



**WRITTEN TESTIMONY OF
THE DEPARTMENT OF THE ATTORNEY GENERAL
KA 'OIHANA O KA LOIO KUHINA
THIRTY-SECOND LEGISLATURE, 2023**

ON THE FOLLOWING MEASURE:

H.B. NO. 1359, H.D. 2, S.D. 1, RELATING TO HEMP.

BEFORE THE:

SENATE COMMITTEES ON WAYS AND MEANS AND ON JUDICIARY

DATE: Tuesday, April 4, 2023

TIME: 10:00 a.m.

LOCATION: State Capitol, Room 211

TESTIFIER(S): **WRITTEN TESTIMONY ONLY.**

(For more information, contact Jodi K. Yi,
Deputy Attorney General, at (808) 586-1195)

Chairs Dela Cruz and Rhoads and Members of the Committees:

The Department of the Attorney General opposes the portions of this bill that seek to diminish the State's ability to regulate hemp.

The bill's purpose is to reform state laws regarding hemp by repealing redundant regulations, amending hemp laws to remove constraints on hemp farmers, allowing hemp producers to sell hemp biomass, requiring transparency in labeling, appropriating funds for the Department of Health, establishing a hemp task force jointly convened by the Department of Agriculture (DOA) and the Department of Health, appropriating funds for the DOA, and extending the hemp-processor law through July 1, 2027. See section 1 on page 2, line 20, to page 4, line 5, of the bill.

We have concerns about those portions of the bill that eliminate certain regulations of hemp production by prohibiting the State from requiring inspections, sampling, or the issuing of penalties against hemp producers; relax conditions imposed on the transportation of hemp within the State; allow producers to sell hemp biomass; and revise definitional terms. This deregulation would 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. Maintenance of the existing regulations affords some support to our law

enforcement's ability to police suspected illegal activity. Existing regulations serve to protect consumers from exceedingly potent products. Should an issue arise where an exceedingly potent or dangerous product was detected within our community, existing regulations permit inspection and the assessment of penalties.

Section 141-42, Hawaii Revised Statutes (HRS), currently allows hemp to be grown under regulations enforced by the United States Department of Agriculture (USDA). Additionally, the section allows for a licensed hemp producer to transport hemp that has passed USDA testing from a farm to a hemp processing facility. The DOA must authorize the transportation and has the authority to inspect or test a shipment to ensure that it is hemp and not marijuana. We have five main concerns about the bill's amendments to section 141-42, HRS.

First, this bill would repeal section 141-42(a)(2), HRS, which mandates that "[h]emp shall not be grown outside of a state agricultural district" on page 4, lines 20-21. Enforcement will be more difficult if the growing of hemp is not limited to agricultural districts, and we recommend leaving this restriction in the statute and not deleting section 141-42(a)(2), HRS, on page 4, lines 20-21.

Second, this bill would amend section 141-42(b)(1), HRS, by deleting the requirement that hemp transported off of a farm pass USDA testing (page 6, lines 3-5). The bill would also remove the authority for DOA to inspect a shipment to ensure it is actually hemp (page 6, line 9) and remove, by repeal of the existing subsection (c) and amendment of subsection (d), all penalties for noncompliance with the transportation requirements (page 6, line 14, to page 7, line 5). As shipments of marijuana may be disguised as hemp, we recommend (1) keeping the existing requirements that hemp pass all USDA testing (leave in section 141-42(b)(1), HRS, on page 6, lines 3-5); (2) keeping DOA's authority to inspect (leave in the words "inspections, sampling, and testing" on page 6, line 9; (3) not adding "[t]he State shall not require other inspections or sampling" on page 8, lines 20-21); and (4) keeping the penalties for noncompliant transportation of hemp (leave unchanged section 141-42(c) and (d) on page 6, line 14, to page 7, line 5).

Third, on page 7, lines 12-16, the bill amends section 141-42(e) to limit judicial proceedings based on administrative penalties or a cease-and-desist order to unlicensed hemp producers. If this change is made, any administrative penalty or cease and desist order would be unenforceable on licensed producers. Therefore, we recommend leaving the wording of subsection (e) (redesignated as "(d)") unchanged without adding the qualifier "an unlicensed" hemp producer on page 7, line 14.

Fourth, this bill would add a new subsection (e) to section 141-42, HRS, to allow the sale of hemp biomass at page 8, lines 3-5. Absent a laboratory analysis, there is no way to tell the legal and illegal plants, plant parts, or substances apart. Therefore, we recommend deleting the new subsection (e) from section 141-42, HRS, on page 8, lines 3-5.

Fifth, the bill would amend section 141-42, HRS, to add a new subsection (g), which states that "[t]he State shall not issue notices of violations or impose penalties upon any hemp producer licensed by the [USDA]", and to effectively prohibit all penalties except for growing hemp without a USDA license (page 8, line 21, to page 9, line 8). That prohibition is very broad and, for instance, would prohibit penalties against hemp growers for the illegal use of pesticides or the production of hemp within the buffers established by paragraphs (3) and (4) of section 141-42(a). We recommend that the wording on page 8, line 21, to page 9, line 8, beginning from "The State shall not issue" be deleted.

Additionally, this bill adds two new definitions to chapter 328G, HRS – "finished hemp product" and "intermediate hemp product" – and amends the definitions of "hemp product," "manufacture," "processing," and "hemp processor." However, this creates uncertainty regarding the operation of chapter 328G. Because no distinction is made between the regulation of intermediate and finished hemp products, there is no need to make a distinction between them. Also, the term "manufacture" is only used minimally in chapter 328G, HRS, and differs from "processing" in that it specifically includes compounding, blending, extracting, and infusing. We recommend that "processing" be re-defined more broadly so as to include compounding, blending, extracting, and infusing.

To improve the clarity of the chapter, which defines terms that are not then utilized, we recommend deleting from the bill the terms "finished hemp product," "intermediate hemp product," and "manufacture" (page 10, line 5, to page 11, line 6, and page 12, lines 14-21). We recommend using a single term for all finished hemp products and a single term for the process of converting hemp into a finished hemp product. An additional amendment to the term "hemp processor" could also be made for conformity with the other changes. We, therefore, respectfully suggest amending existing terms by amending the following definitions:

- (1) ""Hemp processor" means a person processing hemp [~~to manufacture~~]-into a hemp product." (Page 11, lines 8-10).
- (2) ""Hemp product" means [~~a product that: . . . for use.~~] any processed hemp being held, offered, or distributed for sale and intended for human or animal ingestion, inhalation, or consumption." (Page 11, line 12, to page 12, line 13);
- (3) ""Processing" means making a transformative change to the hemp plant [~~following harvest by converting an agricultural commodity~~] into a hemp product[~~], including but not limited to compounding, blending, extracting, and infusing, but not including planting, growing, harvesting, drying, curing, grading, or trimming a hemp plant or part of a hemp plant.~~]" (Page 13, lines 2-5); and
- (4) Delete the definition of "manufacture." (Page 12, lines 14-21).

