



**TESTIMONY OF  
THE DEPARTMENT OF THE ATTORNEY GENERAL  
THIRTY-FIRST LEGISLATURE, 2022**

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**ON THE FOLLOWING MEASURE:**

S.B. NO. 2986, S.D. 1, H.D. 1, RELATING TO HEMP.

**BEFORE THE:**

HOUSE COMMITTEE ON CONSUMER PROTECTION AND COMMERCE

**DATE:** Wednesday, March 30, 2022      **TIME:** 2:00 p.m.

**LOCATION:** State Capitol, Room 329 and Via Videoconference

**TESTIFIER(S):** Holly T. Shikada, Attorney General, or  
Michelle M.L. Puu, Deputy Attorney General

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Chair Johanson and Members of the Committee:

The Department of the Attorney General (Department) in its capacity as the Chief Law Enforcement Officer of the State is opposing portions of this bill that seek to significantly diminish the State's ability to regulate hemp.

The purpose of this bill is to eliminate certain regulations of commercial hemp production by prohibiting the State from requiring inspection, sampling of, or the issuance of penalties against hemp producers that are licensed by the United States Department of Agriculture for violation of its rules and protocols. This bill will also relax conditions imposed on the transport of hemp within the State, allow producers to sell hemp biomass via online platforms, and exempt certain processors from registering with the Hawaii State Department of Health.

The deregulation outlined above will significantly hinder the State's ability to ensure that the production of hemp does not inadvertently enable the production (and distribution) of illegal marijuana. Law enforcement is unable to readily distinguish hemp flower, leaves, and seeds from the same components of illegal marijuana. This bill removes the State's ability to (1) monitor its purported transport, (2) analyze to safeguard potency, and (3) impose sanctions for violations. Any federal license holder would have the capacity to grow, transport, and distribute illicit marijuana while potentially avoiding any government detection. Maintenance of the existing regulations affords *some* support to our law enforcement's ability to police suspected illegal activity. Any unauthorized transport or production could quickly place a potential offender on the

radar of law enforcement. Existing regulations also serve to protect consumers from exceedingly potent product. Should an issue arise where an exceedingly potent or dangerous product was detected within our community; existing regulations permit inspection and penalties. Therefore, the Department respectfully recommends the elimination of the revisions proposed on page 7, lines 4-9, on page 8, lines 1-3, and on page 9, from the full sentence commencing at line 13 through line 19.

The Department also respectfully recommends the elimination of the revisions to sections 328G-1 and 328G-2, Hawaii Revised Statutes, proposed on page 10, lines 5-8 and lines 13-19. The proposed revisions for producers who produce less than six hundred pounds per year, on page 10, line 7, and who grow less than six thousand pounds per year, on page 10, lines 16-17, are effectively meaningless, because no one would be able to readily distinguish between various producers by the weight of product produced per year.

Thank you for the opportunity to testify and provide comments and suggested amendments on this bill.

**DAVID Y. IGE**  
Governor

**JOSH GREEN**  
Lt. Governor



**PHYLLIS SHIMABUKURO-GEISER**  
Chairperson, Board of Agriculture

**MORRIS ATTA**  
Deputy to the Chairperson

State of Hawaii  
**DEPARTMENT OF AGRICULTURE**  
1428 South King Street  
Honolulu, Hawaii 96814-2512  
Phone: (808) 973-9600 FAX: (808) 973-9613

**TESTIMONY OF PHYLLIS SHIMABUKURO-GEISER**  
**CHAIRPERSON, BOARD OF AGRICULTURE**

**BEFORE THE HOUSE COMMITTEE ON CONSUMER PROTECTION & COMMERCE**

**MARCH 30, 2022**

**2:00 P.M.**

**CONFERENCE ROOM 329 & VIA VIDEOCONFERENCE**

**SENATE BILL NO. 2986 SD1 HD1**  
**RELATING TO HEMP**

Chairperson Johanson and Members of the Committee:

Thank you for the opportunity to testify on Senate Bill 2986 SD1 HD1. This measure eliminates or relaxes certain regulations of commercial hemp production; prohibits the State from requiring inspections or sampling of, or issuing violations or penalties to hemp producers licensed by the United States Department of Agriculture ("USDA") that are following USDA's rules and protocols; amends the conditions under which licensed hemp producers may transport hemp within the State to be processed or to other grow areas; allows licensed hemp producers to sell hemp biomass directly to consumers via online platforms; requires 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; exempts certain processors of hemp from the registration requirement with the department of health as hemp processors; and extends the sunset date of Act 14, Session Laws of Hawaii 2020, which establishes the state hemp



processors and commercial hemp production laws. The Department offers comments regarding this measure.

Reducing the growing buffer zone from 500 feet to 100 feet near residential dwellings may increase land use conflicts and complaints between licensed hemp growers and established neighbors over noise from fans, light pollution from grow lights, and smells associated with hemp cultivation. These conditions are typically associated with indoor hemp cultivation operations and may be mitigated through engineering solutions or design. While reduced buffer zones may impact those issues between agricultural activity and abutting residential districts, the proposed 100 foot buffer zones for hemp operations appear to conform with such buffers for other nuisance or hazardous activities such as pesticide application.

Removing the Department of Agriculture responsibility to regulate transportation of hemp and allowing direct sales of “biomass” to consumers, including online sales, would eliminate the transportation report notification requirement. This measure replaces the notification requirement with a copy of Hawaii grower USDA license and laboratory report to accompany the shipment. The Department notes that USDA has a platform available to law enforcement to check that hemp being transported is in compliance with all USDA required testing and the regulation of hemp. Additionally, the Department recommends that “Biomass” be defined and clarified to confirm whether it includes fiber, leaf, flower, propagative plant materials, viable seeds, etc.

Hemp geographic origin labeling provides transparency and encourages fair advertising practices for hemp products that are being promoted for sale. The Department supports the labeling requirement to ensure that hemp produced in the State is labeled as Hawaii produced and that hemp produced outside the State is labeled with the appropriate origin. The Department notes, however, that enforcement of the requirement may be challenging because it is difficult to determine or confirm the authenticity of product.

Thank you for the opportunity to testify on this measure.



P.O. Box 253, Kunia, Hawai'i 96759  
Phone: (808) 848-2074; Fax: (808) 848-1921  
e-mail [info@hfbf.org](mailto:info@hfbf.org); [www.hfbf.org](http://www.hfbf.org)

March 30, 2022

HEARING BEFORE THE  
HOUSE COMMITTEE ON CONSUMER PROTECTION & COMMERCE

**TESTIMONY ON SB 2986, SD1, HD1  
RELATING HEMP**

Room 329 & Videoconference  
2:00 PM

Aloha Chair Johanson, Vice-Chair Kitagawa, and Members of the Committee:

I am Brian Miyamoto, Executive Director of the Hawai'i Farm Bureau (HFB). Organized since 1948, the HFB is comprised of 1,800 farm family members statewide and serves as Hawai'i's voice of agriculture to protect, advocate and advance the social, economic, and educational interests of our diverse agricultural community.

**The Hawai'i Farm Bureau supports SB 2986, SD1, HD1**, which eliminates or relaxes certain regulations of commercial hemp production and prohibits the State from requiring inspections or sampling of, or issuing violations or penalties to, hemp producers licensed by the United States Department of Agriculture that are following the United States Department of Agriculture's rules and protocols, amends the conditions under which licensed hemp producers may transport hemp within the State to be processed or to other grow areas, allows licensed hemp producers to sell hemp biomass directly to consumers via online platforms, requires the identity statement used for labeling or advertising any hemp product to identify the percentage of Hawai'i grown or processed hemp products in all hemp products and, if those products are not from Hawai'i, the origin of any hemp product, exempts certain processors of hemp from the requirement that they register with the department of health as hemp processors, and extends the sunset date of Act 14, Session Laws of Hawai'i 2020, which establishes the state hemp processors and commercial hemp production laws.

SB 2986, SD1, HD1 is the path to help Hawai'i hemp farmers create a thriving hemp industry that will greatly benefit Hawai'i and its citizens.

Thank you for this opportunity to testify on this important subject.

**SB-2986-HD-1**

Submitted on: 3/29/2022 8:46:24 AM

Testimony for CPC on 3/30/2022 2:00:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Yoshito L'Hote	Aina Ho'okupu o Kilauea	Support	Written Testimony Only

Comments:

As a hemp producer it is vital for the future of the industry to stream line regulation and stop duplicating the requirements since the state decided to let the feds take over

**SB-2986-HD-1**

Submitted on: 3/29/2022 9:05:45 AM

Testimony for CPC on 3/30/2022 2:00:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Vince Kana`i Dodge	`Ai Pohaku	Support	Written Testimony Only

Comments:

Aloha legislators!

We write in strong support of SB2986 SD1 HD1 because this bill supports the efforts of small time local farmers and producers.

Aloha Nui!

