

Honolulu, Hawaii

APR 28 2022

RE: S.B. No. 2986
S.D. 1
H.D. 2
C.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-First State Legislature
Regular Session of 2022
State of Hawaii

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirty-First State Legislature
Regular Session of 2022
State of Hawaii

Sirs:

Your Committee on Conference on the disagreeing vote of the Senate to the amendments proposed by the House of Representatives in S.B. No. 2986, S.D. 1, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO HEMP,"

having met, and after full and free discussion, has agreed to recommend and does recommend to the respective Houses the final passage of this bill in an amended form.

The purpose of this measure is to:

- (1) Relax certain regulations of commercial hemp cultivation and exportation;
- (2) Allow licensed hemp producers to sell hemp biomass directly to consumers via online platforms;
- (3) Require the identity statement used for labeling or advertising any hemp product to identify the percentage of Hawaii grown or processed hemp products in all hemp



products and, if those products are not from Hawaii, the origin of any hemp product; and

- (4) Extend the sunset date of Act 14, Session Laws of Hawaii 2020, which establishes the state hemp processors and commercial hemp production laws.

Your Committee on Conference finds that hemp remains a valuable crop that could bring significant revenues to the State. However, the hemp industry in Hawaii suffers from overregulation. Notably, in 2020, the Legislature passed Act 14, Session Laws of Hawaii 2020, (Act 14) to address key issues in the regulation of hemp. While there remains considerable disagreement on the required reforms, your Committee on Conference further finds that Act 14 will lapse on June 30, 2022. Accordingly, it is necessary to extend the date on which Act 14 will be repealed to July 1, 2025.

Your Committee on Conference has amended this measure by:

- (1) Clarifying the legislative findings in the preamble;
- (2) Removing proposed amendments to existing hemp regulations; and
- (3) Making it effective upon its approval.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 2986, S.D. 1, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2986, S.D. 1, H.D. 2, C.D. 1.



Respectfully submitted on behalf
of the managers:

ON THE PART OF THE HOUSE

ON THE PART OF THE SENATE



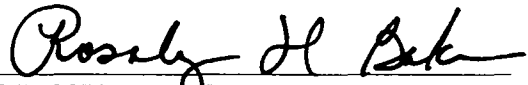
MARK J. HASHEM
Co-Chair



MIKE GABBARD
Chair



AARON LING JOHANSON
Co-Chair



ROSALYN H. BAKER
Co-Chair



Record of Votes of a Conference Committee

Bill / Concurrent Resolution No.: SB 2986, SD 1, HD 2	Date/Time: 4-28-22 5:06 PM
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The recommendation of the House and Senate managers is to pass with amendments (CD).

The Committee is reconsidering its previous decision.

The recommendation of the Senate Manager(s) is to AGREE to the House amendments made to the Senate Measure

The recommendation of the House Manager(s) is to AGREE to the Senate amendments made to the House Measure.

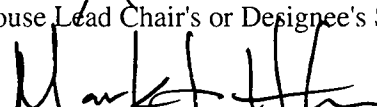
Senate Managers	A	WR	N	E	House Managers	A	WR	N	E
GABBARD, Mike, Chr.	✓				HASHEM, Mark J., Co-Chr.	✓			
BAKER, Rosalyn H., Co-Chr.	✓				JOHANSON, Aaron Ling, Co-Chr.	✓			
ACASIO, Laura	✓				PERRUSO, Amy A.	✓			
FEVELLA, Kurt				✓	MATSUMOTO, Lauren	✓			
TOTAL	3			1	TOTAL	4			

A = Aye WR = Aye with Reservations N = Nay E = Excused

Senate Recommendation is:
 Adopted Not Adopted

House Recommendation is:
 Adopted Not Adopted

Senate Lead Chair's or Designee's Signature:


House Lead Chair's or Designee's Signature:


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