Finally, there are two appropriations in this bill, one to the Department of Health in section 8 and one to DOA in section 10. In section 8 of this bill, the appropriation is for the specific purpose of "the hiring of a toxicologist or consultant for the purposes of section 328G-5(c)," HRS, rather than generally "for the purposes of this part." (Page 20, lines 14-19). Consequently, we recommend that the wording on lines 20-21 be amended to "The sum appropriated shall be expended by the department of health [~~for the purposes of this part~~]." Section 10 of this bill should be worded similarly to avoid ambiguity, because the wording for the hiring of a third-party consultant differs from the wording in section 9(e) of the bill and the appropriation is not generally "for the purposes

of this Act." Consequently, we recommend that the wording on page 23, lines 12-15, be amended to "for the hiring of a third-party consultant [~~to identify the infrastructure needs of Hawaii hemp farmers and the hemp industry on each island.~~] for the purposes of section 9 of this Act." In addition, we recommend that the wording on page 23, lines 16-17, be changed to "The sum appropriated shall be expended by the department of agriculture [~~for the purposes of this Act.~~]"

Thank you for the opportunity to present this testimony.

JOSH GREEN, M.D.
Governor

SYLVIA LUKE
Lt. Governor



SHARON HURD
Chairperson, Board of Agriculture

MORRIS M. ATTA
Deputy to the Chairperson

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KA 'OIHANA MAHI'AI
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TESTIMONY OF SHARON HURD
CHAIRPERSON, BOARD OF AGRICULTURE

BEFORE THE SENATE
COMMITTEE ON WAYS AND MEANS AND COMMITTEE ON JUDICIARY

TUESDAY, APRIL 4, 2023
10:00 AM
CONFERENCE ROOM 211 AND VIDEOCONFERENCE

HOUSE BILL NO. 1359 HD2 SD1
RELATING TO HEMP

Chairpersons Dela Cruz and Rhoads and Members of the Committees:

Thank you for the opportunity to testify on House Bill 1359 HD2 SD1. This measure repeals redundant regulations on hemp production, allows sell of hemp biomass, requires transparency in labeling of hemp products, establishes the Hawaii Hemp Task Force and appropriates funds for the Department of Agriculture to hire hemp consultant to recommend infrastructure improvements on each island, requires and appropriates moneys for the Department of Health to hire or consult a toxicologist or consultant on hemp products, extends the State's hemp processor law through 7/1/2027, and repeals on 7/1/2027. The Department of Agriculture (DOA) offers the following comments.

DOA recommends NOT deleting section 141-42(a)(2), HRS, on page 4, lines 20 to 21, which states "Hemp shall not be grown outside of a state agricultural districts". Enforcement will be more difficult if the growing of hemp is not limited to agricultural districts. This is consistent with the testimony of Department of the Attorney General.



Consistent with repealing redundant regulations on hemp production, DOA strongly recommends deleting the language on page 9 lines 15 to 20 of this bill pertaining to nuisance issues. DOA does not find it necessary or appropriate to create additional rules to address nuisance issues, including smell, noise, and excessive lighting arising out of the activities of hemp growers. Pre-existing regulations and authority under the Department of Health and county land use ordinances already address (and are the appropriate method of addressing) the areas of nuisance referenced. DOA has serious concerns regarding the creation of a duplicative enforcement framework that may result in confusion and challenge due to incompatible oversight and conflicting actions and decisions.

Hemp geographic origin labeling provides transparency and encourages fair advertising practices for hemp products that are being promoted for sale. The DOA 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 DOA notes, however, that enforcement of the requirement may be challenging because it is difficult to determine the authenticity of the origin of the product.

DOA is concerned with the wording in the revision of HRS 141-42(g); “The State shall not require other inspections or sampling...” and “The State shall not issue notices of violations or impose penalties upon any hemp producer...”. Due to the open nature of those statements the bill may imply that hemp producers are free from all inspection or sampling types, and notices of violations or imposed penalties. This may put the DOA’s Performance Partnership (Pesticides) Grant with the U.S. EPA in jeopardy due to the inability to inspect, sample, issue notices of violations, and impose penalties for violating State and Federal pesticide laws or other laws not related to USDA hemp production.

Thank you for the opportunity to testify on this measure.

HB-1359-SD-1

Submitted on: 4/1/2023 12:00:25 PM

Testimony for WAM on 4/4/2023 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
TY Cheng	Testifying for Hemptuary Hawaii	Comments	Written Testimony Only

Comments:

To: Senator Donovan Dela Cruz, Chair of the Senate Ways and Means Committee,

Senator Karl Rhoads, Chair of the Senate Judiciary Committee,

Members of the Senate Ways and Means Committee and

Members of the Senate Judiciary Committee.

Fr: TY Cheng, President of Henptuary Hawaii

RE: Testimony with COMMENTS of House Bill (HB) 1359 HD2 SD1

RELATING TO HEMP.

Repeals redundant regulations on hemp production, which will reduce costs for the State and Hawai'i farmers. Amends the hemp law in a manner that recognizes the unique constraints of Hawai'i farmers, while protecting human health. Allows licensed hemp producers to sell hemp biomass. Requires transparency in labeling of hemp products to identify the percentage of Hawai'i-grown hemp or hemp product in all hemp products. Establishes the Hawai'i Hemp Task Force. Requires and appropriates funds for the Department of Agriculture to hire hemp consultant to recommend infrastructure improvements on each island. Requires and appropriates moneys for the Department of Health to hire or consult a toxicologist or consultant familiar with hemp industry standards for the purpose of setting defined action limits or exposure levels for different types of hemp products. Extends the State's hemp processor law through 7/1/2027. Repeals on 7/1/2027. Effective 6/30/3000. (SD1)

Dear Chairs, Vice-Chairs and Members of the Joint Committee:

Hemptuary Hawaii is a USDA licensed hemp producer operating on Oahu since 2016. Hemptuary Hawaii offers COMMENTS on HB1359 which attempts to improve the current hemp program so as to allow hemp products to be manufactured and sold in Hawaii.

Comments:

The broad manufacturing language must be amended so that potency edible THC products are not sold at gas stations and smoke shops in violation of the federal Farm Bill. The current version of the bill would allow apply the federal standard of hemp with 0.3% THC to the TOTAL PRODUCT VOLUME vs edible hemp products that use hemp oil with 0.3% THC (which is the definition of hemp according to the Farm Bill). The broad language has gone undetected until the last hearing.

It would be unsafe to have stores sell THC edibles or drinks to the public that are stronger and more psychoactive than what is sold in medical cannabis dispensaries without proper licensing and tracking. This could be dangerous to the public (especially children) as high dose THC products derived from Hemp could be sold under the current proposed bill HB1359. For example, medical dispensaries can only sell 10mg THC total edible items, where there is no cap in the proposed hemp bill where “hemp” in food, or beverage products since the primary psychoactive cannabinoid in hemp, delta-9 tetrahydrocannabinol (THC), would be limited only by a percent of the product’s content, currently set at 0.3%. Using this calculation, a manufacturer could add 150 milligrams of hemp derived delta-9 THC to a single serving 50 gram chocolate bar or 60 milligrams of delta-9 THC to a “snack size” pack of fruits snacks (20 grams) and still be considered compliant with the 0.3% THC limit.

The proposed Amendments to fix this safety issue are below:

Delete the two new definitions, “Finished hemp product”, page 10, lines 5 to 21, and “Intermediate hemp product”, page 11, lines 1 to 6.

Insert “hemp product” definition to read “means [a product that:..for use.] any processed hemp being held, offered, or distributed for sale and intended for human or animal ingestion, inhalation, or consumption.”, page 11, line 12, to page 12, lines 12-13.

Amend existing definitions, “Hemp processor”, to read ”means a person [processing hemp to manufacture a hemp product.] or business processing hemp into a hemp product,” page 11, lines 8 to 10, and the “Processing” definition to read “means making a transformative change to the hemp plant following harvest by converting an agricultural commodity into a hemp product, including but not limited to compounding, blending, extracting, and infusing, but does not include planting, growing, harvesting, drying, curing, grading, trimming a hemp plant or part of a hemp plant.”, page 13, lines 2 to 5.