Vince Kanai Dodge



**Officers**

Vincent Mina  
State President

Anabella Bruch  
Vice-President

Maureen Datta  
Secretary

Reba Lopez  
Treasurer

**Chapter Presidents**

Dash Kuhr  
Kohala, Hawaii

Drake Weinert  
East Hawaii

Steve Lund  
Puna, Hawaii

Andrea Drayer  
Ka'u, Hawaii

Maureen Datta  
Kona, Hawaii

Robert Boudreaux  
Hana, Maui

Reba Lopez  
Haleakala, Maui

Bobby Pahia  
Mauna Kahalawai, Maui

Kaipo Kekona  
Lahaina, Maui

Brynn Foster  
North Shore, Oahu

Christian Zuckerman  
Wai'anae, Oahu

Vincent Kimura  
Waimanalo, Oahu

Anabella Bruch  
Kauai

Aloha Chair Johanson, Vice Chair Kitagawa, and Members of the House Consumer Protection & Commerce Committee,

The Hawaii Farmers Union United (HFUU) is a 501(c)(5) agricultural advocacy nonprofit representing a network of over 2,500 family farmers and their supporters across the Hawaiian Islands. **HFUU strongly supports SB2986** to reduce burdensome and costly regulations for Hawaii farmers that have prevented them from participating in the Hawaii hemp and CBD market.

Farmers test their crops and, importantly, SB2986 ensures that all final hemp products after processing continue to be tested to the highest standards in the country. Consumer safety and health is protected by these laboratory tests.

The processing exemption in SB2986 for small-batch on-farm processing is critical for the survival of the Hawaii hemp farmer. Otherwise the primary hemp CBD products sold in Hawaii will continue to be imported. For the past four years Hawaii's hemp farmers have been processing on-farm without incident. Final crops and products are tested to meet Department of Health (DOH) standards to protect consumer health. Without the processing exemption in the current draft of SB2986 only one large processor in the State will readily meet new DOH requirements for processors, putting many operations out of business.

Mahalo for the opportunity to testify.

Vincent Mina President HFUU/HFUF





**Kauai Hemp Company**  
4445-C Omao Rd, Koloa HI 96756  
kauaihempco.com

February 21, 2022

Support SB 2986 with Amendment

Dear Senate Commerce and Consumer Protection Committee Members,

As Hawaii's only certified organic, vertically integrated hemp farm and CBD processing facility, Omao Labs/Lands (DBA Kauai Hemp Company) strongly supports Senate Bill 2986. Just as the Hawaii Coffee Industry benefited from the passage of labeling law HRS 486-120.6, Hawaii hemp producers will see similar securities with the passage of SB 2986.

Additionally, we urge you to add language to allow for the sale of gummies or lozenge guided by the Department of Health's testimony on last year's House Bill 1243

"The Department believes it is appropriate to allow gummies in limited shapes. The proposed shape limitation in the definition "gummy" addresses concerns that gummy hemp products may be mistaken for popular types of gummy candy, such as gummy bears."

Thank you for your time and consideration,

Mr. Daryl Kaneshiro

*Daryl Kaneshiro*

Managing Member

Omao Labs/Lands LLC

March 30, 2022

The Honorable Representative Aaron Johanson, Chair  
The Honorable Representative Lisa Kitagawa, Vice Chair  
House Committee on Consumer Protection  
and Commerce

**RE: Senate Bill 2986, SD1, HD1 – RELATING TO HEMP PRODUCTION**  
**Hearing Date: March 30, 2022 at 2:00p.m.**

Chair Johanson, Vice Chair Kitagawa and Members of the House Committee on Consumer Protection and Commerce:

My name is James Tallman, and I am the President of South Maui Gardens (“SMG”). SMG would like to thank the committee for hearing Senate Bill 2986, SD1, HD1 which removes certain duplicative regulations imposed on hemp producers in the State. **SMG strongly supports this measure as currently drafted.**

SMG has been an active agricultural grower on the island of Maui for over ten (10) years. We have over 180,000 square feet of private green house space in Kula, which includes our hemp operations, and operate a full-scale professional nursery in South Kihei, which services local landscapers and private owners, and commercial entities such as hotels, banks and shopping centers. We employ over 60 residents of the County of Maui.

SMG is committed to supporting Hawaii’s agriculture industry and views the hemp industry as a much-needed opportunity to diversify our local economy. Given this, we greatly appreciate Senate Bill 2986, SD1, HD1's clear recognition that overly burdensome regulations are currently crippling the viability of this industry.

The current inspection requirements governing Hawaii's industrial hemp program are duplicative and waste State and farmers' time and resources. Specifically, the USDA currently requires: 1) a lab report from one of 2 state sanctioned labs that have DEA certification licenses confirming the hemp was compliantly grown; and 2) a planting survey report providing GPS locations of hemp being grown. This information required by the USDA is already sent to the DOA. In addition, the DOA requires that movement reports be provided when shipping hemp and must include: 1) amount of biomass; 2) recipient address which needs to be another licensed hemp grower; and 3) the license number of the company receiving the biomass. Additionally, all Hawaii grown hemp being shipped out of the state must have a copy of the farm's hemp license, a letter to law enforcement explaining that it is compliantly grown hemp from Hawaii, and a copy of the lab report associated with that crop.

SMG is a strong proponent for eliminating the requirement for movement reports which encumbers local producers and adds unnecessary administrative costs. The movement reports require information based on USDA license and USDA required lab reports making it unnecessary and duplicative. Further, the process requires a 3-day waiting period to allow for inspection by the DOA which is unnecessary as the USDA is already tasked with inspecting the hemp samples as certified by the lab report.

Moreover, the 3-day waiting period puts Hawaii producers at a competitive disadvantage compared to producers from other states as mainland hemp biomass is outside of the jurisdiction of the DOA, and therefore isn't subject to the same rules and inspections as Hawaii grown hemp biomass. Such a requirement makes it more efficient to purchase hemp biomass from a mainland producer than a local Hawaii hemp producer.

Furthermore, SMG supports this measure as it allows hemp producers to sell biomass directly to consumers. This additional ability to process small amounts of hemp on farms into oil and sell biomass in state will provide Hawaii farmers with additional income and prevent some hemp producers from going out of business. Not allowing the sale of biomass will prevent farmers from accessing markets that Hawaii residents already purchase from on the mainland and overseas. Also, without the on-farm, small batch processing exemption, the majority of local hemp farmers currently operating in the State will be unable to make products for the largest legal CBD market in Hawaii, tinctures.

As it stands, Hawaii licensed hemp farmers and processors are struggling to survive under the current regulations. Here at SMG, we are in the process of scaling back our hemp farm employees in half from 20 to 10 individuals as a result of current DOA oversight. In turn, SMG supports this measure as removal of the cumbersome and repetitive regulations will allow the hemp industry to thrive and create additional employment opportunities for Hawaii residents.

Thank you for your service to the State and your strong commitment to Hawaii agriculture and to the hemp industry. We look forward to continuing the conversation with you.

James Tallman

Operation Manager, Hemp Division  
South Maui Gardens

**SB-2986-HD-1**

Submitted on: 3/29/2022 11:46:24 AM

Testimony for CPC on 3/30/2022 2:00:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Jutta Mueller	Plumeria Plantation Ag Enterprise LLC	Oppose	Written Testimony Only

Comments:

Aloha

As a small Maui fruit farmer I oppose this bill.

We need to have local control and strong regulations in place to prevent a THC high black market within hemp production.

We also need stronger regulations in regards to environmental protection from environmentally damaging practices from big hemp operations. Our neighborhood is still suffering from vibrations, smell, pollution from a hempfarm. Its has been damaging to our health.

For the future of our communities please protect the people of Hawaii.

J.M



www.hawaiihempfarmersassociation.org

March 29, 2022

Strongly Support SB 2986

Dear Chair Johanson and Members of the House Committee on Consumer Protection and Commerce,

Thank you for your work to support Hawaii's farmers and agriculture. SB 2986 is the vehicle that hemp farmers need to reduce the burden of regulation that has put farmers out of business and made us non-competitive. As you likely know the Hawaii hemp and CBD market is estimated to be \$32 Million and Hawaii farmers, who worked for decades to bring a hemp industry to Hawaii, have been regulated out of participating feasibly. In fact, pending interim rules by the dept of ag are even more burdensome.

**Please support SB 2986 HD1 as is. It is critical that the processing exemption for small batch, on-farm processing remain in the bill. Without this exemption most of the remaining hemp farmers will be out of business this year.** *Most importantly, consumer health and safety continue to be protected with the small batch processing exemption because SB 2986 HD1 does not change the existing rules requiring testing of all hemp and CBD products after processing. These existing Department of Health (DOH) product testing standards, which farmers comply with, are the highest/toughest in the country and ensure consumer protection.*

For four years Hawaii hemp farmers have been processing on-farm without incident. There is no analysis or report that identifies a concern.

Also, please note that SB 2986 HD1 includes amendments that address the previous concerns the Attorney General's (AG) office identified in previous testimony. Specifically, SB 2986 HD1,

- Requires farmers to include a copy of their USDA license and certified laboratory report in all movement of hemp so law enforcement will always know a shipment is hemp not marijuana. The USDA is very responsive via phone and email and can quickly confirm a USDA license is valid for law enforcement. SB 2986 eliminates state movement reports that were based on the USDA license and lab reports. The U.S. Postal Service allows hemp producers to establish accounts for shipping hemp to facilitate movement by showing a hemp license. If the U.S. Postal Service is relying on information produced by licensed hemp producers to facilitate movement, we're hopeful Hawaii law enforcement and the Department of Agriculture will feel confident in the same information if there is ever a question about the nature of a shipment.

The AG's office has also testified that law enforcement won't know where hemp is and that during processing hemp extracts are sometimes temporarily concentrated before being diluted into products for sale. Currently, there are numerous CBD brands manufactured in Hawaii that import concentrated oil from

China and other states to make CBD products in Hawaii. They do not grow or process the hemp in Hawaii. **The reality is that the concern regarding processing** and temporarily concentrated hemp oil compounds is **only being applied to Hawaii hemp farmers**. There is no public health or safety issue that has been identified regarding the temporary form of hemp that is then diluted into tinctures or hemp products, all of which are required to meet DOH testing standards. There is no motive for farmers to store or sell concentrated hemp oil because the value of the products with diluted oil is magnitudes more valuable.

