

JOSH GREEN, M.D.
Governor

SYLVIA LUKE
Lt. Governor



SHARON HURD
Chairperson, Board of Agriculture

MORRIS M. ATTA
Deputy to the Chairperson

State of Hawai'i
DEPARTMENT OF AGRICULTURE
KA 'OIHANA MAHI'AI
1428 South King Street
Honolulu, Hawai'i 96814-2512
Phone: (808) 973-9600 FAX: (808) 973-9613

**TESTIMONY OF SHARON HURD
CHAIRPERSON, BOARD OF AGRICULTURE**

BEFORE THE HOUSE COMMITTEE ON AGRICULTURE & FOOD SYSTEMS

**FRIDAY, MARCH 17, 2023
9:30 AM
CONFERENCE ROOM 325 AND VIDEOCONFERENCE**

**SENATE BILL NO. 637 SD1
RELATING TO HEMP**

Chairperson Gates and Members of the Committee:

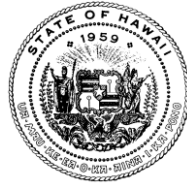
Thank you for the opportunity to testify on Senate Bill 637 SD1. This measure amends hemp processing rules to allow licensed hemp farmers to process hemp in agricultural structures and buildings that are permit-exempt under section 46-48, Hawaii Revised Statutes, as well as food hubs and agricultural parks, as was allowed prior to 2021. The Department of Agriculture (DOA) offers comments.

DOA supports the Hawaii hemp industry but respectfully does not agree with the statement regarding "overregulation of production" on page 2, line 3. DOA does not regulate farming of hemp within the state. The USDA regulates the entire production such as growing, harvesting and other on-farm operations including licensing of Hawaii hemp growers. Monitoring transport of hemp materials (flowers, leaves, viable seeds) and buffer zone restrictions are not part of USDA regulatory function. These are responsibilities assigned to DOA under Act 14, SLH 2020 as amended by Act 137, SLH 2020, that are necessary to ensure such nonfarming intrastate activities are conducted in a safe, healthy, and appropriate manner.



The Hawaii Department of Health (DOH) regulates hemp products and processing of hemp within the state. DOA defers to comments of DOH regarding rule amendment to allow licensed hemp farmers to process hemp in agricultural structures and buildings.

Thank you for the opportunity to testify on this measure.



JOSH GREEN, M.D.
GOVERNOR OF HAWAII
KE KIA'AINA O KA MOKU'AINA 'O HAWAII

KENNETH S. FINK, MD, MGA, MPH
DIRECTOR OF HEALTH
KA LUNA HO'OKELE

STATE OF HAWAII
DEPARTMENT OF HEALTH
KA 'OIHANA OLAKINO
P. O. BOX 3378
HONOLULU, HI 96801-3378
doh.testimony@doh.hawaii.gov

In reply, please refer to:
File:

**Testimony COMMENTING on SB0637 SD1
RELATING TO HEMP**

REPRESENTATIVE CEDRIC ASUEGA GATES, CHAIR
HOUSE COMMITTEE ON AGRICULTURE & FOOD SYSTEMS

Hearing Date: March 17, 2023

Room Number: CR 325

1 **Fiscal Implications:** This measure does not impact the priorities identified in the Governor's
2 Executive Budget Request for the Department of Health's (Department) appropriations and
3 personnel priorities.

4 **Department Testimony:** The Department respectfully provides the following comments on
5 0637 SD1, which amends Chapter 328G, Hawaii Revised Statutes (HRS). The Department
6 supports hemp farmers and seeks to clarify that the good manufacturing practices required for the
7 conversion of hemp plants into a form for ingestion or topical application (such as a tablet,
8 capsule, powder, gelcap, or liquid form) do not apply to hemp farming in general. The general
9 agricultural and incidental operations of hemp farming (including drying, curing, grading, or
10 trimming) are allowed to be exempted from building permit and building code requirements
11 under 46-88, HRS are already currently allowed under 328G, HRS.

12
13 Purely agricultural activities such as those likely to be performed in a permit-exempt
14 building pursuant to section 46-88, HRS, are not subject to chapter 328G, HRS. Chapter 328G,
15 HRS, governs hemp processing, which is defined as "making a transformative change to the
16 hemp plant following harvest by converting an agricultural commodity into a hemp product."
17 While section 46-88(a), HRS, allows the counties to exempt from county permitting "agricultural
18 buildings, structures, or appurtenances thereto, which are not used as dwellings or lodging units",
19 section 46-88(c), HRS requires that such "agricultural buildings, structures, or appurtenances

1 thereto are located on a commercial farm or ranch and are used for general agricultural or
2 aquacultural operations, or for purposes incidental to such operations”. Hemp processing, which
3 is already defined as something other than a purely agricultural activity, would not be permitted
4 under 46-88, HRS even with the proposed amendment to 328G, HRS.