Delete the proposed definition of “manufacture”, page 12, lines 14 to 21, and the existing “manufacture” definition in section 328G-1.

Mahalo for your time and leadership on this issue. Together we hope to inject new lift into our struggling hemp industry.

TO: Chair Dela Cruz, Chair Rhoads, Vice Chair Keith-Agaran, Vice Chair Gabbard and WAM/JDC Committee Members

FROM: Robert Bence, Disabled Generational Farmer, for Hawai'i Sustainable Farms

DATE: 4/2/2023

RE: Strong Support of HB 1359 HD2 SD1 **with Amendments Below:**

Strikethrough and remove the language on page 5 lines 1-15 as the USDA has the sole regulatory jurisdiction on the growth of hemp in Hawai'i including whether or not to establish any crop specific buffer zone.

~~[(4)] (2) Hemp shall not be grown within [500] ___ feet of any pre-existing house, dwelling unit, residential apartment, or other residential structure that is not owned or controlled by the license holder; provided that this restriction shall not apply to an individual or entity licensed to grow hemp in those areas under the [State] state industrial hemp pilot program [prior to] before August 27, 2020; and~~

Please no crop specific buffer zones, not aware of any other crop specific buffer zones. The state Restricted Use Pesticide (RUP) buffer zone is 100', and then only from schools, and only while they are in session and it addressed a clear health issue for any crop. The RUP buffer, unlike hemp growth, is not under exclusive federal jurisdiction, as the EPA allows for state pesticide laws. No inherent health danger is imposed by hemp. The state does not have a hemp program approved by the USDA. USDA AMS licensed hemp is therefore a legal crop and can be grown like other legal crops under the federal regulatory jurisdiction.

Suggest as a compromise reinstating the requirement that hemp shall not be grown outside of an agricultural district (page 4 lines 20 and 21) to address the issues of buffer zones for residents and childcare sites as they are not usually located in the agricultural zone.

Recommend mediation if there are any cases of a hemp farm in the agricultural zone neighbored by a residential zone or childcare facility or requiring prior written permission from neighbors in a residential zone or other land classifications outside of the agriculture zone where hemp is allowed.

This would bring state hemp law in line with federal law, the regulations we are already supposed to be following as hemp growth in Hawai'i is under USDA AMS regulatory jurisdiction for the cultivation of hemp as a raw agricultural commodity in the Ag zone.

Please for local farmers like my family as well as local consumers who can't obtain safe locally grown hemp, support HB 1359 to repeal the requirement for additional rules by the department of agriculture. Please finally allow this legal and harmless hemp plant to be grown by Hawai'i Farmers on the Ag lands that we own and grew up on to support the next generations.

The entire state is being blamed for one malahini farming in a way that is not common or unique to hemp, the complainants are coming from another very small group of malahini who would object to any of the same nuisances posed by any other commercial agriculture operation.

As highlighted by the testimony of Sharon, the amazing new head of HDOA, these farming complaints are already addressed by existing state and county laws.

The current buffer zones also violate my legal rights as a licensed hemp farmer to grow on the Ag land I own for interstate commerce. My USDA AMS hemp program contact said that where to grow on agriculture zoned land is regulated by the USDA and that there are no buffer zones. The vocal gentlemen estates that neighbor that one hemp farmer conduct businesses unrelated to farming like a massage business and rental housing with no real farming activity who claim to be farmers in testimony are the problem in the last few decades moving here where they move into prime ag lands and complain about activities common on ag land. They would complain about any commercial scale Ag activity...this issue of people buying Ag land for residential use and then complain about commercial Ag activities in Ag zoned land is supposed to be protected by the Hawai'i Right to Farm Act. I have visited the area on Piliwale where the dentists, engineer and retired figure skater/massage landlords pretending to grow a handful of trees on prime ag land is a neighborhood and never smelled, saw or heard anything as they described in testimony. Haven't met that hemp farmer; however, his children attend the preschool my sisters operate at my mother's old house up the road so they are also now a part of the community and as the hemp farmer is a real farmer, they are already far more respected by our fellow generational farmers who have made this land famous for generations of productive agriculture.

The current state buffer zones are so large the majority of farms in Hawai'i can't grow any hemp and the production of hemp is not intrinsically offensive in any way. The ones complaining are not from Hawai'i and instead of working it out they complained to the legislature with stories reminiscent of reffer madness it's hemp, it's legal. Those complaints might be legitimate if they live in a residentially zoned neighborhood; however, not acceptable in ag zone to be complaining about noise and supposed smells during the occasional parties they attend at a gentleman estate owned by a dentist. This type of encroachment of residential to agricultural zoned lands was meant to be

addressed by the Hawai'i Right to farm act. The offending farm is not impacted by these buffer zones; however, the buffer zones and these additional/illegal rules have destroyed the entire state's hemp industry for innocent farmers.

I am a local, disabled, diversified farmer growing on family lands, in Kula, purchased with help from a USDA direct farm mortgage and in Waimanalo as part of a partnership on state lease land. Farming full-time since graduation of UH Mānoa with BBA. I am passionate about growing food. The buffer zone, movement and other double regulations will hopefully be addressed by the new members of this legislature, the governor and are excellent new head of the HDOA. **These huge buffers are not on any other farming in the state not even the most dangerous pesticides or the smelliest pig/chicken CFAO so such blanket barriers to harmless hemp is unjust discrimination. Any supposed nuisance on ag activity already has a method to be addressed through the existing laws for any nuisance operation especially zoning regulations. The vast majority of the people in Omaopio, Kula and Hawai'i strongly support this sustainable, nutritious and harmless crop.**

The benefits of hemp as a superfood 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 solvent-less extracts, to seed breeding to nutritious and delicious microgreens...the market potential and environmental benefit list would go on for countless pages. Hawai'i farmers shouldn't be left behind any longer and consumers should be allowed to have the quality the free food of microgreens with more omegas than tuna fish from local farms not the over 99.9 percent imported hemp due to duplicative and illegal state laws.

Hemp has saved my life from seizures after a random birth defect required brain surgery after a stroke and led to me to learn how to walk and talk again. I hope my voice in support of hemp helps the plant and planet in return.

Appreciate your help.

Strong support for HB 1359 HD2 SD1 with the Amendment proposed to remove the duplicate hemp growth buffer zone language as it is already supposed to be under the jurisdiction of the USDA AMS regulatory program, not the state.

Mahalo
Robert Bence

Farmer
Hawai'i Sustainable Farms
Kula, HI 96790
And
Farm Board Member of
Keki O Ka 'Āina



www.hawaiihempfarmersassociation.org

April 3, 2023

RE: Support HB 1359 **with Amendments for Processing and Separate Categories for Food**

Aloha Chairs Dela Cruz and Rhoads and Members of the Senate Committees on Ways and Means and Judiciary,

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 support of HB 1359 and asks for the following to clarifications to HB 1359,

- 1.) Keep the existing 0.3% limit for THC for already allowed hemp products which includes tinctures, salves, and supplements so farmers are not upended with more rule changes with the addition of CBD food and gummy products;
- 2.) Create a separate category for gummy products and food and beverage with compound limits established by the Department of Health, and,
- 3.) Include allowing on-farm processing of hemp in enclosed agricultural building and structures per HRS 46-88. These types of buildings and structures are regularly used to store and process other crops with no restrictions. This would align HB 1359 with SB 637. See language on page 2.
- 4.) Per the attached copy of HB 1359, insert language that clarifies that USDA sampling is sufficient for establishing compound limits for production/farming, eliminating duplicative state sampling as allowed per current Board of Agriculture rules, but also ensuring the following: *"This does not preclude law enforcement from conducting sampling or inspections at their expense if they have reasonable evidence that a hemp farmer is transporting marijuana not hemp nor does this exempt hemp producers from pesticide or herbicide laws and rules."* Please note that the national hemp economist, Mr. Beau Whitney, who consults with the United Nations, numerous states, and countries on hemp policy has provided a letter to the Hawaii State Legislature previously stating that this is a false narrative – that hemp licenses and farming are used as a front for illicit marijuana operations. Mr. Whitney's letter is attached.