Across the country farmers are regulated by either the State or USDA – not both. We are the only State that whose farming has been regulated by both. The USDA has trained personnel, labs certified to USDA specifications, and an extensive data base. We report to both the USDA and US Farms Services Agency. The USDA is very responsive – if the State or law enforcement or DOH ever has a question about a licensee, they can quickly and easily contact USDA or even reach out to the farmer. There is no need for duplicative inspections, sampling, reporting, etc., which will require the state to create new positions, training, and data bases, wasting state resources and farmers time and resources. SB 2986 HD1 eliminates this duplication.

The States that have the most viable and successful hemp programs established rules to support agriculture NOT rules to avoid at all costs the unlikely intervention or penalties from the Federal Government. Hawaii went the other way: we were so conservative in our rules we hamstrung farmers and the industry, putting a number out of business. We are hopeful you will support SB 2986 HD1 as is to correct this and save the Hawaii hemp industry and Hawaii hemp farmer.

Respectfully Submitted,

*Ray Maki*  
Ray Maki  
President and Farmer

*Gail Byrne Baber*  
Gail Byrne Baber  
Vice President and Farmer

# Hawaii Hemp Farmers Center

## Community Based Project by Farmers

hihempfarmers.org

March 29, 2022

Re: Support SB 2986

Aloha, Chair Johanson and House Committee on Consumer Protection and ,

The Hawaii Hemp Farmers Center is dedicated to advocating for the needs of Hawaii's Farmers. Hawaii farmers birthed the hemp and CBD market in Hawaii but have mostly shut out of participating in \$32,000,000i per year Hawaii CBD market – that money is being primarily exported.

**We urge you to pass SB 2986 HD1. This is the bill that will save Hawaii hemp farmers and the industry, especially the exemption for small batch, on-farm processing (less than 500 dry lbs./year) by licensed USDA hemp farmers from the Hawaii Department of Health (DOH) processing regulations.**

It's important to remember that,

- **Consumers' safety and health is protected because SB 2986 HD1 leaves in place the requirement for ALL hemp and CBD products to be tested to Department of Health (DOH) standards, which are the toughest in the country. The public is assured that any product sold from a licensed Hawaii hemp farm is safe and meets strict laboratory testing standards.**
- Hawaii hemp farmers have been processing small batches of hemp on their farms for several years with no issues and no public safety concerns, utilizing various counter-top processes that are commonly used to extract botanical scents and flavors;
- Hawaii hemp farmers have been farming and processing small batches of hemp on their farm for several years with no issues and no public safety concerns; and,
- On-farm, small batch processing of hemp is similar to the counter-top extractions farmers or individuals do for botanicals.

*Why is this exemption for on-farm small batch processing for farmers needed?*

- The only way for a Hawaii hemp farmer to survive is to "own" the value chain – farm, process, and sell products. The cost of hemp farming, especially given the restrictions on Hawaii hemp farmers, make it impossible for a farmer to make any money unless they process and make products,
- Processors have minimum amounts of biomass they will accept from farmers to process because it costs them so much to run the larger processors and small farmers don't meet that threshold so they must process on-farm if they are to be able to sell hemp products.

Farmers can't afford to store hemp biomass to meet the threshold and biomass degrades over time, decreasing the value of the hemp crop and money farmers can make.

- Processing is too expensive for small farmers who can process small batches on our farms for pennies compared to a processor charge. After years of being restricted from participating meaningfully in the hemp industry, most hemp farmers have gone out of business or are in a precarious financial position.
- There is only one processor in the state that has the immediate ability to go through Hawaii Department of Health's permitting process.
- The majority of USDA licensed hemp farmers are on Hawaii Island and would have to ship their biomass to another island (more costs).
- The permitting process itself, which requires coordination with multiple local and state agencies, is costly and time consuming

The Hawaii Hemp Farmers Center supports:

1. Eliminating Double Regulation - Hawaii Farmers' production (growing) of hemp is regulated by the US Department of Agriculture. We are the ONLY state that double regulates farmers production (USDA and State DOA), requiring farmers to get permission to move their crop for any processing or sales. Imagine a papaya or tomato farmer forced to get permission from the Hawaii State Department of Agriculture before selling or processing their crops! The unnecessary paperwork now required by the State and the potential fines for not filing (\$10,000) are the most draconian hemp production rules in the country.
2. Allowing Hawaii Farmers to Sell All Hemp and CBD Products to Hawaii Residents - Hawaii farmers are restricted in selling numerous hemp and CBD products in Hawaii. But these products are regularly purchased online and in stores in Hawaii by Hawaii residents. We're asking the Legislature to allow Hawaii's farmers the same opportunity and access to Hawaii markets that farmers in other states have in Hawaii right now by default.
3. Transparency in Hawaii Hemp Products Labels - We support label transparency for Hawaii consumers, so they know how much Hawaii hemp is in hemp products claiming Hawaii branding. Hawaii farmers have the highest cost of production and living in the country. To support and grow Hawaii's agricultural economy we need to allow consumers the transparent option to buy local, which supports our economy. Right now the CBD industry is extractive, with most of the profits leaving Hawaii.

Thank you for supporting Hawaii farmers by passing SB 2986 with the above amendments.

Aloha,

*Gail Byrne Baber*  
Gail Byrne Baber



**SB-2986-HD-1**

Submitted on: 3/29/2022 1:33:14 PM

Testimony for CPC on 3/30/2022 2:00:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Peter Fay	Omaopio Piliwale Ohana	Oppose	Remotely Via Zoom

Comments:

Aloha Chair Johanson, Vice Chair Kitagawa, and members of the Committee on Consumer Protection and Commerce,

I am the spokesperson for the Omaopio Piliwale Ohana which is a group of 40+ neighbors that surround a hemp farm in Kula on Maui. Over the past 2 years our group and individual members of our group have submitted written and verbal testimony many times about the abuse that our neighborhood has undergone since a neighboring nursery started growing hemp under the Hemp Pilot Program. In the summer of 2020 the legislature passed the final Hemp bill and was signed into law becoming ACT 14. That law contained minimal protections for all of Hawaii's neighborhoods from potentially being destroyed by the actions of an unethical yet legal hemp farm that might move into their area. This SB2986 SD1 HD1 removes many of the most basic protections contained in ACT 14 and will leave our neighborhood and all other neighborhoods across the state open to even further abuse by irresponsible hemp farms. Our group strongly encourages voting against this bill as you are the members of the Committee on Consumer Protection and this bill removes critical protections for all consumers across the state.

Mahalo,

Peter Fay

FROM: Robert Bence for Hawai'i Sustainable Farms

TO: Hawai'i House Committee on Consumer Protection & Commerce

RE: Strong Support for SB2986 SD1 HD 1 RELATING TO HEMP and Offer Amendments

Aloha Chair Johanson, Vice Chair Kitagawa and CPC Committee Members,

Writing in strong support of SB2986 SD1 HD1 relating to hemp and offering the following amendment to page 6 section 4: "The buffer zone from farm dwellings in the agricultural district shall be twenty five feet in line with USDA National Organic Program buffer zones and county setbacks for other crops."

Hemp should follow the same maximum buffer of other crops at a maximum of twenty five feet from agricultural dwellings in line with Hawai'i Right to Farm Act Chapter 165-1.

Hemp production does not inherently have to be at all intrusive to neighbors and has environmental and commerce benefits as other legal crops; therefore, hemp shouldn't require anywhere near the health and safety precautions as the restricted use pesticides which have clear evidence for a buffer zone when used on any crop.

I grew up farming here, after graduating from UH Mānoa with a BBA, returned to Kula to farm full time. Diversified farming since and implemented a USDA Natural Resource Conservation Services, Environmental Quality Incentives Program, contract that brought federal funding to help improve the agriculture and environment on the family farm.

After being diagnosed with a previously undiscovered random birth defect, that caused a stroke followed by brain surgery that led to learning to walk and talk again, developed conditions that I treat with hemp. Researching growing hemp as allowed under the USDA rules on my farm which was purchased with a loan from USDA FSA. Farming hemp has been a major life goal since returning to farming full-time with a severe disability and the first farm bill.

Plan to include hemp with the farm's agroforestry conservation plan as part of alley cropping and multistory planting practices with ultra high density planting of several different trees including grafted avocados and mango. Rotational grazing and no-till cover crop rotations of sunn hemp rolled and crimped followed by hemp making it a great companion plant for the no-till rotations that can be done from tractor allowing more production despite the disability.

The change to current buffer zones and restrictions on sales of biomass as well as the on farm solventless extractions involving ice, water and freeze dryer are among major state regulations addressed by this bill that will help the farm.

The buffer zone at 100' would still limit the production by limiting crop rotation any recommendation I could make would be the 100' not apply to farm dwellings on agriculture land. The problems with the hemp pilot member who prompted original buffer debate would be protected by the right to farm act and could apply to several other agricultural activities. The best solution seems to be the small scale local farmers part of the community that will work to minimize disturbances to neighbors because it is the right way to farm anything.

The benefits of hemp as a food and a myriad of other uses from soil remediation to advanced nano particles of hemp graphene superconductors from animal bedding to housing from fresh

juice to solventless extracts to seed breeding... the market potential and environmental benefit list would go on for countless pages. Hawai'i farmers shouldn't be left behind any longer. The grown in Hawai'i label is important.

