

STAND. COM. REP. NO. **3776**

Honolulu, Hawaii

JUL 02 2020

RE: H.B. No. 1819  
H.D. 2  
S.D. 2

Honorable Ronald D. Kouchi  
President of the Senate  
Thirtieth State Legislature  
Regular Session of 2020  
State of Hawaii

Sir:

Your Committees on Judiciary and Ways and Means, to which was referred H.B. No. 1819, H.D. 2, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO HEMP,"

The purpose and intent of this measure is to:

- (1) Require the Department of Agriculture to seek approval from the United States Department of Agriculture of a state plan to monitor and regulate hemp;
- (2) Establish a statutory framework for the Department of Agriculture to monitor and regulate hemp;
- (3) Establish and provide temporary legislative funding for a hemp regulatory special fund, which will be funded through inspection fees in the longer term;
- (4) Exclude hemp from the State's prohibitions against marijuana;
- (5) Expedite the repeal of the existing industrial hemp pilot program; and
- (6) Appropriate funds to the College of Tropical Agriculture and Human Resources at the University of Hawaii for hemp research.



Your Committees received testimony in support of this measure from the Department of Agriculture, one member of the Maui County Council, Libertarian Party of Hawaii, Hawai'i Farm Bureau, Hawaii Food Industry Association, Hawaiian Choice, Intellectual AG LLC, Omaopio/Piliwale Ohana, Down to Earth Organic and Natural, Omao Lands and Omao Laboratories, Hawaii Cannabis Care, United States Hemp Roundtable, Steep Hill Hawaii State Certified Laboratory, Arcadia Biosciences, Hawaii Alliance for Progressive Action, Drug Policy Forum of Hawaii, and thirty-three individuals. Your Committees received testimony in opposition to this measure from Kokoiki Brands LLC and Island Hemp. Your Committees received comments on this measure from the Department of the Attorney General, Department of Health, Department of Budget and Finance, Hawai'i Hemp Farmers Association, Hawaii Royal Hemp Inc., and one individual.

Your Committees find that hemp is no longer classified as an illegal drug under federal law due to the recently enacted Agriculture Improvement Act of 2018, informally known as the "Farm Bill". The Farm Bill authorizes the department of agriculture of each state wishing to have primary regulatory authority over hemp production in that state to submit to the federal Secretary of Agriculture a proposed plan for the state's department of agriculture to monitor and regulate hemp production within the state, including a procedure for conducting annual inspections of a random sample of hemp producers.

Your Committees further find that research on hemp shows that there is significant potential for a successful hemp agricultural industry in Hawaii. Hemp grows quickly; has the beneficial effects of removing toxins from the soil and acting as a superior phytoremediation crop; is environmentally-friendly; and serves as an efficient feedstock and source for biofuel. Also, hemp can be made into clothing and used in other products to promote the growth of small businesses. This measure facilitates the regulation and production of industrial hemp in the State.

Your Committees have amended this measure by:

- (1) Exempting hemp lawfully cultivated by hemp growers licensed under the State's industrial hemp pilot program

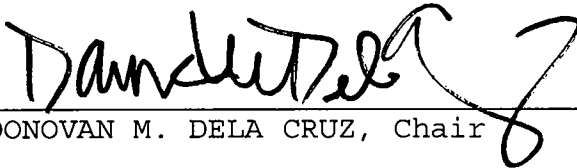


from the commercial hemp production buffer zone requirement;

- (2) Requiring the Department of Agriculture to adopt rules relating to commercial hemp production, including rules to address nuisance issues arising out of the activities of hemp growers, and requiring interim rules be adopted by September 30, 2020, to be in effect until June 30, 2022, or until permanent rules are adopted;
- (3) Reenacting the definitions of "marijuana" and "marijuana concentrate" upon the sunset date;
- (4) Making it effective upon its approval; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Judiciary and Ways and Means that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1819, H.D. 2, S.D. 1, as amended herein, and recommend that it pass Third Reading in the form attached hereto as H.B. No. 1819, H.D. 2, S.D. 2.

Respectfully submitted on  
behalf of the members of the  
Committees on Judiciary and  
Ways and Means,

  
DONOVAN M. DELA CRUZ, Chair

  
KARL RHOADS, Chair



The Senate  
Thirtieth Legislature  
State of Hawai'i

**Record of Votes**  
**Committee on Judiciary**  
**JDC**

Bill / Resolution No.:*	Committee Referral:	Date:		
HB 1819 HDZSD1	AEN/CPH, JDC/WAM	07/02/2020		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is:				
<input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
RHOADS, Karl (C)	/			
KEOHOKALOLE, Jarrett (VC)	/			
GABBARD, Mike	/			
KIM, Donna Mercado	/			
FEVELLA, Kurt	/			
<b>TOTAL</b>	5			
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
<b>Distribution:</b> Original     Yellow     Pink     Goldenrod File with Committee Report     Clerk's Office     Drafting Agency     Committee File Copy				

\*Only one measure per Record of Votes