5
6 The Department also notes that the proposed amendment to section 328G-2, HRS, adds
7 to the list of documents to be provided to the Department as part of an application for
8 registration, but does not change the existing requirement that hemp may be processed only
9 inside an enclosed building. The requirement that hemp be processed only within an enclosed
10 building is found in section 328G-3(b), which provides:

11
12 “Hemp and hemp products shall be processed within an enclosed indoor facility secured
13 to prevent unauthorized entry. Hemp, hemp products, and any toxic or otherwise
14 hazardous by-products of hemp processing, or by-products, including but not limited to
15 delta-9 tetrahydrocannabinol, shall be stored within an enclosed indoor facility, secured
16 to prevent unauthorized entry in a manner that prevents cross-contamination and
17 unintended exposures.”

18
19 Since the requirement in section 328G-3(b) that hemp processing be performed only
20 within an enclosed building remains, the proposed amendments requiring submission of
21 documents related to an agricultural exemption will not change the fact that processing must be
22 performed within an enclosed building. Moreover, documentation of an agricultural-based
23 exemption is not particularly relevant information for an application for hemp processing since
24 registration is not required for purely agricultural activity.

25
26 The Department thanks you for the opportunity to provide comments.

27
28 **Offered Amendments:** None

29
30



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

March 17, 2023

HEARING BEFORE THE
HOUSE COMMITTEE ON AGRICULTURE & FOOD SYSTEMS

TESTIMONY ON SB 637, SD1
RELATING TO HEMP

Conference Room 325 & Videoconference
9:30 AM

Aloha Chair Gates, Vice-Chair Kahaloa, 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 637, SD1, which amends hemp processing rules to allow licensed hemp farmers to process hemp in agricultural structures and buildings that are permit-exempt under section 46-48, Hawai'i Revised Statutes, as well as food hubs and agricultural parks, as was previously allowed prior to 2021.

Hemp continues to provide an opportunity for our farmers to diversify and expand agriculture production into new areas. Hemp is a very versatile agricultural product that is used to make a variety of products including clothing, food, animal feed, paper, biofuels, construction material, medicinal products, and various non-medicinal products.

This measure will continue to support and grow Hawai'i's hemp industry.

Thank you for this opportunity to testify in support of this measure.



Officers

Kaipo Kekona
State President

Anabella Bruch
Vice-President

Maureen Datta
Secretary

Reba Lopez
Treasurer

Chapter Presidents

Madeline Ross
Kohala, Hawai'i

Odysseus Yacalis
East Hawai'i

Puna, Hawai'i

Andrea Drayer
Ka'u, Hawai'i

Chantal Chung
Kona, Hawai'i

Fawn Helekahi-Burns
Hana, Maui

Reba Lopez
Haleakala, Maui

Kaiea Medeiros
Mauna Kahalawai,
Maui

Kaipo Kekona
Lahaina, Maui

Rufina Kaauwai
Molokai

Negus Manna
Lāna'i

Brynn Foster
North Shore, O'ahu

Christian Zuckerman
Wai'anae, O'ahu

Ted Radovich
Waimanalo, O'ahu

Vincent Kimura
Honolulu, O'ahu

Ray Maki
Kauai

Aloha Chair Gates, Vice Chair Kahaloa, and Members of the House Agriculture & Food Systems 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 supports SB637.**

Hemp is a versatile crop that can be used for medicinal and industrial purposes and has seen increased demand due to its numerous benefits. Prior to 2021, Hawaii's licensed hemp producers processed small batches of hemp on their farms in agricultural buildings and structures with no adverse consequences. These types of buildings and structures are regularly used to store and process other crops with no restrictions. However, 2021's hemp processing rules unintentionally eliminated farmers right to process hemp on their farms and in these structures.

By amending the rules to allow producers to process their hemp on the farm, they can save money and remain competitive. By amending this hemp processing rule to allow farmers to process hemp in agricultural structures, it will make hemp production more financially feasible and allow our farmers to thrive.

Mahalo for the opportunity to testify.

Kaipo Kekona, President HFUU/HFUF



www.hawaiihempfarmersassociation.org

March 16, 2023

RE: SUPPORT SB 637 Hemp Processing *with* Amendment

Aloha Chair Gates and the Committee on Agriculture and Food Systems,

Thank you for your continued support of Hawaii Hemp farmers. The Hawaii Hemp Farmers Association, which is composed of Hawaii hemp farmers, processors, and manufacturers, is in strong support of SB 637 with the following amendment in bold.

This amendment clarifies that processing in agriculturally exempt structures is allowed only for certain processes that don't involve compressed gas, etc.