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 language:

Page 13, line 7, paragraph 4:

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



False Narrative and Its Negative Impact on Hemp

Beau Whitney, Chief Economist

April 13, 2022

RE: False Narrative Regarding Hemp Licenses and Marijuana

Dear Hawaii Hemp Farmers Association,

As we have discussed, across the country, hemp licenses are **not** being used as fronts for illicit marijuana grows. I have provided testimony as an expert in Oregon recently dispelling the narrative with data that it is hemp farmers that are growing marijuana illicitly. What we are seeing in Oregon is that the illicit marijuana grows are growing with no regard for any license and have nothing to do with the Oregon hemp industry. I was in Sacramento recently speaking with county policy makers and they too are seeing the same thing: illicit marijuana operators act in blatant and total disregard of law enforcement.

Hemp growers are not responsible for illicit supply. Illicit marijuana actors are.

Sincerely,
Beau R. Whitney
Whitney Economics
503-724-3084

A BILL FOR AN ACT

RELATING TO HEMP.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 PART I

2 SECTION 1. The legislature finds that hemp is a high-value
3 crop that has the potential to bring significant and diverse
4 revenues to Hawaii. Hemp has more than fifty thousand
5 recognized uses, including as a fuel; a food, including the
6 seeds, oil, the juice from leaves, and herbal tinctures; and
7 fiber used in supercapacitors, cloth, building materials, and
8 bioplastic. Hemp has significant potential to provide a
9 lucrative crop for Hawaii farmers and can support food security
10 for the State. Many Hawaii farms subsidize food production with
11 non-farming income or jobs. Hemp could provide a farm-based
12 income for farmers to expand or stabilize their food production.

13 However, Hawaii's hemp industry remains in a nascent stage,
14 largely due to overregulation, which has stifled the State's
15 hemp industry. The Hawaii hemp cannabinoid and cannabidiol
16 market is approximated to be \$32,000,000 to \$54,000,000
17 annually, but most of that money goes to hemp producers outside



1 Hawaii due to prohibitions banning farmers from making and
2 selling these products in Hawaii. Moreover, overregulation of
3 production and processing has driven many hemp farmers out of
4 business in Hawaii, which makes Hawaii farmers non-competitive
5 in the hemp market.

6 The legislature further finds that transparency in hemp
7 product labeling is also needed. Given the number of "Buy
8 Local", "Buy Aloha", and "Eat Local" campaigns that have been
9 launched, Hawaii residents, when given the opportunity and
10 transparent data, will often choose Hawaii-grown products.

11 The legislature also finds that the Agriculture Improvement
12 Act of 2018, informally known as the 2018 "Farm Bill", legalized
13 hemp by removing hemp from the definition of "marihuana"
14 contained in the federal Controlled Substances Act. Therefore,
15 hemp is no longer classified as an illegal drug under federal
16 law. In October 2019, the United States Department of
17 Agriculture established new regulations through which states may
18 monitor and regulate hemp production. In light of these federal
19 reforms, state laws regarding hemp should also be reformed.

20 Accordingly, the purpose of this Act is to:



- 1 (1) Repeal redundant regulations on hemp production, which
2 would reduce costs for the State and Hawaii farmers;
- 3 (2) Amend hemp law in a manner that recognizes the unique
4 constraints of Hawaii farmers, while protecting human
5 health;
- 6 (3) Allow licensed hemp producers to sell hemp biomass;
- 7 (4) Require transparency in labeling of hemp products to
8 identify the percentage of Hawaii-grown hemp or hemp
9 product in all hemp products;
- 10 (5) Require and appropriate funds for the department of
11 health to hire or consult a toxicologist or consultant
12 familiar with hemp industry standards for the purpose
13 of setting defined action limits or exposure levels
14 for different types of hemp products;
- 15 (6) Establish a Hawaii hemp task force to be jointly
16 convened by the department of agriculture and the
17 department of health to gather data and information to
18 better understand hemp industry needs;
- 19 (7) Require and appropriate funds for the department of
20 agriculture to hire a hemp consultant to work with the
21 Hawaii hemp task force and recommend infrastructure



1 improvements on each island, considering the unique
2 needs and geographic spread of licensed hemp farmers;
3 and

4 (8) Extend the State's hemp processor law through July 1,
5 2027.

6 PART II

7 SECTION 2. Section 141-42, Hawaii Revised Statutes, is
8 amended to read as follows:

9 "[+]§141-42[+] Commercial hemp production. (a) It shall
10 be legal for an individual or entity to produce hemp, as defined
11 in title 7 United States Code section 1639o, if that individual
12 or entity has a license to produce hemp, issued by the Secretary
13 of the United States Department of Agriculture pursuant to title
14 7 United States Code section 1639q; provided that:

15 ~~[(1) Any person convicted of a felony related to a~~
16 ~~controlled substance under state or federal law is~~
17 ~~prohibited from producing hemp, or being a key~~
18 ~~participant in an entity producing hemp, for a period~~
19 ~~of ten years following the date of conviction;~~

20 (2) Hemp shall not be grown outside of a state
21 agricultural district;



1 ~~(3)~~ (1) Hemp shall not be grown within ~~[500]~~ five hundred
2 feet of pre-existing real property comprising a
3 playground, childcare facility, or school; provided
4 that this restriction shall not apply to an individual
5 or entity licensed to grow hemp in those areas under
6 the ~~[State]~~ state industrial hemp pilot program ~~[prior~~
7 ~~te]~~ before August 27, 2020;

8 ~~(4)~~ (2) Hemp shall not be grown within ~~[500]~~ 300 feet of
9 any pre-existing house, dwelling unit, residential
10 apartment, or other residential structure that is not
11 owned or controlled by the license holder; provided
12 that this restriction shall not apply to an individual
13 or entity licensed to grow hemp in those areas under
14 the ~~[State]~~ state industrial hemp pilot program ~~[prior~~
15 ~~te]~~ before August 27, 2020; and

16 ~~(5)~~ (3) Hemp shall not be grown in any house, dwelling
17 unit, residential apartment, or other residential
18 structure~~[-]~~, unless that structure is part of a
19 United States Department of Agriculture area.

20 (b) An individual or entity licensed to produce hemp
21 pursuant to ~~[paragraph]~~ subsection (a) may transport hemp within



1 the State to a facility authorized by law to process hemp or to
2 another licensed producer's grow area[~~7~~]; provided that[+

3 ~~(1) The hemp to be transported has passed all compliance~~
4 ~~testing required by the United States Department of~~
5 ~~Agriculture; and~~ Comment: Ok to leave this in

6 (2) The] the transportation has been [authorized by]
7 reported to the department[~~7~~ of agriculture. The
8 department of agriculture may require movement reports
9 [~~, inspections, sampling, and testing of]~~ that include
10 copies of the United States Department of Agriculture
11 test results for the hemp to be transported and may
12 deny authorization if the hemp is found to not comply
13 with any law or regulation.

