

STAND. COM. REP. NO.

466

Honolulu, Hawaii

FEB 19 2021

RE: S.B. No. 1027  
S.D. 1

Honorable Ronald D. Kouchi  
President of the Senate  
Thirty-First State Legislature  
Regular Session of 2021  
State of Hawaii

Sir:

Your Committee on Agriculture and Environment, to which was referred S.B. No. 1027 entitled:

"A BILL FOR AN ACT RELATING TO HEMP,"

begs leave to report as follows:

The purpose and intent of this measure is to allow for the industrial hemp special fund to be utilized for the Department of Agriculture's responsibilities regarding hemp created by Act 14, Session Laws of Hawaii 2020 (Act 14).

Your Committee received testimony in support of this measure from the Department of Agriculture. Your Committee received testimony in opposition to this measure from 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 the Department of Agriculture under existing law. Act 14 tasked the Department of Agriculture with monitoring the transportation of and enforcing certain State restrictions regarding the growth of hemp within the State. However, the Act did not establish a special fund within the Department of Agriculture to perform these duties. As of December 2020, there



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were fifty-five licensed hemp growers in the State and counting, with no limit on the number of licensees or acreage. The Department of Agriculture was not given any resources to execute its new duties which are essentially unlimited in scope. Allowing for the industrial hemp special fund to be used for these purposes will allow the Department of Agriculture to use the existing special fund to perform the new regulatory duties relating to hemp.

Your Committee has amended this measure by 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. 1027, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1027, S.D. 1, and be referred to your Committee on Ways and Means.

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



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MIKE GABBARD, Chair