(4) Documentation that the indoor facility and planned hemp processing operation complies with all zoning ordinances, building codes, and fire codes; **or for processing that does not include heat or volatile compounds or gases under pressure, such as cold-water extraction, documentation that the processing** is an enclosed indoor facility that is a permit-exempt structure pursuant to section 46-88; **or is in an enclosed indoor facility in a food hub or agricultural park;**

SB 637 is needed because current rules,

1.) Are not flexible enough to allow hemp processing in HRS 46-88 ag buildings where there are no safety issues. These safe processes include extractions with ice water or coconut oil using a hand screw press and don't use chemicals or heat or compressed gases. If an agricultural building is exempt per HRS 46-88, it is not permitted and therefore there is no way to prove that the building meets building codes other than going through the expensive process that would require permitting - secure architectural and engineering stamped plans, which defeats the purpose of HRS 46-88, which in part, is to make agriculture feasible for farmers. Some hemp processing methods are as safe as washing cucumbers, therefore, should be fully exempt per HRS 46-88. We agree with the

Department of Health that for processes that include heat, volatile compounds, or compressed gases, documentation of compliance with codes is important.

2.) Exclude farmers from accessing almost all food hubs and some ag parks because of 500-foot buffer requirement for hemp processing. Most food hubs are within 500 feet of other structures, some of which are rural residences. Given current hemp rules and regulations, it is impossible for hemp farmers to use the cold and frozen storage facilities at food hubs and ag parks or to use their facilities to set up small batch processing. Therefore, allowance for farmers to process in food hubs and agricultural parks is needed. Food hubs often have the capacity to apply for funding for infrastructure that serves numerous farmers. Without this allowance for hemp processing at food hubs and ag parks, hemp farmers continue to be singled out and forbidden from accessing opportunities allowed for every other farmer in the state.

Mahalo for your time and consideration. Respectfully,

Gail Byrne Baber

Gail Byrne Baber

President and Farmer

Ray Maki

Ray Maki

Co-Vice President and Farmer

Brittany Neal

Brittany Neal

Co-Vice President and Farmer

SB-637-SD-1

Submitted on: 3/16/2023 9:33:49 AM

Testimony for AGR on 3/17/2023 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Robert Bence	Hawai'i Sustainable Farms	Support	Remotely Via Zoom

Comments:

support

SB-637-SD-1

Submitted on: 3/16/2023 2:01:42 PM

Testimony for AGR on 3/17/2023 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Emily Emmons	Ho?ola Veteran Services	Support	Written Testimony Only

Comments:

Strong Support for SB 637 Amending hemp processing rules to allow farmers to process in agricultural buildings and structures, food hubs and agricultural parks, like most other crops, is needed for farmers to survive in a competitive national hemp market.

SB-637-SD-1

Submitted on: 3/15/2023 3:43:34 PM

Testimony for AGR on 3/17/2023 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Dana Keawe	Individual	Support	Written Testimony Only

Comments:

Support

SB-637-SD-1

Submitted on: 3/16/2023 1:51:58 PM

Testimony for AGR on 3/17/2023 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Carolyn Witcover	Individual	Support	Written Testimony Only

Comments:

I support any legislation that will allow Hawaii famers to grow this harmless yet economically beneficial plant. The benefits to our state could be huge in terms of the viability of farms, additional jobs, product growth, increased economic output, good environmental stewardship, and tax revenues. Please move this legislation forward.

SB-637-SD-1

Submitted on: 3/16/2023 1:57:23 PM

Testimony for AGR on 3/17/2023 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Thomas Brandt	Individual	Support	Written Testimony Only

Comments:

Strong support!

SB-637-SD-1

Submitted on: 3/16/2023 2:00:38 PM

Testimony for AGR on 3/17/2023 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Raphiell Nolin	Individual	Support	Written Testimony Only

Comments:

I am in strong support of SB637

SB-637-SD-1

Submitted on: 3/16/2023 2:09:57 PM

Testimony for AGR on 3/17/2023 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Barbara Barry	Individual	Support	Written Testimony Only

Comments:

Aloha,

I strongly support this important Bill.
Mahalo,

SB-637-SD-1

Submitted on: 3/16/2023 2:30:36 PM

Testimony for AGR on 3/17/2023 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Soo Sun Choe	Individual	Support	Written Testimony Only

Comments:

In strong support SB 637 SD1

SB-637-SD-1

Submitted on: 3/16/2023 2:39:36 PM

Testimony for AGR on 3/17/2023 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
robin knox	Individual	Support	Written Testimony Only

Comments:

I support this bill

SB-637-SD-1

Submitted on: 3/17/2023 8:04:53 AM

Testimony for AGR on 3/17/2023 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Dennis F Lokmer	Individual	Support	Written Testimony Only

Comments:

I urge strong support for this bill. DFL