Hawaii hemp farmers have been the most regulated hemp farmers in the country and these regulations have made them non-competitive.

The state program should make it easier to grow hemp by providing support or just use the federal program with provision that Hawai'i farmers also have the most leeway as any other state program. It would help farmers along with clearly eliminating any buffer zones from dwellings on agricultural land.

Greatly appreciate your hearing this bill and again state that I strongly support SB2986 SD1 HD1. As a local disabled farmer who has been wanting to grow it since the first farm bill but unable due to the current restrictions, I appreciate the bill immensely.

Mahalo

Robert Bence  
Hawai'i Sustainable Farms



March 29, 2022

Re: Support SB 2986

Aloha,

SB 2986 is critically needed to keep the Hawaii hemp farmer competitive and the hemp industry alive in Hawaii. Hawaii hemp farmers have been essentially locked out of the very lucrative Hawaii hemp and CBD markets by restrictive, duplicative, and costly regulations. Right now, Hawaii mostly imports CBD products to satisfy the \$32 million being spent by Hawaii residents on CBD products.

*Please note: consumer health and safety are always protected because all hemp and CBD products are required to be tested after processing to State Department of Health standards, which are the strictest in the U.S. This testing post processing ensures products are safe and compliant for consumers.*

All of the elements of SB 2986 are important for Hawaii's hemp farmer:

1. Small batch on-farm processing,
2. Elimination of duplicative State inspections, sampling, and reporting when the USDA has the authority, trained personnel, and database to already for the same,
3. Allowance to sell biomass,
4. Labeling identifying how much CBD is Hawaii grown,

The exemption for small batch, on-farm processing is a unique need of a unique industry. There is no other ag industry in Hawaii with all its farmers losing money and many going out of business due to over regulation. **IMPORTANTLY, consumer health and safety are still protected because farmers test our crops and send all hemp and CBD products to laboratories for testing to comply with Department of Health standards after processing.**

Without these provisions in SB 2986, Hawaii hemp farming will not be viable and most of us will be out of business this year. Thank you for your support of SB 2986.

Aloha,

*Clarence A. Baber*  
Clarence A. Baber

# Hawaii Hemp Farmers Center

## Community Based Project by Farmers

hihempfarmers.org

March 29, 2022

Re: Support SB 2986

Aloha, Chair Johanson and House Committee on Consumer Protection and ,

The Hawaii Hemp Farmers Center is dedicated to advocating for the needs of Hawaii's Farmers. Hawaii farmers birthed the hemp and CBD market in Hawaii but have mostly shut out of participating in \$32,000,000i per year Hawaii CBD market – that money is being primarily exported.

**We urge you to pass SB 2986 HD1. This is the bill that will save Hawaii hemp farmers and the industry, especially the exemption for small batch, on-farm processing (less than 500 dry lbs./year) by licensed USDA hemp farmers from the Hawaii Department of Health (DOH) processing regulations.**

It's important to remember that,

- **Consumers' safety and health is protected because SB 2986 HD1 leaves in place the requirement for ALL hemp and CBD products to be tested to Department of Health (DOH) standards, which are the toughest in the country. The public is assured that any product sold from a licensed Hawaii hemp farm is safe and meets strict laboratory testing standards.**
- Hawaii hemp farmers have been processing small batches of hemp on their farms for several years with no issues and no public safety concerns, utilizing various counter-top processes that are commonly used to extract botanical scents and flavors;
- Hawaii hemp farmers have been farming and processing small batches of hemp on their farm for several years with no issues and no public safety concerns; and,
- On-farm, small batch processing of hemp is similar to the counter-top extractions farmers or individuals do for botanicals.

*Why is this exemption for on-farm small batch processing for farmers needed?*

- The only way for a Hawaii hemp farmer to survive is to "own" the value chain – farm, process, and sell products. The cost of hemp farming, especially given the restrictions on Hawaii hemp farmers, make it impossible for a farmer to make any money unless they process and make products,
- Processors have minimum amounts of biomass they will accept from farmers to process because it costs them so much to run the larger processors and small farmers don't meet that threshold so they must process on-farm if they are to be able to sell hemp products.

Farmers can't afford to store hemp biomass to meet the threshold and biomass degrades over time, decreasing the value of the hemp crop and money farmers can make.

- Processing is too expensive for small farmers who can process small batches on our farms for pennies compared to a processor charge. After years of being restricted from participating meaningfully in the hemp industry, most hemp farmers have gone out of business or are in a precarious financial position.
- There is only one processor in the state that has the immediate ability to go through Hawaii Department of Health's permitting process.
- The majority of USDA licensed hemp farmers are on Hawaii Island and would have to ship their biomass to another island (more costs).
- The permitting process itself, which requires coordination with multiple local and state agencies, is costly and time consuming

The Hawaii Hemp Farmers Center supports:

1. Eliminating Double Regulation - Hawaii Farmers' production (growing) of hemp is regulated by the US Department of Agriculture. We are the ONLY state that double regulates farmers production (USDA and State DOA), requiring farmers to get permission to move their crop for any processing or sales. Imagine a papaya or tomato farmer forced to get permission from the Hawaii State Department of Agriculture before selling or processing their crops! The unnecessary paperwork now required by the State and the potential fines for not filing (\$10,000) are the most draconian hemp production rules in the country.
2. Allowing Hawaii Farmers to Sell All Hemp and CBD Products to Hawaii Residents - Hawaii farmers are restricted in selling numerous hemp and CBD products in Hawaii. But these products are regularly purchased online and in stores in Hawaii by Hawaii residents. We're asking the Legislature to allow Hawaii's farmers the same opportunity and access to Hawaii markets that farmers in other states have in Hawaii right now by default.
3. Transparency in Hawaii Hemp Products Labels - We support label transparency for Hawaii consumers, so they know how much Hawaii hemp is in hemp products claiming Hawaii branding. Hawaii farmers have the highest cost of production and living in the country. To support and grow Hawaii's agricultural economy we need to allow consumers the transparent option to buy local, which supports our economy. Right now the CBD industry is extractive, with most of the profits leaving Hawaii.

Thank you for supporting Hawaii farmers by passing SB 2986 with the above amendments.

Aloha,

*Gail Byrne Baber*  
Gail Byrne Baber

**SB-2986-HD-1**

Submitted on: 3/28/2022 2:20:05 PM

Testimony for CPC on 3/30/2022 2:00:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Maureen Datta	Individual	Support	Written Testimony Only

Comments:

I am in strong support of SB2986.

March 28, 2022

FROM: John Calvert, jcalvert@crystal3.com  
TO: Hawai'i House Committee on Consumer Protection & Commerce  
RE: Comments on HB2986 RELATING TO HEMP

Aloha Chair Johanson, Vice-Chair Kitagawa, and Members of the Committee:

The subject of my testimony is *medicinal cannabis* in the state of Hawaii, which is inclusive of hemp.

(Abbreviations used: DOH = Dept. of Health; DOA = Dept. of Agriculture; MMJ = medical marijuana.)

I'm a former hemp pilot program licensee, and current MMJ licensee.

I strongly urge the Hawaii state government to modernize and update its legal interpretations and regulations regarding cannabis, which is a uniquely valuable plant with very diverse characteristics.

My first point is: all types of cannabis that contain significant amounts of cannabinoids are, in fact, *medicinal*. This includes some types of hemp.

The current classification of cannabis as either "medical marijuana," "recreational marijuana," or "hemp" is erroneous and misleading. The use of the term *industrial hemp* should be restricted, legally, to cannabis that contains little to no cannabinoids (THC, CBD, etc.) This means high-CBD hemp should not be classified as industrial hemp from a legal standpoint. The term, *industrial hemp*, should mean cannabis grown solely for food (seed or oil), fuel (oil), fiber, or for soil bioremediation, while also meeting the federal government's classification as *hemp* (cannabis with 0.3% THC or less).

The term *medicinal* rightly conveys the use of cannabis as a medicine, not as a recreational drug or intoxicant. How many cannabis users in Hawaii are using cannabis as a medicine? How many of these are not part of the state MMJ program? What are the demographics? These are very good questions, and the state should conduct an unbiased survey to determine the answers.

Legitimate medicinal uses of cannabis include: pain relief, stress relief, anti-anxiety, anti-depressant, sleep aid, anti-inflammatory, hunger-inducing.

It's easy to see that medicinal cannabis is an "old person's drug"; but, it goes beyond that, because people of all ages can suffer from health conditions for which the above mentioned medicinal uses are helpful. These conditions often don't overlap the state MMJ classifications for qualifying *medical* conditions, or don't reach the degree of severity to meet the qualifying conditions. Yet these are still legitimate, helpful uses of medicinal cannabis. Why keep this away from people who benefit from proper use? Is the reason – in part – to maintain the dispensary system's lucrative monopoly on state-regulated cannabis?

There are thus two types of medicinal cannabis: 1) that which contains significant amounts of THC, and 2) that which contains very low amounts of THC, but high amounts of either CBD or CBG.

The scientific term for (1) above is "Cannabis chemotypes I and II". The scientific term for (2) above is "Cannabis chemotypes III and IV". (I abbreviate these classifications as: Type 1/2 and Type 3/4.



Industrial hemp is Type 5, and has no medicinal value.)

