for HB96 on Jan 27, 2017 08:30AM

HB96

Submitted on: 1/25/2017

Testimony for AGR on Jan 27, 2017 08:30AM in Conference Room 312

Submitted By	Organization	Testifier Position	Present at Hearing
Mike Moran	Individual	Support	No

Comments: Please support this practical progressive step. Lets educate our community that nobody can smoke this to get high, but that it can be used as ecological construction material. This can be one segment of diverse agriculture. Mahalo. Mike Moran Kihei, Maui

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From: mailinglist@capitol.hawaii.gov
Sent: Wednesday, January 25, 2017 7:06 PM
To: AGRtestimony
Cc: mrgach@att.net
Subject: Submitted testimony for HB96 on Jan 27, 2017 08:30AM

HB96

Submitted on: 1/25/2017

Testimony for AGR on Jan 27, 2017 08:30AM in Conference Room 312

Submitted By	Organization	Testifier Position	Present at Hearing
Michael Reed Gach	Individual	Support	No

Comments: I am writing to urge you to support HB96 Industrial Hemp, which is completely different properties and chemistry than marijuana, has been used successfully used for food, pest and mold resistant building supplies, fuel, paper and clothing. The Declaration of Independence was drafted on hemp paper. Drought and pest resistant hemp revitalizes and detoxes soil. SUSTAINABILITY IN HAWAII: Hemp produces 4 times the raw material than trees for paper making. Hemp can be planted between 1-3 times a season, depending on location and can be recycled up to 10 times, compared to 3 or 4 for wood pulp paper. The same fibre products that the hemp harvest produces also provides raw-materials for a host of other sustainable products. I believe Industrial Hemp can be one of our major answers to self-sustainability. It can now make Hawaii more independent from imports and vital economically. In Hawaii, 80% of our resources are shipped in. Industrial Hemp is a healthy alternative to reduce or eliminate the need for Pesticides on our islands and to save water. This hardy, healthy crop benefits the well being of our Ohana and Aina. Please support industrial hemp bill HB96. Michael Gach, Ph.D. P.O. Box 1808 Kihei, HI 96753

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From: mailinglist@capitol.hawaii.gov
Sent: Tuesday, January 24, 2017 8:23 PM
To: AGRtestimony
Cc: richardfurst@yahoo.com
Subject: Submitted testimony for HB96 on Jan 27, 2017 08:30AM

HB96

Submitted on: 1/24/2017

Testimony for AGR on Jan 27, 2017 08:30AM in Conference Room 312

Submitted By	Organization	Testifier Position	Present at Hearing
Richard Furst	Individual	Support	No

Comments: I believe that industrial hemp has the capability to replace sugarcane as a major ag crop in Hawaii, leading the creation of new jobs and a whole new industry in processing hemp. This crop could represent a huge economic benefit to Hawaii's ag industry, and I urge you to support the passage of this bill.

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LATE

From: mailinglist@capitol.hawaii.gov
Sent: Thursday, January 26, 2017 3:48 PM
To: AGRtestimony
Cc: ariannafeinberg@gmail.com
Subject: Submitted testimony for HB96 on Jan 27, 2017 08:30AM

HB96

Submitted on: 1/26/2017

Testimony for AGR on Jan 27, 2017 08:30AM in Conference Room 312

Submitted By	Organization	Testifier Position	Present at Hearing
Arianna Feinberg	Individual	Support	No

Comments: I support Hawaii growing hemp!! I am a natural foods broker representing Bob's Red Mill and Nature's Path. Some of our top selling products contain hulled hemp seeds. I believe they buy these from Canada. Let's join the movement and grow hemp locally! This is a hot and growing food trend. Please pass this bill and clear the hurdles for hemp!

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From: mailinglist@capitol.hawaii.gov
Sent: Thursday, January 26, 2017 3:05 PM
To: AGRtestimony
Cc: casedavids@gmail.com
Subject: Submitted testimony for HB186 on Jan 27, 2017 08:30AM

HB186

Submitted on: 1/26/2017

Testimony for AGR on Jan 27, 2017 08:30AM in Conference Room 312

Submitted By	Organization	Testifier Position	Present at Hearing
David S. Case	Individual	Support	No

Comments: The DoA B. Basianna subsidy program must be extended to enable coffee farmers to continue to keep this pest under control. This sort of government support is proven to be crucial to a consistent control effort in other countries where this pest is a problem.

