

STAND. COM. REP. NO.

1696

Honolulu, Hawaii

, 2019

MAR 22

RE: S.B. No. 1353

S.D. 3

H.D. 2

Honorable Scott K. Saiki  
Speaker, House of Representatives  
Thirtieth State Legislature  
Regular Session of 2019  
State of Hawaii

Sir:

Your Committee on Judiciary, to which was referred S.B. No. 1353, S.D. 3, H.D. 1, entitled:

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

begs leave to report as follows:

The purpose of this measure is to facilitate the regulation and production of hemp by:

- (1) Amending the definitions of and relating to "marijuana" in state law to clarify that hemp is not marijuana;
- (2) Allowing licensees under the industrial hemp pilot program to utilize hemp genetics, from any state, that meets federal definitions of hemp;
- (3) Requiring the Chairperson of the Board of Agriculture to prepare and submit to the federal Secretary of Agriculture a proposed state plan to monitor and regulate hemp production, including commercial production and research, pursuant to section 297B of the Agricultural Marketing Act of 1946, as amended (Agricultural Marketing Act);



- (4) Requiring the Chairperson of the Board of Agriculture to report to the Governor, Speaker of the House of Representatives, and Senate President regarding the state plan;
- (5) Authorizing the Department of Agriculture to monitor and regulate hemp production, including commercial production and research, pursuant to the Agricultural Marketing Act; and
- (6) Appropriating funds for the establishment of positions relating to the regulation of industrial hemp.

The Drug Policy Forum of Hawai'i, Hawai'i Center for Food Safety, Hawaii Farm Bureau, Hawai'i Alliance for Progressive Action, and a few individuals testified in support of this measure. The Department of the Attorney General, Department of Agriculture, Department of Public Safety, and Akamai Cannabis Clinic provided comments.

Your Committee has amended this measure by:

- (1) Requiring the Department of Agriculture to establish a permanent industrial hemp program to license individuals to cultivate industrial hemp in the State;
- (2) Imposing a monetary penalty on any person who produces hemp without authorization from a state or federal program;
- (3) Establishing an affirmative defense to criminal penalties for the cultivation of industrial hemp;
- (4) Specifying that licensees may utilize hemp genetics that meet federal definitions of hemp and originate from any state having a federally approved industrial hemp program;
- (5) Exempting certain persons who transport and move certain hemp plant materials from penalties and reporting requirements relating to the transportation and movement of those materials;



- (6) Requiring the Chairperson of the Board of Agriculture to prepare and submit to the federal Secretary of Agriculture a proposed state plan within 30 days after the federal Secretary of Agriculture announces guidelines for state plans;
- (7) Establishing an industrial hemp special fund for the purposes of the permanent industrial hemp program and appropriating moneys into and from that fund for the establishment of positions relating to the regulation of industrial hemp;
- (8) Requiring the deposit of all unencumbered funds remaining in the current industrial hemp special fund into the new industrial hemp special fund upon the repeal of the industrial hemp pilot program;
- (9) Changing its effective date to September 22, 2050; and
- (10) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1353, S.D. 3, H.D. 1, as amended herein, and recommends that it be referred to your Committee on Finance in the form attached hereto as S.B. No. 1353, S.D. 3, H.D. 2.

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



---

CHRIS LEE, Chair