14 [~~(c) An individual or entity licensed to produce hemp~~
15 ~~pursuant to paragraph (a) may export hemp, provided that:~~

16 ~~(1) The hemp to be exported has passed all compliance~~
17 ~~testing required by the United States Department of~~
18 ~~Agriculture; and~~

19 ~~(2) The licensed producer complies with all laws relating~~
20 ~~to the exportation of hemp, including state and~~



1 ~~federal laws and the laws of the state or country of~~
2 ~~import.~~

3 ~~(d)~~ (c) Any individual or entity who [~~violates this~~
4 ~~section or any rule adopted pursuant to this section~~] grows hemp
5 without a United States Department of Agriculture license shall
6 be fined not more than \$10,000 for each separate offense. Any
7 notice of violation of this section may be accompanied by a
8 cease and desist order, the violation of which constitutes a
9 further violation of this section. Any action taken to collect
10 the penalty provided for in this subsection shall be considered
11 a civil action. This does not preclude law enforcement from collecting sampling if they have reasonable
evidence that a hemp farmer is transporting marijuana not hemp nor does this exempt hemp
producers from pesticide or herbicide laws and rules.

12 ~~(e)~~ (d) For any judicial proceeding to recover an
13 administrative penalty imposed by order or to enforce a cease
14 and desist order against [a] an unlicensed hemp producer, the
15 department may petition any court of appropriate jurisdiction
16 and need only show that:

- 17 (1) Notice was given;
- 18 (2) A hearing was held or the time granted for requesting
19 a hearing has expired without such a request;
- 20 (3) The administrative penalty was imposed on the
21 individual or entity producing hemp; and



1 (4) The penalty remains unpaid or the individual or entity
2 continues to produce hemp.

3 (e) An individual or entity licensed by the United States
4 Department of Agriculture to produce hemp in Hawaii may sell
5 hemp biomass.

6 (f) In addition to all other labeling requirements, the
7 identity statement used for labeling or advertising hemp
8 products shall identify the percentage of Hawaii grown hemp in
9 hemp products; provided that any hemp product containing hemp
10 not grown or processed in Hawaii shall identify the origin and
11 percentage of the hemp from outside Hawaii in the hemp product;
12 provided further that if the hemp product contains hemp from
13 multiple origins, the hemp product shall identify the percentage
14 of hemp origin as "United States" or "Foreign" if the hemp
15 product includes hemp from a source outside of the United
16 States.

17 (g) A hemp producer licensed by the United States
18 Department of Agriculture to grow hemp shall follow all
19 inspection and sampling rules and protocols established by the
20 United States Department of Agriculture. The State shall not
21 require other inspections or sampling. The State shall not
of hemp post-harvest. This does not preclude law enforcement from sampling conducting samples if they have
reasonable evidence that a hemp farmer is transporting marijuana not hemp nor does this exempt hemp producers
from pesticide or herbicide laws and rules.



1 issue notices of violations or impose penalties upon any hemp
2 producer licensed by the United States Department of
3 Agriculture; provided that the licensee is compliant with all of
4 the requirements imposed by the United States Department of
5 Agriculture. The State shall impose no penalty with respect to
6 the production of hemp, except penalties for growing hemp
7 without a license issued by the United States Department of
8 Agriculture. This does not preclude law enforcement from sampling conducting samples if they have
9 (h) As used in this section, "hemp biomass" means the
10 stalks and leaves of hemp plants."

11 SECTION 3. Section 141-43, Hawaii Revised Statutes, is
12 amended by amending subsection (a) to read as follows:

13 "(a) The department of agriculture shall adopt rules
14 pursuant to chapter 91 to effectuate the purpose of this part,
15 including any rules necessary to address any nuisance issues,
16 including smell, noise, and excessive lighting arising out of
17 the activities of hemp growers licensed under the State's
18 industrial hemp pilot program who grow hemp within areas
19 prohibited under section [~~141-42(a)(3) and (4).~~] 141-42(a)(1)
20 and (2)."



1.) Keep current ruels for current allowed products. 2.) 0% THC for any food or beverage
3.)DOH suggestion for THC limits for gummies of 1-2 mg THC for a single gummy and no
more than 40 mg THC per package and always less than 0.3% THC in any serving and no
more than 03% THC total in the package.

1 SECTION 4. Section 328G-1, Hawaii Revised Statutes, is
2 amended as follows:

3 1. By adding two new definitions to be appropriately
4 inserted and to read:

5 "Finished hemp product" means a finished product,
6 including a product to supplement the human or pet diet, or a
7 cosmetic, food, food additive, beverage, or herb product, that:

8 (1) Is fit for use or consumption by a consumer or the pet
9 of a consumer;

10 (2) Contains naturally-occurring cannabinoids, compounds,
11 concentrates, extracts, isolates, resins or
12 derivatives from processed hemp;

13 (3) Does not contain any living hemp plants or viable
14 seeds;

15 (4) Has a delta-9-tetrahydrocannabinol concentration of no
16 more than 0.3 per cent, as measured by
17 post-decarboxylation, or by another similarly reliable
18 methods;

19 (5) Does not include tetrahydrocannabinol isolate as an
20 added ingredient; and

21 (6) Is not intended as feed for livestock.



1 "Intermediate hemp product" means an extract that:

2 (1) Is extracted from hemp;

3 (2) Has not yet undergone the complete manufacturing
4 process; and

5 (3) Is not yet fit for use or consumption by consumers or
6 the pets of consumers."

7 2. By amending the definition of "hemp processor" to read:

8 "Hemp processor" means a person [processing hemp to
9 manufacture a hemp product.] or business that receives wet or
10 dry raw hemp material and extracts hemp extracts."

11 3. By amending the definition of "hemp product" to read:

12 "Hemp product" means [a product that:

13 (1) Contains naturally occurring cannabinoids, compounds,
14 concentrates, extracts, isolates, resins or
15 derivatives from processed hemp;

16 (2) Does not include any living hemp plants, viable seeds,
17 leaf materials, or floral materials;

18 (3) Has a delta-9 tetrahydrocannabinol concentration of
19 not more than 0.3 per cent, as measured post-
20 decarboxylation, or other similarly reliable methods;



1 ~~(4) Is intended to be consumed orally to supplement the~~
2 ~~human or animal diet; and~~

3 ~~(5) Is in the form of a tablet, capsule, powder, softgel,~~
4 ~~geleap, or liquid form (e.g. hemp oil) to be used by~~
5 ~~the consumer to infuse edible items at home for~~
6 ~~personal use or for topical application to the skin or~~
7 ~~hair.~~

8 ~~For purposes of this chapter, a hemp product shall be considered~~
9 ~~as intended for oral ingestion in liquid form only if it is~~
10 ~~formulated in a fluid carrier and it is intended for ingestion~~
11 ~~in daily quantities measured in drops or similar small units of~~
12 ~~measure per labeled directions for use.] an intermediate hemp~~
13 ~~product or a finished hemp product."~~

14 4. By amending the definition of "manufacture" to read:

15 "Manufacture" means to compound, blend, [~~extract,~~] infuse,
16 or otherwise make or prepare a finished hemp product [~~, but~~].

17 "Manufacture" does not include [~~planting,~~]:

18 (1) Planting, growing, harvesting, or drying [~~, curing,~~
19 ~~grading, or trimming]~~ a hemp plant or part of a hemp
20 plant [~~-~~]; or

21 (2) Extracting hemp extract from wet or dry biomass."