Current legal language in Hawaii differentiates these forms of cannabis as "medical marijuana" and "hemp". Again, these misleading terms paint cannabis as something that's not generally medicinal, even though it is. The word *medical* implies being used only for medical reasons, meaning specific debilitating medical conditions. The word *hemp* (or *industrial hemp*) implies no medicinal use at all, but rather an agricultural product grown by the acre, tens of acres, or hundreds of acres (i.e. Type 5).

Neither of these currently used terms convey what cannabis really is. Federal legal language also doesn't convey the true value of cannabis, and hence the historic and ongoing federal war against this plant. Although Hawaii allows some growing of cannabis for medicinal purposes, the state government is still largely playing along with the federal war on cannabis.

The current situation is, the state DOH regulates the growing of Type 1/2 medicinal cannabis, while the state DOA regulates the growing of Type 3/4 medicinal cannabis. Why is the DOA regulating medicinal cannabis? The reason is because of the federal government's erroneous classification of Type 3/4 as hemp, and the fact that the state government is still playing along with the federal war on cannabis.

Type 3/4 medicinal cannabis – i.e high CBD or CBG, with very low THC – should be widely available to adults in the state of Hawaii, and not just available to those who have a state MMJ license, or those who have a federal DOA hemp license. How low is low THC? The most logical threshold, in terms of the logistics of cultivating Type 3/4 (high CBD) plants, is 1% THC. (The federal war on cannabis sets the max. amount of THC in "hemp" to 0.3% – an arbitrary threshold that is completely detached from both the realities of cultivation, and any concern around possible psychoactive effects.)

Why does growing state MMJ plants require a state license, while growing state hemp plants require a federal license – when MMJ contains lots of THC, and CBD/CBG hemp contains little to no THC? If the state allows the growing of high-THC plants with a state license, the state should then also allow the growing of very-low-THC plants with *no license*. This would, of course, run the state afoul with federal regulations, but in a vastly less serious way than state MMJ cultivation and sales are currently afoul with federal regulations.

I conclude by strongly recommending that the Hawaii DOH should regulate the growing and processing of all medicinal cannabis in the state, meaning Type 1/2 (MMJ) and Type 3/4 (CBD/CBG hemp).

Further, the Hawaii DOA should submit a hemp production plan to the federal DOA, and that plan should specify that the Hawaii DOH will regulate the growing and processing of all types of cannabis in the state, except for industrial hemp (Type 5) which would be regulated by the Hawaii DOA.

By modernizing and updating its legal interpretations and regulations regarding cannabis, the state, and the state DOH, can then offer a special classification for medical marijuana in Hawaii, called "low-THC medicinal marijuana." This new classification would provide regulations for growing, processing, use, and sale within the existing state medical marijuana program. This type of marijuana has essentially no intoxicating properties, and as such, sales should not be restricted to dispensaries. A new market and business opportunity would be created for small farmers and entrepreneurs. And, there would be inexpensive, legal access to low-THC cannabis for any adult who desires to grow and use it.

mahalo,  
John Calvert

Farmer, father, and business owner  
Kapoho, Big Island

**SB-2986-HD-1**

Submitted on: 3/29/2022 8:19:22 AM

Testimony for CPC on 3/30/2022 2:00:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Cindy Evans	Individual	Support	Written Testimony Only

Comments:

In strong support

**SB-2986-HD-1**

Submitted on: 3/29/2022 9:28:10 AM

Testimony for CPC on 3/30/2022 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
VINCENT KIMURA	Individual	Support	Written Testimony Only

Comments:

*I support SB 2986, which modifies burdensome and costly regulations for Hawaii farmers that have kept farmers locked out of lucrative hemp and CBD markets. I support 1.) small batch on-farm processing exemptions; 2.) the elimination of State inspections because USDA already has this authority, trained personnel, and a database and duplicating inspections costs the State and farmer money; and 3.) the requirement for farmers to include a copy of their USDA hemp license and lab report instead of State movement reports which were based on the USDA license and lab reports. Law enforcement can confirm the shipment is hemp with USDA if need be.*

**SB-2986-HD-1**

Submitted on: 3/29/2022 9:32:17 AM

Testimony for CPC on 3/30/2022 2:00:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Dennis F Lokmer	Individual	Support	Written Testimony Only

Comments:

I urge strong support for this bill.

**SB-2986-HD-1**

Submitted on: 3/29/2022 10:49:32 AM

Testimony for CPC on 3/30/2022 2:00:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Julie Ziemelis	Individual	Support	Written Testimony Only

Comments:

*Hemp production for farmers in Hawaii is a game changer as a revenue stream for ag products. I support 1.) small batch on-farm processing exemptions; 2.) the elimination of State inspections because USDA already has this authority, trained personnel, and a database and duplicating inspections costs the State and farmer money; and 3.) the requirement for farmers to include a copy of their USDA hemp license and lab report instead of State movement reports which were based on the USDA license and lab reports.*

**SB-2986-HD-1**

Submitted on: 3/29/2022 11:18:09 AM

Testimony for CPC on 3/30/2022 2:00:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Elisabeth Bluml	Individual	Oppose	Written Testimony Only

Comments:

Aloha chair Johanson and CPC members,

I am in strong opposition to this bill. It kills all oversight and allows the state and counties to have no real jurisdiction over a controlled crop. This is a power play that overrides the rights and protection afforded by the Dep. of Health and other regulatory agencies. You will be turning loose a nightmare on the citizens of Hawaii without real oversight that you will have to deal with in the future.

Please vote No!

Elisabeth Bluml, Khandro Farm

**SB-2986-HD-1**

Submitted on: 3/29/2022 11:42:29 AM

Testimony for CPC on 3/30/2022 2:00:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Angie Wilton	Individual	Support	Written Testimony Only

Comments:

Aloha, I am currently enrolled in the FAM program (HFUU) 2022 -Cohort 7. I am passionate about hemp and it's multi-purpose applications. Healing the soil, healthy food through seed, medicine through flowers and fibre through stalk. I grew my first industrial hemp crop in 2019 in Northern Alberta, Canada on my Father's land. I seeded 25 acres of "Katani" and yielded 33klbs. Katani is a pedigreed seed and an industrial variety.

My sincere hope is that this bill will pass with full approval and hemp will be destigmatized and all of us in the State will benefit from the healthful properties hemp has to offer. As a female farmer the passing of this bill will encourage other women to seed hemp.

Mahalo Nui,

Angie Wilton



**SB-2986-HD-1**

Submitted on: 3/29/2022 12:14:37 PM

Testimony for CPC on 3/30/2022 2:00:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Stanley Keolanui	Individual	Support	Written Testimony Only

Comments:

*Please support SB 2986, which modifies burdensome and costly regulations for Hawaii farmers that have kept farmers locked out of lucrative hemp and CBD markets. Please let the House Committee on Consumer Protection and Commerce know that you support 1.) small batch on-farm processing exemptions; 2.) the elimination of State inspections because USDA already has this authority, trained personnel, and a database and duplicating inspections costs the State and farmer money; and 3.) the requirement for farmers to include a copy of their USDA hemp license and lab report instead of State movement reports which were based on the USDA license and lab reports. Law enforcement can confirm the shipment is hemp with USDA if need be. Because of HFUU member support important changes have been made to SB 2986. Your continued support is needed to ensure these changes remain in SB 2986. Please take a moment to support 2986.*

**SB-2986-HD-1**

Submitted on: 3/29/2022 1:08:40 PM

Testimony for CPC on 3/30/2022 2:00:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Brittany Neal	Individual	Support	Written Testimony Only

Comments:

Aloha,

I appreciate this opportunity to testify in support of SB 2986 SD1 HD1 with amendments.

I think the most important part of this bill is that it eliminates duplicative State inspections and sampling, as the USDA already has a database and trained personnel for this. I also support the elimination of movement reports and the ability to sell biomass.

I would like to see the following amendments made to the bill:

Under the definition of “hemp processor” 600 lbs should be changed to 6,000 lb to agree with section 4 (b) (1).

I would prefer however to see the weight exemption entirely substituted for an acreage exemption. For example, change section 4 (b) (1) to Producers who grow less than 2 acres of hemp annually;

USDA hemp producers already must register their grow area acreage with the USDA’s Agricultural Management Services agency. Determining which farmers are growing less than 6,000 lbs dry weight of hemp annually will require additional tracking that will result in additional expenses to both the State and hemp farmers. Substituting a weight exemption for an acreage exemption would simplify things and reduce associated costs.

With regards to Section 4 (b) (2), both water and ice are polar solvents and freeze drying is a type of drying that falls under harvesting rather than processing. I would like to see section (2) modified so it is not contradictory, or removed.

The over regulation of the Hawaii hemp industry has negatively impacted farmers and many farms have either failed to start or gone under. I believe this bill is a step in the right direction and will finally allow Hawaii hemp farmers to be successful and competitive.

Thank you for your time and consideration of the above.

Sincerely,

Brittany Neal

MSOM, BSN, RN, Hawaii Hemp Farmer's Association board member

Aloha Chairman Johanson and CPC Committee Members,

## **I am in STRONG opposition to SB2986 relating to Hemp regulation.**

This bill is a narrow bill written by a few farmers who will profit from stripping regulation and oversight from the hemp industry in Hawaii. Just because other states follow specific lack of regulatory procedures is NOT enough of a reason for us to do so here in Hawaii.

There is a well thought out set of directives just put in place after a long and thorough review process by the Dept of Health to regulate the hemp industry and put in place just last year under Hawaii Administrative Rules, Chapter 11, Department of Health, Chapter 37. These final rules cover the ingestion of hemp and hemp products. To quote Chapter 37 preamble,

PAGE 37-4

§11-37-1 Purpose and applicability. (a) The purpose of this chapter is to set forth the requirements for the processing of hemp and the sale of hemp products to provide for the protection of the health and safety of the general public. (b) Subchapters 1 to 3 apply to all persons who package, label, sell, hold for sale, offer, or distribute hemp products within the State, including persons who import or offer for import hemp products into the State.

