

Honolulu, Hawaii

FEB 07 , 2020

RE: H.B. No. 1819
H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirtieth State Legislature
Regular Session of 2020
State of Hawaii

Sir:

Your Committee on Agriculture, to which was referred H.B. No. 1819 entitled:

"A BILL FOR AN ACT RELATING TO HEMP,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Establish a statutory framework for the Department of Agriculture (DOA) to monitor and regulate hemp;
- (2) Establish and provide temporary legislative funding for the Hemp Regulatory Special Fund, which will be funded through inspection fees in the longer term, for necessary staff to administer the program;
- (3) Exclude hemp from the State's prohibitions against marijuana;
- (4) Expedite the repeal of the existing Industrial Hemp Pilot Program;
- (5) Require the Chairperson of the Board of Agriculture to seek approval from the United States Department of Agriculture of a state plan to monitor and regulate hemp; and



- (6) Appropriate funds to DOA for the monitoring and regulation of hemp production and College of Tropical Agriculture and Human Resources at the University of Hawaii (CTAHR) for hemp research.

Your Committee received testimony in support of this measure from the Hawaii Farm Bureau; Kihei Community Association; Pacific Biodiesel Technologies; Hawaii Hemp Farmers Association; Hawaii Hemp Solutions; Vote Hemp; We Are One, Inc.; and five individuals. Your Committee received comments on this measure from the Department of Agriculture, University of Hawaii System, Department of the Attorney General, Department of Public Safety, and one individual.

Your Committee finds that hemp is a high-value crop that can be of significant benefit to Hawaii's economy. At least forty-six states have passed legislation to facilitate hemp cultivation in recognition of a marked increase in hemp cultivation from 2018 to 2019. Your Committee notes that Hawaii's hemp industry remains in a nascent stage, in part due to restrictive regulatory actions taken by DOA under existing law.

Your Committee is satisfied that this measure's provisions requiring compliance with federal hemp laws will address concerns relating to marijuana. The Department of the Attorney General has expressed concern that this measure removes penalties both for violations of the program that are less than negligent and for the cultivation of hemp without a license. Your Committee believes that the concerns of the Attorney General are more suited for your Committee on Judiciary. Accordingly, your Committee respectfully requests your Committee on Judiciary, should it consider this measure, to consider and appropriately address the concerns of the Attorney General.

Your Committee has amended this measure by:

- (1) Establishing procedural requirements whereby a licensee can transport, in a DOA-approved manner, the licensee's crop to another site for processing;
- (2) Changing the amount of the appropriation to CTAHR to an unspecified sum;



- (3) Changing its effective date to July 1, 2150, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1819, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1819, H.D. 1, and be referred to your Committee on Judiciary.

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


RICHARD P. CREAGAN, Chair