1 5. By amending the definition of "processing" to read:
2 "Processing" means making a transformative change to the
3 hemp plant following harvest by converting an agricultural
4 commodity into [a] an intermediate hemp product[-] through
5 extraction."

6 SECTION 5. Section 328G-2, Hawaii Revised Statutes, is
7 amended to read as follows:

8 "**§328G-2 Hemp processor registry; application; removal**
9 **from registry.** (a) [~~No person shall process hemp without first~~
10 ~~obtaining a license to produce hemp, issued by the Secretary of~~
11 ~~the United States Department of Agriculture pursuant to title 7~~
12 ~~United States Code section 1639g.~~

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

16 ~~[-(e)]~~ (b) A person who intends to process hemp shall apply
17 to the department for registration on an application form
18 created by the department.

19 ~~[-(d)]~~ (c) The applicant shall provide, at a minimum[~~,-the~~
20 ~~following information~~]:



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

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

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

7 (4) Documentation that the indoor facility and planned
8 hemp processing operation complies with all zoning

9 ordinances, building codes, and fire codes; ^{Inse} and Insert text of
10 SB6SB67 HERE

~~10 [(5) Documentation showing that the applicant has obtained
11 a license to produce hemp, issued by the Secretary of
12 the United States Department of Agriculture pursuant
13 to title 7 United States Code section 1639g, and~~

14 ~~[(6)]~~ (5) Any other information required by the department.

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

20 ~~[(f)]~~ (e) Any incomplete application shall be denied.

; or documentation that the processing does not include heat or volatile compounds or gases under pressure,
such as cold water extraction; and is in an enclosed indoor facility that is exempt from building permit and
building code requirements pursuant to section 46—88; or is in an enclosed indoor facility in a food hub or
agricultural park;



1 ~~[(g)]~~ (f) Upon the department's receipt of a complete and
2 accurate application and remittal of the application fee, the
3 applicant shall be registered and shall be issued a certificate
4 of registration to process hemp.

5 ~~[(h)]~~ (g) The certificate of registration shall be renewed
6 annually by payment of the annual renewal fee to be determined
7 by the department.

8 ~~[(i)]~~ (h) Hemp processors shall allow any member of the
9 department, or any agent or third party authorized by the
10 department, to enter at reasonable times upon any private
11 property in order to inspect, sample, and test the hemp
12 processing area, hemp products, equipment, facilities incident
13 to the processing or storage of hemp, and review all pertinent
14 records.

15 ~~[(j)]~~ (i) The department may remove any person from the
16 registry for failure to comply with any law or regulation under
17 this chapter. It is the responsibility of the hemp processor to
18 make sure it is registered and legally allowed to process hemp
19 and in compliance with any and all laws and regulations. The
20 removal of a hemp processor from the registry shall be in
21 accordance with the procedures set forth in section 328G-6."



1 SECTION 6. Section 328G-3, Hawaii Revised Statutes, is
2 amended to read as follows:

3 " [f] §328G-3 [f] Hemp processing; hemp product sale and
4 prohibitions; labeling. (a) No hemp shall be processed into
5 hemp products, nor shall any hemp processor hold for processing
6 or sale any hemp, unless lawfully obtained from a person
7 approved or otherwise authorized by applicable federal, state or
8 local law to cultivate hemp plants.

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

17 (c) Hemp shall not be processed within [500] five hundred
18 feet of a pre-existing playground, school, state park, state
19 recreation area, residential neighborhood, hospital, or daycare
20 facility.



1 (d) Hemp shall not be processed using butane in an open
2 system where fumes are not contained or by use of any other
3 method of processing the department determines poses a risk to
4 health and safety.

5 ~~[(e) No person shall sell, hold, offer, or distribute for~~
6 ~~sale any food, as that term is defined in section 328-1, into~~
7 ~~which a cannabinoid, synthetic cannabinoid, hemp extract, hemp~~
8 ~~derivatives or other hemp product that has been added as an~~
9 ~~ingredient or component. This section shall not apply to hemp~~
10 ~~that is generally recognized as safe (GRAS) by FDA for use in~~
11 ~~foods, as intended, in a public GRAS notification.~~

12 ~~(f)]~~ (e) No person shall sell, hold, offer, or distribute
13 for sale any hemp product into which a synthetic cannabinoid has
14 been added.

15 ~~[(g) No person shall sell, hold, offer, or distribute for~~
16 ~~sale any cannabinoid products used to aerosolize for respiratory~~
17 ~~routes of delivery, such as an inhaler, nebulizer or other~~
18 ~~device designed for such purpose.~~

19 ~~(h) No person shall sell, hold, offer, or distribute for~~
20 ~~sale, any hemp leaf or hemp floral material that is intended to~~



1 ~~be smoked or inhaled, including but not limited to hemp cigars~~
2 ~~or hemp cigarettes.~~

3 ~~(i)]~~ (f) Except for hemp products intended for external
4 topical application to the skin or hair, no person shall sell,
5 hold, offer, or distribute for sale any products containing hemp
6 or hemp derivatives that are intended to be introduced via
7 non-oral routes of entry to the body, including but not limited
8 to, use in eyes, ears, and nasal cavities.

9 ~~(+j)]~~ (g) No person shall sell, hold, offer or distribute
10 for sale, hemp products without a label, in a form prescribed by
11 the department, affixed to the packaging that identifies the
12 hemp product as having been tested pursuant to department rules
13 and clearly identifies the percentage of Hawaii-grown hemp in
14 hemp products in a font size large enough for consumers to
15 easily read on the label on the physical product; provided that
16 any hemp product not grown in Hawaii shall identify the origin
17 and percentage of the hemp from outside Hawaii in the hemp
18 product; provided further that if the hemp product contains hemp
19 from multiple origins, the hemp product shall identify the
20 percentage of hemp origin as "United States" or "Foreign" if the



1 hemp product includes hemp from a source outside of the United
2 States.

3 (h) No person shall sell, hold for sale, offer, or
4 distribute to persons younger than the age of twenty-one any
5 cannabinoid product used to aerosolize for respiratory routes of
6 delivery, including any inhaler, nebulizer, or other device
7 designed for that purpose. An inhalable product shall not
8 contain:

9 (1) Any flavoring, other than natural terpenes;

10 (2) Polyethylene glycol (PEG);

11 (3) Vitamin E acetate;

12 (4) Medium chain triglycerides (MCT) oil;

13 (5) Squalane; or

14 (6) Any other substance that the department finds to be a
15 danger to public health.

16 (i) No person shall sell, hold, offer or distribute for
17 sale any hemp product having a label that is attractive to
18 underaged persons."

19 SECTION 7. Section 328G-5, Hawaii Revised Statutes, is
20 amended to read as follows:



1 " [f] §328G-5 [f] Laboratory standards and testing;
2 certification. (a) The department shall establish and enforce
3 standards for laboratory-based testing of the hemp products for
4 content, contamination, and consistency.

5 (b) The department may certify laboratories and recognize
6 certifications from other jurisdictions of laboratories that are
7 qualified to test hemp products for quality control prior to
8 sale.

9 (c) No less than once every three years, the department
10 shall hire or consult a toxicologist or consultant familiar with
11 hemp industry standards for the purpose of setting defined
12 action limits or exposure levels for different types of hemp
13 products."