SB2986 is an attempt at an end run around the Department of Health and an opening of a wild west approach to hemp – including smokable hemp and ingestible hemp products. Our DOH spent considerable time and thought in the writing of these rules, and I am asking this committee to allow these rules to stay in place.

SB2986 asks for exemption for farms to grow, manufacture and distribute products without any real Oversight **AND WITHIN 100 FEET OF DWELLINGS AND GRANDFATHERS IN TEST PILOT GROWERS – THIS IS OUTRAGEOUS.** If you look to mainland sites where these grow areas are seen, you will see local neighborhoods up in arms regarding the sounds and overpowering smells of these plants. There needs to be time to establish laws that will protect the people of Hawaii from unthought out repercussions from this crops unregulated growth.

Its too late after the barn is opened to put the genie back in the bottle and you will be dealing with headaches for years to come – ensure real oversight here and **DO NOT EXEMPT ORIGINAL FARMS – AND KEEP THE 500 FOOT FROM DWELLINGS PORTION – THINK OF WHAT IT WOULD BE TO HAVE YOUR CHILDREN SMELLING HEMP 24/7 FROM 100 FEET AWAY – PLEASE DON'T DO THIS**

Please vote AGAINST this bill, SB2986.

Mahalo,

Sean Lester

Kihei, Hawaii

**RE: Support SB 2986**

March 29, 2022

Dear House Committee on Agriculture,

I am a USDA licensed hemp farmer in Hawaii. No other hemp farmers in the U.S. have had to try to make a go under such burdensome regulations. Many of the original hemp farmers have quit planting. Some have lost their businesses. Although there a number of licenses issued in the state to grow hemp, very few are actually growing due to the onerous growing and processing regulations.

Please support SB 2986 and ensure the following provisions are kept in SB 2986:

1. Allowance to sell biomass,
2. Elimination of duplicative State Department of Agriculture inspections and elimination of movement reports, and
3. Small batch on-farm processing.

Without these provisions in SB 2986, Hawaii hemp farming will not be viable and most of us will be out of business this year.

PLEASE NOTE: the exemption for small batch, on-farm processing is a unique need of a unique industry. There is no other ag industry in Hawaii with all its farmers losing money and many going out of business due to over regulation. IMPORTANTLY, consumer health and safety is still protected because farmers test our crops and send all hemp and CBD products to laboratories for testing to comply with Department of Health standards after processing.

Respectfully Submitted,

  
Ray Maki

**SB-2986-HD-1**

Submitted on: 3/29/2022 1:37:32 PM

Testimony for CPC on 3/30/2022 2:00:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Brent Neal	Individual	Support	Written Testimony Only

Comments:

Aloha,

I appreciate this opportunity to testify in support of SB 2986 SD1 HD1 with amendments.

I believe the most important part of this bill is that it eliminates duplicative State inspections and sampling, as the USDA already has a database and trained personnel for this. I also strongly support the elimination of movement reports and the ability to sell biomass.

I would like to see the following amendments made to the bill:

Under the definition of “hemp processor” 600 lbs should be changed to 6,000 lb to agree with section 4 (b) (1).

I would prefer however to see the weight exemption entirely substituted for an acreage exemption. For example, change section 4 (b) (1) to Producers who grow less than 2 acres of hemp annually;

USDA hemp producers already must register their grow area acreage with the USDA’s Agricultural Management Services agency. Determining which farmers are growing less than 6,000 lbs dry weight of hemp annually will require additional tracking that will result in additional expenses to both the State and hemp farmers. Substituting a weight exemption for an acreage exemption would simplify things and reduce associated costs.

In Section 4 (b) (2), both water and ice are polar solvents and freeze drying is a type of drying that falls under harvesting rather than processing. I believe section (2) should be modified so it is not contradictory, or removed.

Thank you for your time.

Sincerely,

Brent Neal



**SB-2986-HD-1**

Submitted on: 3/29/2022 1:38:04 PM

Testimony for CPC on 3/30/2022 2:00:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Emma Fay	Individual	Oppose	Written Testimony Only

Comments:

Aloha Chair Johanson, Vice Chair Kitagawa, and members of the Committee on Consumer Protection and Commerce,

I am one of the members of the Omaopio Piliwale Ohana which is a group of 40+ neighbors that surround a hemp farm in Kula on Maui. Over the past 2 years our group and individual members of our group have submitted written and verbal testimony many times about the abuse that our neighborhood has undergone since a neighboring nursery started growing hemp under the Hemp Pilot Program. In the summer of 2020 the legislature passed the final Hemp bill and was signed into law becoming ACT 14. That law contained minimal protections for all of Hawaii's neighborhoods from potentially being destroyed by the actions of an unethical yet legal hemp farm that might move into their area. This SB2986 SD1 HD1 removes many of the most basic protections contained in ACT 14 and will leave our neighborhood and all other neighborhoods across the state open to even further abuse by irresponsible hemp farms. Our group strongly encourages voting against this bill as you are the members of the Committee on Consumer Protection and this bill removes critical protections for all consumers across the state.

Mahalo,

Emma Fay





David B. Fisher  
P.O. Box  
790212  
Paia, HI 96779  
808 – 269-1031

I am writing **in support of SB2986** which removes burdensome duplicative regulation on Hawaii growers and value-added producers of hemp and hemp products.

The existing regulations have essentially hamstrung Hawaii small growers, with the result that almost all of the hemp products sold in Hawaii are imported – with an **opportunity cost currently estimated at \$32 million**.

**This hurts consumers as well as producers.** For example, HI produced CBD would be tested for quality and safety under current HI Dept. of Health regulations unlike the imported CBD that is sold through retailers or repackaged as a “Hawaii product”. Consumers would know where their product comes from, in many cases down to the farm – like French wines. We do not know where the imported CBD comes from. My understanding is that a significant portion comes from China.

Furthermore, the existing regulations increase economic vulnerability and food insecurity for the whole state as we witnessed over the last two plus years with the pandemic. This is because farming food is frequently not an economic activity – almost all of our large and many small farm operations have gone out of business over the last 30 years. Those that remain have close ties with high-end restaurants and/or the visitor industry or are farming for social impact reasons subsidizing their farming with other sources of income (public and private).

**Crops like hemp have the potential to provide local farmers and value-added processors some profitable niches which will encourage more farming and ensure fresher, higher quality local products and a stronger, more diverse economy.**

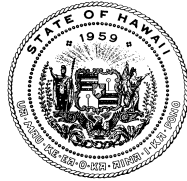
I have been teaching business in the Farm Apprentice Mentoring program on Maui for the last five years and working with small farmers and the Hawaii Farmers Union since 2010. Prior to that I was hired to open the SBA and UH supported Small Business Development Center on Maui where I served as counselor and teacher working with over 3,000 companies between 1990 and 2009 with over \$100 million in impact. A high point in this service was being honored at the legislature as the SBA’s Hawaii Financial Services Champion in 2006.

Farming is not a way to get rich and for most in the last decades has not even been a way to make a living. Growing and producing value-added products with hemp is one of a small handful of strategies available to existing and new diversified farmers that might give them a chance at economic viability.

We need to significantly increase our efforts to support diversified small farmers, most of whom we need to think of as social-impact business operators. Thank you for supporting SB2986.

Aloha,

DAVID Y. IGE  
GOVERNOR OF HAWAII



ELIZABETH A. CHAR, M.D.  
DIRECTOR OF HEALTH

STATE OF HAWAII  
DEPARTMENT OF HEALTH  
P. O. Box 3378  
Honolulu, HI 96801-3378  
doh.testimony@doh.hawaii.gov

**LATE**

**Testimony COMMENTING on SB2986 SD1 HD1  
RELATING TO HEMP**

REPRESENTATIVE AARON LING JOHANSON, CHAIR  
HOUSE COMMITTEE ON CONSUMER PROTECTION & COMMERCE

Hearing Date: 3/30/2022

Room Number: CR329/Videoconference

1 **Fiscal Implications:** This measure may impact the priorities identified in the Governor's  
2 Executive Budget Request for the Department of Health's (Department's) appropriations and  
3 personnel priorities.

4 **Department Testimony:** The Department has significant concerns and offers comments on  
5 sections 3 and 4 of the bill amending chapter 328G, Hawaii Revised Statutes (HRS), but supports  
6 section 5 extending the sunset date for chapter 328G and, further, recommends removing the  
7 sunset date altogether. The Department believes that laboratory testing, labeling, and good  
8 manufacturing practice requirements for all hemp processors are needed to ensure the safety of  
9 hemp products for consumers. We offer amendments for clarity.

