

STAND. COM. REP. NO.

2656

Honolulu, Hawaii

FEB 13 2020

RE: S.B. No. 2050  
S.D. 1

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

Sir:

Your Committee on Agriculture and Environment, to which was referred S.B. No. 2050 entitled:

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

begs leave to report as follows:

The purpose and intent of this measure is to establish a regulatory framework for products containing cannabidiol (CBD) that were manufactured legally through approved government programs.

Your Committee received testimony in support of this measure from Irie Hawaii, Hawaii Food Industry Association, ABC Stores, Solvate Services LLC, U.S. Hemp Roundtable, UpCountry Doctor, Kona Chapter Hawaii Farmers Union United, Malie Cannabis Clinic, and thirty-five individuals. Your Committee received testimony in opposition to this measure from Patients Without Time, Kokoiki Brands LLC, and eleven individuals. Your Committee received comments on this measure from the Department of Agriculture, Department of Health, and Hawaii Farmers Union United.

Your Committee finds that Act 228, Session Laws of Hawaii 2016, established the industrial hemp pilot program within the department of agriculture and has created the promise of a new form of diversified agriculture in Hawaii. Your Committee further finds that Congress passed the Agricultural Improvement Act of



2018, otherwise known as the farm bill, which removed hemp derived extracts, derivatives, and cannabinoids, such as CBD as schedule 1 substances in the Controlled Substances Act from hemp plants that contain no more than 0.3 percent tetrahydrocannabinol, effectively legalizing the sale of CBD products.

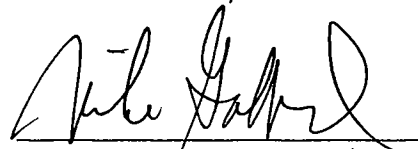
Your Committee also finds that the Food and Drug Administration (FDA) has continued to exercise jurisdiction over the regulation of ingestible and topical hemp products. The FDA has issued non-legally binding public statements arguing that it is illegal to market CBD as a food additive or dietary supplement because it is an active ingredient in a pharmaceutical drug. Your Committee finds that, given the existing competing federal frameworks and confusion among consumers and the industry, it is important that a timely regulatory framework be established around CBD, both to provide consumer safety requirements and certainty for Hawaii hemp farmers to continue to viably operate their industrial hemp operations in the State.

Your Committee has amended this measure by:

- (1) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Agriculture and Environment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2050, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2050, S.D. 1, and be referred to your Committees on Commerce, Consumer Protection, and Health and Judiciary.

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

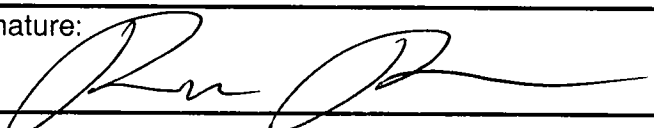


MIKE GABBARD, Chair



The Senate  
Thirtieth Legislature  
State of Hawai'i

**Record of Votes**  
**Committee on Agriculture and Environment**  
**AEN**

Bill / Resolution No.:* <b>SB 2050</b>	Committee Referral: <b>AEN, CPH/JDC</b>	Date: <b>08/10/2020</b>		
<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
GABBARD, Mike (C)	X			
RUDERMAN, Russell E. (VC)		X		
RHOADS, Karl				X
THIELEN, Laura H.		X		
FEVELLA, Kurt				X
<b>TOTAL</b>	1	2	0	2
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