14 SECTION 8. There is appropriated out of the general
15 revenues of the State of Hawaii the sum of \$ or so
16 much thereof as may be necessary for fiscal year 2023-2024 for
17 the hiring of a toxicologist or consultant familiar with hemp
18 industry standards for the purposes of 328G-5(c), Hawaii Revised
19 Statutes, as amended by section 7 of this Act.

20 The sum appropriated shall be expended by the department of
21 health for the purposes of this part.



1 PART III

2 SECTION 9. (a) The department of agriculture and
3 department of health shall jointly convene a Hawaii hemp task
4 force to gather data and information to understand industry
5 needs and inform strategies and actions that support agriculture
6 and a robust hemp industry in the State.

7 (b) The task force shall:

8 (1) Work with a third-party consultant to identify the
9 infrastructure needs of Hawaii hemp farmers and the
10 hemp industry, considering the unique needs and
11 geographic spread of Hawaii's licensed hemp farmers
12 and the various hemp sector needs; and

13 (2) Develop an outline of farmer and industry needs and
14 the strategies and actions that can help inform public
15 policy concerning the development of a hemp industry
16 in the State that also supports rural agricultural
17 development in the State.

18 (c) The task force may request data and information from
19 additional sources, including but not limited to hemp
20 economists, regulators in other states, retailers, farmers, and
21 hemp industry groups outside of Hawaii.



1 (d) The task force shall consist of hemp producers from
2 each island proportionate to the total number of United States
3 Department of Agriculture hemp licenses issued in the State and
4 a representative from each of the fuel, building, general fiber,
5 cannabinoid, and grain food sectors.

6 (e) The department of agriculture shall hire a third-party
7 consultant to identify the infrastructure needs of Hawaii hemp
8 farmers and the hemp industry, considering the unique needs and
9 geographic spread of Hawaii's licensed hemp farmers and the
10 various hemp sector needs. The consultant shall submit a report
11 to the task force on or before July 1, 2024. The report shall
12 include a concise outline of recommended infrastructure by
13 island and schematics showing the various processing steps and
14 infrastructure needed from harvest to product for various
15 sectors with approximate costs per infrastructure component,
16 sizing and capacity options, including mobile versus fixed and
17 volume/mass per day, and approximate square footage required per
18 component.

19 (f) The task force shall report its findings and
20 recommendations, including any proposed legislation, to the



1 legislature no later than twenty days prior to the convening of
2 the regular session of 2025.

3 (g) The members of the task force shall serve without
4 compensation but shall be reimbursed for expenses, including
5 travel expenses, necessary for the performance of their duties.

6 (h) No member of the task force shall be subject to
7 chapter 84, Hawaii Revised Statutes, solely because of the
8 member's participation in the task force.

9 (i) The task force shall be dissolved on August 30, 2024.

10 SECTION 10. There is appropriated out of the general
11 revenues of the State of Hawaii the sum of \$50,000 or so much
12 thereof as may be necessary for fiscal year 2023-2024 for the
13 hiring of a third-party consultant to identify the
14 infrastructure needs of Hawaii hemp farmers and the hemp
15 industry on each island.

16 The sum appropriated shall be expended by the department of
17 agriculture for the purposes of this Act.

18 PART IV

19 SECTION 11. Act 14, Session Laws of Hawaii 2020, as
20 amended by Act 137, Session Laws of Hawaii 2022, is amended by
21 amending section 9 to read as follows:



1 "SECTION 13. This Act shall take effect upon its approval,
2 and shall be repealed on July 1, [~~2025~~] 2027; provided that the
3 definition of "marijuana" in section 329-1, Hawaii Revised
4 Statutes, and the definitions of "marijuana" and "marijuana
5 concentrate" in section 712-1240, Hawaii Revised Statutes, shall
6 be reenacted in the form in which they read on the day prior to
7 the effective date of this Act."

8 SECTION 12. This Act does not affect rights and duties
9 that matured, penalties that were incurred, and proceedings that
10 were begun before its effective date.

11 SECTION 13. Statutory material to be repealed is bracketed
12 and stricken. New statutory material is underscored.

13 SECTION 14. This Act shall take effect on June 30, 3000,
14 and shall be repealed on July 1, 2027.



Report Title:

Hemp Producers; Cannabis; Licensing; Labeling; Appropriation

Description:

Repeals redundant regulations on hemp production, which will reduce costs for the State and Hawaii farmers. Amends the hemp law in a manner that recognizes the unique constraints of Hawaii farmers, while protecting human health. Allows licensed hemp producers to sell hemp biomass. Requires transparency in labeling of hemp products to identify the percentage of Hawaii-grown hemp or hemp product in all hemp products. Establishes the Hawaii Hemp Task Force. Requires and appropriates funds for the Department of Agriculture to hire hemp consultant to recommend infrastructure improvements on each island. Requires and appropriates moneys for the Department of Health to hire or consult a toxicologist or consultant familiar with hemp industry standards for the purpose of setting defined action limits or exposure levels for different types of hemp products. Extends the State's hemp processor law through 7/1/2027. Repeals on 7/1/2027. Effective 6/30/3000. (SD1)

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.





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Ray Maki
Kauai

Aloha Chair Dela Cruz, Vice Chair Keith-Agaran, and Members of the Senate Ways and Means 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 and seeks to amend HB1359.**

HFUU has adopted hemp policies that support origin labeling for hemp, as well as on-farm processing and hemp processing in food hubs or agricultural parks. Towards those ends HFUU seeks the following amendments:

- 1) Keep the existing 0.3% limit for THC for existing hemp products which includes tinctures, salves, and supplements so farmers are not upended with more rule changes;
- 2) Create a separate category for gummy products and food and beverage with compound limits established by the Department of Health, and,
- 3) Include allowing on-farm processing of hemp in enclosed agricultural building and structures per HRS 46-88. These types of buildings and structures are regularly used to store and process other crops with no restrictions. This would align HB 1359 with SB 637.

This bill will allow hemp producers to streamline their production process, reduce costs, and adhere to industry-specific constraints that are pertinent to Hawaii's unique agricultural environment. Furthermore, it will ensure the availability of transparency in labeling, clarifying the percentage of hemp grown in Hawaii. In addition, appropriating money for the Department of Health to hire or consult with a toxicologist or consultant is a great step forward and will allow farmers to confidently participate in hemp growth. We urge you to vote in favor of this bill, as it will help Hawaii farmers remain sustainable and thrive in both the hemp and agricultural markets.

Mahalo for the opportunity to testify.

Kaipo Kekona, President HFUU/HFUF

HB-1359-SD-1

Submitted on: 4/3/2023 9:30:32 AM

Testimony for WAM on 4/4/2023 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Christian Zuckerman	Testifying for Kuwale Ridge Farms	Support	Written Testimony Only

Comments:

Aloha,

My name is Christian Zuckerman and I am in strong support of HB1359. I am a farmer in Waianae and also a member of the Hawaii Farmers Union United (HFUU).

Please include these amendemnets to the bill to support Hawaii Hemp Farmers:

- 1.) Keep the existing 0.3% limit for THC for existing hemp products which includes tinctures, salves, and supplements so farmers are not upended with more rule changes;
- 2.) Create a separate category for gummy products and food and beverage with compound limits established by the Department of Health, and,
- 3.) Include allowing on-farm processing of hemp in enclosed agricultural building and structures per HRS 46-88. These types of buildings and structures are regularly used to store and process other crops with no restrictions. This would align HB 1359 with SB 637.