10 The proposed amendments to chapter 328G, HRS, may generate confusion among hemp  
11 processors and the regulated community at large. The change to the definition of "hemp  
12 processor" on page 10 lines 4 through 8 appears intended to create an exception that removes  
13 many, if not all, of the requirements in chapter 328G, HRS, that would otherwise apply to a  
14 person who processes hemp to manufacture a hemp product and who produces less than six  
15 hundred pounds of dry hemp per year. However, the term "hemp processor" is used sparingly  
16 throughout chapter 328G, HRS. Section 328G-4, HRS, for example, which directs the  
17 Department to adopt administrative rules to carry out the purposes of the chapter, does not refer  
18 to, nor does it utilize, "hemp processor" as a defined term. Changing the definition of "hemp  
19 processor" to exclude certain hemp processors from regulation, where most of the requirements

1 within that chapter apply to “persons”, creates the impression that the exclusion applies broadly  
2 when in fact it applies only where the term “hemp processor” appears in the statute. Moreover,  
3 given the broad rulemaking authority granted to the department in section 328G-4, HRS, which  
4 remains unamended by this measure, the exception created for certain persons defined as a  
5 “hemp processor” in statute will have no effect on the requirements in chapter 11-37, Hawaii  
6 Administrative Rules (HAR), that apply to “persons” or to the “hemp products” themselves as  
7 defined in the regulations.

8         The authority to produce hemp products granted by chapter 328G, HRS, to *all* hemp  
9 processors is an essential element of a viable locally-grown product. Hemp products are  
10 narrowly defined in chapter 328G as hemp-derived products intended to orally supplement the  
11 human or animal diet or to be topically applied to skin or hair. Such products are *not* covered  
12 under federal regulations for foods, dietary supplements, or cosmetics because cannabidiol  
13 (CBD) is regulated as a prescription drug and is considered an “adulterant” in federal regulations  
14 for foods, dietary supplements, and cosmetics. The good manufacturing practices (GMPs) and  
15 quality control standards adopted by the Department in chapter 11-37, HAR, are analogous to the  
16 federal regulations that apply to foods and dietary supplements. Laboratory testing and labeling  
17 requirements must be met before any hemp products are sold to Hawaii consumers, which  
18 includes both hemp products made in Hawaii and those made out of state. Chapter 328G, HRS,  
19 and chapter 11-37, HAR, are not duplicative of federal regulations; rather, they are the *only*  
20 regulations allowing hemp products to be legally produced and sold in Hawaii and the *only* layer  
21 of consumer protection applicable to these products. As such, it is important for all hemp  
22 processors making hemp products to be covered by these regulations.

23         Section 4 of the bill (page 10 lines 9 to 19) creates an exemption to the hemp processor  
24 registry system established in section 328G-2, HRS. While the Department views the registry as  
25 a valuable regulatory tool, we support the legislature’s goal of reducing the regulatory burden on  
26 hemp producers. To this end we strongly recommend that the registry be eliminated altogether  
27 rather than be applied only to those persons growing a certain amount of hemp or utilizing a  
28 solvent-free method of processing. The Department notes that hemp processing does not

1 necessarily accompany hemp growing and the use of solvents is only one of many attributes of  
2 processing affecting the safety of hemp products [note also that water, for example, is a solvent –  
3 i.e., a substance used to dissolve other materials to form a solution]. Further, it will be extremely  
4 difficult if not impossible as a practical matter, and somewhat counter-intuitive, to determine  
5 which hemp processors, if any, are required to register by measuring total weight grown  
6 annually, which can be done only after annual harvest and long after hemp product will likely  
7 already have been distributed. Regardless of whether the registry is maintained, the testing,  
8 labeling, and good manufacturing practices required by chapter 328G, HRS, which are designed  
9 to protect consumers, should apply to all hemp processors regardless of the volume of hemp  
10 produced.

11 **Offered Amendments:**

12 **(1) The Department respectfully offers the following to replace sections 3 and 4 of this**  
13 **measure:**

14 SECTION 3. Section 328G-1, Hawaii Revised Statutes, is amended by deleting the  
15 definitions of “applicant” and “certificate of registration” and amending the definition of  
16 “enclosed indoor facility” to read as follows:

17 ““Enclosed indoor facility” means a permanent, stationary structure with a solid floor,  
18 rigid exterior walls that encircle the entire structure on all sides, and a roof that protects the entire  
19 interior area from the elements of weather. [~~Nothing in this definition shall be construed to~~  
20 ~~relieve the registered applicant from the applicant’s duty to comply with all applicable building~~  
21 ~~codes and regulations.]”~~

22 SECTION 4. Section 328G-2, Hawaii Revised Statutes, is amended to read as follows:

23 “§328G-2 Hemp processor [~~registry; application; removal from registry.]~~  
24 **requirements.** (a) No person shall process hemp without first obtaining a license to produce  
25 hemp, issued by the Secretary of the United States Department of Agriculture pursuant to title 7  
26 United States Code section 1639q.

1           ~~[(b) No person shall process hemp without being registered by the department as a hemp~~  
2 ~~processor pursuant to this part and any rules adopted pursuant [to] this chapter.~~

3           ~~(c) A person who intends to process hemp shall apply to the department for registration~~  
4 ~~on an application form created by the department.~~

5           ~~(d) The applicant shall provide, at a minimum, the following information:~~

6           ~~(1) The applicant's name, mailing address, and phone number in Hawaii;~~

7           ~~(2) The legal description of the land on which the hemp is to be processed or stored;~~

8           ~~(3) A description of the enclosed indoor facility where hemp processing will occur;~~

9           ~~(4) Documentation that the indoor facility and planned hemp processing operation~~  
10 ~~complies with all zoning ordinances, building codes, and fire codes;~~

11           ~~(5) Documentation showing that the applicant has obtained a license to produce hemp,~~  
12 ~~issued by the Secretary of the United States Department of Agriculture pursuant to~~  
13 ~~title 7 United States Code section 1639q; and~~

14           ~~(6) Any other information required by the department.~~

15           ~~(e) In addition to the application form, each applicant shall submit a non-refundable~~  
16 ~~application fee established by the department. If the fee does not accompany the application, the~~  
17 ~~application for registration shall be deemed incomplete.~~

18           ~~(f) Any incomplete application shall be denied.~~

19           ~~(g) Upon the department's receipt of a complete and accurate application and remittal of~~  
20 ~~the application fee, the applicant shall be registered and shall be issued a certificate of~~  
21 ~~registration to process hemp.~~

22           ~~(h) The certificate of registration shall be renewed annually by payment of the annual~~  
23 ~~renewal fee to be determined by the department.~~

24           ~~(i)](b) Hemp processors shall allow any member of the department, or any agent or third~~  
25 ~~party authorized by the department, to enter at reasonable times upon any private property in~~  
26 ~~order to inspect, sample, and test the hemp processing area, hemp products, equipment, facilities~~  
27 ~~incident to the processing or storage of hemp, and review all pertinent records.~~

28           ~~[(j) The department may remove any person from the registry for failure to comply with~~  
29 ~~any law or regulation under this chapter. It is the responsibility of the hemp processor to make~~

1 ~~sure it is registered and legally allowed to process hemp and in compliance with any and all laws~~  
2 ~~and regulations. The removal of a hemp processor from the registry shall be in accordance with~~  
3 ~~the procedures set forth in section 328G-6.]”~~

4 SECTION 5. Section 328G-6, Hawaii Revised Statutes, is amended to read as follows:

5 “~~[§328G-6]~~ **Enforcement; penalty.** (a) Any person who violates this chapter or any  
6 rule adopted by the department pursuant to this chapter shall be fined not more than \$10,000 for  
7 each separate offense. Any action taken to collect the penalty provided for in this subsection  
8 shall be considered a civil action. In addition to any other administrative or judicial remedy  
9 provided by this chapter, or by rules adopted pursuant to this chapter, the director may impose by  
10 order the administrative penalty specified in this section.

11 (b) Any order issued under this chapter shall become final, unless not later than twenty  
12 days after the notice of order is served, the person or persons named therein request in writing a  
13 hearing before the director. Any penalty imposed~~[, including removal from the registry,]~~ shall  
14 become final, and any monetary penalty shall become due and payable twenty days after the  
15 order is served unless the person or persons named therein request in writing a hearing before the  
16 director. Whenever a hearing is requested, the penalty imposed~~[, including removal from the~~  
17 ~~registry,]~~ shall become final, and any monetary penalty shall become due and payable only upon  
18 completion of all review proceedings and the issuance of a final order confirming the penalty in  
19 whole or in part. Any hearing shall be in accordance with chapter 91.

20 ~~[(c) For any judicial proceeding to recover an administrative penalty imposed by order or~~  
21 ~~to enforce a cease and desist order against a hemp processor removed from the registry, the~~  
22 ~~director may petition any court of appropriate jurisdiction and need only show that:~~

- 23 (1) ~~Notice was given;~~  
24 (2) ~~A hearing was held or the time granted for requesting a hearing has expired without~~  
25 ~~such a request;~~  
26 (3) ~~The administrative penalty was imposed or the hemp processor was removed from~~  
27 ~~the registry; and~~  
28 (4) ~~The penalty remains unpaid or the hemp processor continues to process hemp.~~

1       ~~(d)~~(c) The director, in the event there is deemed a potential health hazard, may take  
2 precautionary measures to protect the public through imposition of an embargo, the detention  
3 and removal of hemp products from the market, and the sequestration of hemp products  
4 suspected to be contaminated or otherwise harmful to human health. In the event of any  
5 embargo or detention of hemp products, the person or persons so named in the order imposing  
6 the embargo or detention shall be afforded an opportunity to contest the findings of the  
7 department in a hearing pursuant to chapter 91.

8       ~~(e)~~(d) Nothing in this chapter shall limit any other legal remedy, or limit any civil or  
9 criminal action, available under any other statute, rule, or ordinance.”