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From: mailinglist@capitol.hawaii.gov
Sent: Thursday, January 26, 2017 5:55 PM
To: AGRtestimony
Cc: kevinjmulkern@gmail.com
Subject: Submitted testimony for HB96 on Jan 27, 2017 08:30AM

HB96

Submitted on: 1/26/2017
Testimony for AGR on Jan 27, 2017 08:30AM in Conference Room 312

Submitted By	Organization	Testifier Position	Present at Hearing
Kevin Mulhern	Individual	Support	No

Comments: Let Hawaii compete with the rest of the world! Let us not wait an additional 20 years.

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From: mailinglist@capitol.hawaii.gov
Sent: Friday, January 27, 2017 1:47 AM
To: AGRtestimony
Cc: begoniabarry@gmail.com
Subject: Submitted testimony for HB96 on Jan 27, 2017 08:30AM

HB96

Submitted on: 1/27/2017
Testimony for AGR on Jan 27, 2017 08:30AM in Conference Room 312

Submitted By	Organization	Testifier Position	Present at Hearing
Barbara Barry	Individual	Support	No

Comments: Aloha Chair and Committee Members, Please support this bill in its entirety, Mahalo, Ms. Barbara Barry

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From: mailinglist@capitol.hawaii.gov
Sent: Thursday, January 26, 2017 11:15 PM
To: AGRtestimony
Cc: legechair@gmail.com
Subject: Submitted testimony for HB96 on Jan 27, 2017 08:30AM

HB96

Submitted on: 1/26/2017

Testimony for AGR on Jan 27, 2017 08:30AM in Conference Room 312

Submitted By	Organization	Testifier Position	Present at Hearing
Simon Russell	Hawaii Farmers Union United	Support	Yes

Comments: Mahalo Chair Creagan, Vicen Chair DeCoite and members of the committee. We appreciate your fine tuning of the hemp permitting process, and making it easier for farmers to grow this valuable crop. Respectfully Submitted, Simon Russell HFUU Legislative Committee Chairman

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From: mailinglist@capitol.hawaii.gov
Sent: Thursday, January 26, 2017 11:04 PM
To: AGRtestimony
Cc: irish7413@yahoo.com
Subject: Submitted testimony for HB96 on Jan 27, 2017 08:30AM

HB96

Submitted on: 1/26/2017
Testimony for AGR on Jan 27, 2017 08:30AM in Conference Room 312

Submitted By	Organization	Testifier Position	Present at Hearing
Amber	Individual	Support	No

Comments: I support HB96. This measure is critical to the future of sustainability in Hawaii, especially since our state is behind compared to the mainland with the hemp technology. We live on an island & this crop is a major key factor to a self sustaining economy. Respectfully Amber Long

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From: mailinglist@capitol.hawaii.gov
Sent: Thursday, January 26, 2017 10:45 PM
To: AGRtestimony
Cc: mauifaith@gmail.com
Subject: *Submitted testimony for HB96 on Jan 27, 2017 08:30AM*

HB96

Submitted on: 1/26/2017

Testimony for AGR on Jan 27, 2017 08:30AM in Conference Room 312

Submitted By	Organization	Testifier Position	Present at Hearing
Faith Chase	Individual	Support	No

Comments:

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From: mailinglist@capitol.hawaii.gov
Sent: Thursday, January 26, 2017 9:02 PM
To: AGRtestimony
Cc: maui-martha@hawaiiantel.net
Subject: Submitted testimony for HB96 on Jan 27, 2017 08:30AM

HB96

Submitted on: 1/26/2017

Testimony for AGR on Jan 27, 2017 08:30AM in Conference Room 312

Submitted By	Organization	Testifier Position	Present at Hearing
Martha Lind	Individual	Support	No

Comments: I support HB96. Hemp is an important environmentally-friendly product which can be used in food or clothing, feed for animals, and as a building material. With 36,000 acres of agricultural land now vacant in Maui due to the HC&S closure, planting hemp on this land would produce a valuable resource for Maui County and the State of Hawaii. Please support HB96. Mahalo.

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