Aloha

Christian Zuckerman

HB-1359-SD-1

Submitted on: 4/3/2023 9:35:05 AM

Testimony for WAM on 4/4/2023 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Maile	Testifying for Kauai Hemp Co.	Support	Written Testimony Only

Comments:

Testimony from Maile Walters

Dear Committee chairs and members,

Thank you so much for allowing me to testify in support of this bill.

My name is Maile Walters and I am Compliance Director at Kauai Hemp Co. I've been in this position for 2 years and have worked diligently to support our company in creating a thriving hemp industry for our islands.

I support this bill but request the following changes be made:

- 1. Addressing the Department of Health's concerns related to hemp food products, please separate and define the difference between a finished hemp product and a finished hemp food product. Keep finished hemp products at the USDA THC threshold of 0.3% which is the current allowable limit under Hawaii law. The Department of Health cited that The National Institute on Drug Abuse established a "standard dose" of THC as 5 milligrams. To address the Department of Health's above concerns, all serving sizes of hemp food products will have less than one "standard dose" of THC. Please include language that reads:**

"finished hemp food products shall allow 0.3% and shall be packaged so that one dose, serving, or single wrapped item contains less than five milligrams of tetrahydrocannabinol;

provided that no manufactured finished hemp food product that is sold in a pack of multiple doses, servings, or single wrapped items, shall contain more than a total of one hundred milligrams of tetrahydrocannabinol per pack or container.”

- 1. Prohibit finished hemp food products being advertised or sold to any one under the age of 21.**
- 2. Amend wording to align with SB 637 that would allow hemp farmers to process in an enclosed indoor facility that is a permit-exempt agriculture structure pursuant to section 46-88 or is an enclosed building in a food hub or agricultural park.**
- 3. Defining and protecting Hawaii CBD products allows consumers to “buy local” and supports our island industry.**

This bill with the above changes will allow Hawaii’s hemp industry to stay alive and will be its best chance to grow and flourish.

Please support HB1359!

Thank you so much for the opportunity to testify.

Bill #HB 1359 Relating to Hemp

Testimony from Isabella Sherman

Dear Committee chairs and members,

Thank you so much for allowing me to testify in support of this bill.

My name is Isabella Sherman and I am the Vice President at Kauai Hemp Co. I've been in this position for just three years and have worked diligently to support our company in complying with all state and federal rules and regulations pertaining to hemp.

I support this bill but request the following changes be made:

1. Addressing the Department of Health's concerns related to hemp food products, please separate and define the difference between a finished hemp product and a finished hemp food product. Keep finished hemp products at the USDA THC threshold of 0.3% which is the current allowable limit under Hawaii law. The Department of Health cited that The National Institute on Drug Abuse established a "standard dose" of THC as 5 milligrams. To address the Department of Health's above concerns, all serving sizes of hemp food products will have less than one "standard dose" of THC. Please include language that reads:

"finished hemp food products shall allow 0.3% and shall be packaged so that one dose, serving, or single wrapped item contains less than five milligrams of tetrahydrocannabinol; provided that no manufactured finished hemp food product that is sold in a pack of multiple doses, servings, or single wrapped items, shall contain more than a total of one hundred milligrams of tetrahydrocannabinol per pack or container."

2. Prohibit finished hemp food products being advertised or sold to any one under the age of 21.
3. Amend wording to align with SB 637 that would allow hemp farmers to process in an enclosed indoor facility that is a permit-exempt agriculture structure pursuant to section 46-88 or is an enclosed building in a food hub or agricultural park.
4. Defining and protecting Hawaii CBD products allows consumers to "buy local" and supports our island industry.

This bill with the above changes will allow Hawaii's hemp industry to stay alive and will be its best chance to grow and flourish.

Please support HB1359!

Thank you so much for the opportunity to testify.

Written Testimony

Here are some tips on preparing written testimony:

- Include the essentials: the bill number, the bill's title, your name
- Address the committee chair and members
- Clearly state whether you support or oppose the bill
- Introduce yourself and the group or organization (if any) you represent
- Summarize the reason for your position
 - Provide factual accounts of the impact the legislation will have
 - Tell a personal story
- Restate your position and provide a recommendation for action
- Thank the committee for the opportunity to testify
- Keep it short

HB-1359-SD-1

Submitted on: 4/3/2023 9:52:14 AM

Testimony for WAM on 4/4/2023 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Tamara Swift	Individual	Support	Written Testimony Only

Comments:

- 1.) Keep the existing 0.3% limit for THC for existing hemp products which includes tinctures, salves, and supplements so farmers are not upended with more rule changes;
- 2.) Create a separate category for gummy products and food and beverage with compound limits established by the Department of Health, and,
- 3.) Include allowing on-farm processing of hemp in enclosed agricultural building and structures per HRS 46-88. These types of buildings and structures are regularly used to store and process other crops with no restrictions. This would align HB 1359 with SB 637.

HB-1359-SD-1

Submitted on: 4/3/2023 9:52:29 AM

Testimony for WAM on 4/4/2023 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Robert ZUckerman	Individual	Support	Written Testimony Only

Comments:

Please include these ammendments:

- 1.) Keep the existing 0.3% limit for THC for existing hemp products which includes tinctures, salves, and supplements so farmers are not upended with more rule changes;
- 2.) Create a separate category for gummy products and food and beverage with compound limits established by the Department of Health, and,
- 3.) Include allowing on-farm processing of hemp in enclosed agricultural building and structures per HRS 46-88. These types of buildings and structures are regularly used to store and process other crops with no restrictions. This would align HB 1359 with SB 637.

HB-1359-SD-1

Submitted on: 4/3/2023 9:57:02 AM

Testimony for WAM on 4/4/2023 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Emily Emmons	Testifying for Ho`ola Veteran Services d.b.a. Ho`ola Farms / Hilo Food Hub	Support	Written Testimony Only

Comments:

We are in strong support of HB1359

LATE

HB-1359-SD-1

Submitted on: 4/3/2023 10:34:18 AM

Testimony for WAM on 4/4/2023 10:00:00 AM

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

Comments:

Strong support!

LATE

HB-1359-SD-1

Submitted on: 4/3/2023 10:38:29 AM

Testimony for WAM on 4/4/2023 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
cheryl hendrickson	Individual	Support	Written Testimony Only

Comments:

We need to protect and support Hawaii grown hemp in all it's uses. Establishing a task force by appropriating funds for the Dept of Ag to hire an educated hemp consultant to recommend infrastructure improvements on all islands. To hire or consult a hemp industry toxicologist for the purpose of setting defined exposure levels for different types of hemp to protect human health. To establish industry standards that protect Hawaii hemp farmers by requiring labeling of source. This lucrative industry could be a real boom for Hawaii's economy and help steer us away from reliance on tourism,

LATE

HB-1359-SD-1

Submitted on: 4/3/2023 10:47:33 AM

Testimony for WAM on 4/4/2023 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Marilyn Mick	Individual	Support	Written Testimony Only

Comments:

Aloha,

HB 1359 recognizes the unique constraints of Hawaii farmers, while protecting human health, allowing licensed hemp producers to sell hemp biomass; Requiring transparency in labeling of hemp products to identify the percentage of Hawaii-grown hemp or hemp product in all hemp products. Establishing the Hawaii Hemp Task Force; Requiring and appropriating funds for the Department of Agriculture to hire hemp consultant to recommend infrastructure improvements on each island; Requiring and appropriates moneys for the Department of Health to hire or consult a toxicologist or consultant familiar with hemp industry standards for the purpose of setting defined action limits or exposure levels for different types of hemp products.

Please support this Bill.

Mahalo, Marilyn Mick, Honolulu