

GOV. MSG. NO. 1238

EXECUTIVE CHAMBERS HONOLULU

DAVID Y. IGE GOVERNOR

June 27, 2022

The Honorable Ronald D. Kouchi,
President
and Members of the Senate
Thirty-First State Legislature
State Capitol, Room 409
Honolulu, Hawai'i 96813

The Honorable Scott K. Saiki, Speaker and Members of the House of Representatives Thirty-First State Legislature State Capitol, Room 431 Honolulu, Hawai'i 96813

Dear President Kouchi, Speaker Saiki, and Members of the Legislature:

This is to inform you that on June 27, 2022, the following bill was signed into law:

SB2986 SD1 HD2 CD1

RELATING TO HEMP. **ACT 137**

Sincerely,

DAVID Y. IGE

Governor, State of Hawai'i

Approved by the Governor JUN 2 7 2022

on _____THE SENATE
THIRTY-FIRST LEGISLATURE, 2022
STATE OF HAWAII

ACT 137 S.B. NO. S.D. 1 H.D. 2 C.D. 1

A BILL FOR AN ACT

RELATING TO HEMP.

	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:
1	SECTION 1. The legislature finds that hemp is a high-value
2	crop that has the potential to bring significant and diverse
3	revenues to Hawaii. Hemp has over fifty thousand recognized
4	uses including as a fuel; a food, including the seeds, oil,
5	juice from leaves, and herbal tinctures; and fiber used in
6	supercapacitors, cloth, building materials, and bioplastic.
7	Hemp has significant potential to be a lucrative crop for Hawaii
8	farmers and support food security for the State. Many Hawaii
9	farms subsidize food production with non-farming income or jobs.
10	Hemp could provide farm-based income for farmers to expand or
11	stabilize their food production.
12	The legislature further finds, however, that Hawaii's hemp
13	industry remains in a nascent stage largely due to
14	overregulation, which has stifled the State's hemp industry.
15	The Hawaii hemp cannabinoid and cannabidiol market is
16	approximated to be \$32,000,000 to \$54,000,000 annually, but most

of that money goes to hemp producers outside the State due to

prohibitions banning Hawaii farmers from making and selling

2022-2995 SB2986 CD1 SMA-1.doc

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- 1 these products in the State. Moreover, overregulation of
- 2 production and processing has driven many hemp farmers out of
- 3 business in the State, which makes Hawaii farmers non-
- 4 competitive in the hemp market.
- 5 The legislature further finds that the Agriculture
- 6 Improvement Act of 2018, informally known as the 2018 Farm Bill,
- 7 legalized hemp by removing hemp from the definition of
- 8 "marihuana" contained in the federal Controlled Substances Act.
- 9 Therefore, hemp is no longer classified as an illegal drug under
- 10 federal law. In October 2019, the United States Department of
- 11 Agriculture established new regulations through which states may
- 12 monitor and regulate hemp production. In light of these federal
- 13 reforms, state laws regarding hemp should also be reformed. The
- 14 legislature remains committed to reform hemp laws but recognizes
- 15 that the interested parties and agencies need to continue their
- 16 efforts to arrive at an appropriate balance in the governing
- 17 regulations. Therefore, the legislature finds that the sunset
- 18 date must be extended while those remining issues are thoroughly
- 19 resolved.
- 20 Accordingly, the purpose of this Act is to extend the
- 21 sunset date of Act 14, Session Laws of Hawaii 2020, which

- 1 establishes the state hemp processors and commercial hemp
- 2 production laws.
- 3 SECTION 2. Act 14, Session Laws of Hawaii 2020, is amended
- 4 by amending section 9 to read as follows:
- 5 "SECTION 9. This Act shall take effect upon its approval,
- 6 and shall be repealed on [June 30, 2022;] July 1, 2025; provided
- 7 that the definition of "marijuana" in section 329-1, Hawaii
- 8 Revised Statutes, and the definitions of "marijuana" and
- 9 "marijuana [Concentrate"] concentrate" in section 712-1240,
- 10 Hawaii Revised Statutes, shall be reenacted in the form in which
- 11 they read on the day prior to the effective date of this Act."
- 12 SECTION 3. Statutory material to be repealed is bracketed
- 13 and stricken. New statutory material is underscored.
- 14 SECTION 4. This Act shall take effect upon its approval.

2986 S.D. 1 H.D. 2 C.D. 1 S.B. NO.

APPROVED this 27th day of June , 2022

GOVERNOR OF THE STATE OF HAWAII

THE SENATE OF THE STATE OF HAWAI'I

Date: May 3, 2022 Honolulu, Hawaii 96813

We hereby certify that the foregoing Bill this day passed Final Reading in the Senate of the Thirty-First Legislature of the State of Hawai'i, Regular Session of 2022.

President of the Senate

Clerk of the Senate

THE HOUSE OF REPRESENTATIVES OF THE STATE OF HAWAII

Date: May 3, 2022 Honolulu, Hawaii

We hereby certify that the above-referenced Bill on this day passed Final Reading in the House of Representatives of the Thirty-First Legislature of the State of Hawaii, Regular Session of 2022.

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Scott K. Saiki Speaker House of Representatives

This Light

Brian L. Takeshita

Chief Clerk

House of Representatives