10       SECTION 6. Section 328G-7(b), Hawaii Revised Statutes, is amended to read as follows:

11       “(b) Moneys in the Hawaii hemp processing special fund shall be used by the department  
12 for the following purposes:

13       ~~[(1) To establish and regulate a system of registering hemp processors;~~

14       ~~(2)~~(1) To fund positions and operating costs authorized by the legislature; and

15       ~~[(3)]~~(2) For any other expenditure necessary, consistent with this chapter, to implement the  
16 Hawaii hemp processing program.”

17 [Renumber subsequent sections.]

18 **(2) The Department recommends eliminating the sunset date by revising sections 5 and 8 of**  
19 **the bill to read as follows:**

20       SECTION 5. Act 14, Session Laws of Hawaii 2020, is amended by amending section 9 to  
21 read as follows:

22       “SECTION 9. This Act shall take effect upon its approval~~[, and shall be repealed on June~~  
23 ~~30, 2022; provided that the definition of “marijuana” in section 329-1, Hawaii Revised Statutes,~~  
24 ~~and the definitions of “marijuana” and “marijuana concentrate” in section 712-1240, Hawaii~~  
25 ~~Revised Statutes, shall be reenacted in the form in which they read on the day prior to the~~  
26 ~~effective date of this Act].”~~

27       SECTION 8. This Act shall take effect on June 29, 2022.

- 1 [Renumber these sections as required.]
- 2 Thank you for the opportunity to testify on this measure.



**LATE**

**SB-2986-HD-1**

Submitted on: 3/30/2022 11:13:49 AM

Testimony for CPC on 3/30/2022 2:00:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Morris Atta	Hawaii Department of Agriculture	Comments	Remotely Via Zoom

Comments:

I am available to answer questions on behalf of the Department of Agriculture.

**LATE**

**Subject:** Re: SB 2986 - please support

Aloha,

We just received word that the Department of Health (DOH) is asking for the small batch exemption for processing to be struck or greatly modified. We'd like to address their concerns as we understand them.

**We also offer a reasonable compromise to address DOH concerns at the bottom of this email.**

- Foremost, consumer health and safety is protected by post processing testing that all hemp CBD products must comply with.
- On-farm, small batch processing of hemp is similar to the counter-top extractions farmers or individuals do for botanicals every day in Hawaii.
- Farmers have been doing small batch, on-farm processing for four years with NO incident. No study or analysis has been conducted that identifies a concern - there are no issues with this exemption functionally/factually, on the ground
- Finally, our primary competition is oil and CBD processed in China used in "made in Hawaii" products and imported brands. Many online CBD products imported by Hawaii residents were likely
- The industry as a whole is moving towards two tiers of regulation recognizing the unique needs of small boutique farms, especially those that are organic and regenerative because they don't have the health concerns of large farms where most of the health regulations evolved from.

1.) DOH concern: This exemption opens a can of worms regarding regulating products.

Farmer Response: **The exemption does not open a can of worms because the conditions around why Hawaii farmers can't comply with the registry are absolutely unique to the Hawaii hemp industry and don't apply to other sectors. Please see below.**

1. The only way for a Hawaii hemp farmer to survive is to "own" the value chain – farm, process, and sell products. The cost of hemp farming, especially given the restrictions on Hawaii hemp farmers, make it impossible for a farmer to make any money unless they process and make products,
2. Processors have minimum amounts of biomass they will accept from farmers to process because it costs them so much to run the larger processors and small farmers don't meet that threshold so they must process on-farm if they are to be able to sell hemp products. Farmers can't afford to store hemp biomass to meet the threshold and biomass degrades over time, decreasing the value of the hemp crop and money farmers can make.
3. Processing is too expensive for small farmers who can process small batches on our farms for pennies compared to a processor charge. After years of being restricted from participating meaningfully in the hemp industry, most hemp farmers have gone out of business or are in a precarious financial position.
4. There is only one processor in the state that has the immediate ability to go through Hawaii Department of Health's permitting process.
5. The majority of USDA licensed hemp farmers are on Hawaii Island and would have to ship their biomass to another island (more costs).The permitting process itself, which requires coordination with multiple local and state agencies, is costly and time consuming and hemp farmers are broke due to overregulation.

### **Proposed Compromise**

***"The small batch on-farm exemption shall apply for 5 years. Products that use CBD and hemp oil under this exemption include on the label, 'Hemp processed under small batch exemption per HRS...'"*** Any other language regarding exemptions will make our products less appealing when in fact they protect consumer health because we comply with the highest testing standards in the country. Five years will give Hawaii farmers the time they need to become more competitive with all the imports flooding Hawaii and make adjustments on-farm to comply with the local and state requirements required of the process registry.

Compromise language per the previous email is below, including where in SB 2986 the language can be inserted. The exemption is critical for the survival of Hawaii hemp farmers.

Page 10, Section 4, line 15 add, "for five (5) years beginning September 1, 2022."

Page 10, Section 4, line 20 add, "Products that use CBD and hemp oil under this exemption shall include on the product label, "Hemp processed under small batch exemption per HRS 328G."

SECTION 4. Section 328G-2, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

"(b) No person shall process hemp without being registered by the department as a hemp processor pursuant to this part and any rules adopted pursuant to this chapter[.]; provided that the following hemp producers licensed by the United States Department of Agriculture are exempt from this subsection for five (5) years beginning September 1, 2022.

(1.) Producers who grow less than six thousand dry pounds of hemp annually: or

(2.) Producers who process hemp without solvents such as water, ice, or freeze-drying agents."

Products that use CBD and hemp oil under this exemption shall include on the product label, "Hemp processed under small batch processor exemption per HRS 328G."

For your consideration.

Ray Maki      Gail Byrne Baber  
President      Vice President  
Hawaii Hemp Farmers Association

From: Hugo DePeña

To: House Committee on Consumer Protection & Commerce

Re: OPPOSITION to SB2986 SD1 HD1



Aloha Chair Johanson and CPC Committee Members,

Loosening the regulations on Hawaii's emerging hemp industry will have the unintended consequences of attracting organized, illicit cannabis operations which are commonly being disguised as USDA registered hemp farms on the mainland.

This month the State of Oregon passed emergency legislation in an attempt to limit the number of illicit cannabis operations. Recent investigations discovered that more than half of the USDA registered hemp licensees in two Oregon counties were growing THC-rich cannabis, not hemp. (The investigation did not include the many unregistered hemp grows). Illicit cannabis operations in the west have been linked to water theft, environmental degradation, and driving up prices on farmland.

USDA does not inspect registered hemp operations. Therefore, there is no double-regulation, nor any follow-up on "hot" crops with boosted levels of THC.

Local hemp growers have admitted that **Hawaii's current hemp problems are due to geography, not over-regulation** (Hemp Grower magazine, December 2021). Not enough hours of daylight promotes early flowering; proximity to the equator leads to higher levels of THC in plants; humidity causes mold and fungus in the drying and storage processes. Over-production of U.S. hemp has led to lower than hoped for prices.

Reducing oversight on the hemp industry in Hawaii will ultimately hurt the growers who are following the rules, while providing cover for unregulated black market THC producers. Please vote no on this bill.

**LATE**

**SB-2986-HD-1**

Submitted on: 3/30/2022 5:55:59 AM

Testimony for CPC on 3/30/2022 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Greg Smith	Individual	Support	Written Testimony Only

Comments:

Aloha,

My name is Greg Smith. I am a hemp farmer and founder of Earth Matters Hemp Hawaii.

1. have been involved with the hemp industry here in Hawaii since 2015. As someone who worked with Scott Enright, when he was chair of the Department of Agriculture and was given a contract to develop hemp genetics for the state which completed in 2017. This led to a pilot program license to continue the research. At the end of the completed contract, we received a USDA license to grow hemp in Hawaii. As a board member of the Hawaii Hemp Farmers Association. I have worked on legislation and have a pretty good understanding of the history of hemp here in Hawaii. I am writing in full support of SB2986. As someone who has invested many hours and a lot of personal capital in bringing this fantastic commodity to our state, I know just how hard it has been for farmers to be able to process and make their own line of 100% Hawaiian grown and made CBD hemp products. Almost all hemp products that are sold in Hawaii or online are from out of state. We have missed the boat, the opportunity to create a viable industry here in Hawaii has been very much hampered due to excessive and double regulation, SB 2986 makes it much clearer for the small farmer as to what he can and cannot do. The most important thing is that what is in the bottle that is being sold to the consumer is compliant and that it is tested. The USDA regulates hemp farmers in Hawaii, if a farmer can produce a crop that is compliant with the USDA and fill a bottle of 1000 milligrams of CBD and less than 0.3% THC and is compliant with the Hawaii Department of Health, the final product testing is all that should be needed. Give the small farmer an opportunity to create this new industry. As someone who's been growing this plant, knows its potential to help people with sleep disorders, pain and anxiety issues. The hemp plant has never harmed anyone-, it's time to allow the Hawaii farmer a chance to grow this plant and sell this plant anywhere in the state. 100% Hawaiian grown should be on shelves of every health food store in Hawaii.

With Lack of clarity and excessive regulations we have Made it nearly impossible for farmers and processors to develop this economic opportunity. The hemp industry in the USA is close to

\$500 million and the state of Hawaii has zero. We need specialty crops and this is one that could easily help small scale agriculture in Hawaii please support SB2986.

**SB-2986-HD-1**

Submitted on: 3/30/2022 10:29:04 AM

Testimony for CPC on 3/30/2022 2:00:00 PM



Submitted By	Organization	Testifier Position	Testify
Troy Abraham	Individual	Support	Written Testimony Only

Comments:

It's time to legalize marijuana in Hawaii and America. It can raise the global economy.