

JAN 19 2024

A BILL FOR AN ACT

RELATING TO THE ESTABLISHMENT OF A HEMP TASK FORCE.

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

1 SECTION 1. The legislature finds it necessary that a task
2 force be established to identify development strategies and
3 actions that will best support Hawaii's emergent hemp industry.
4 This task force will assist the agricultural sector by providing
5 data to the State to increase revenue streams; further diversify
6 the State's agricultural portfolio; and allow the identification
7 of key sectors for regulated growth. This task force will
8 provide for the sharing and exchanging of pertinent information
9 amongst principal industry and government actors, which will aim
10 to optimize hemp policy and programming to support Hawaii
11 agriculture, hemp consumers, and the public generally. This
12 task force shall include hemp industry stakeholders and
13 representatives from the department of agriculture and
14 department of health.

15 The legislature also finds that, although hemp is a high-
16 value crop that has the potential to bring significant and
17 diverse revenues to Hawaii, the industry has been significantly



1 stymied in Hawaii due to several factors, including limitations
2 to Hawaii farmer's access to markets and overregulation of
3 farming, production, and processing, which has often driven
4 Hawaii hemp farmers out of business, made farmers non-
5 competitive, and has also created challenges for hemp building
6 and housing and biofuel projects. Moreover, Hawaii is the only
7 state in the union where hemp production and farming is heavily
8 regulated at both the state and federal levels.

9 The legislature further finds that the department of
10 agriculture and department of health have worked to be
11 responsive to changing federal and state hemp regulations and
12 that a forum that provides an opportunity for regular interface
13 with a cross-section of the Hawaii hemp industry and experts can
14 help identify data that will make department of agriculture and
15 department of health administrative rule implementation easier,
16 potentially saving agency time and resources.

17 Accordingly, the purpose of this Act is to require the
18 department of agriculture and department of health to jointly
19 convene a Hawaii hemp task force to inform public policy and
20 identify methods and actions to best support agriculture and



1 build a hemp industry to support rural economic development in
2 the State.

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

5 "**§141-42 Commercial hemp production.** (a) It shall be
6 legal for an individual or entity to produce hemp, as defined in
7 title 7 United States Code section 1639o, if that individual or
8 entity has a license to produce hemp, issued by the Secretary of
9 the United States Department of Agriculture pursuant to title 7
10 United States Code section 1639q; provided that:

11 (1) Hemp shall not be grown within three hundred feet of
12 pre-existing real property comprising a playground,
13 childcare facility, or school; provided that this
14 restriction shall not apply to an individual or entity
15 licensed to grow hemp in those areas under the state
16 industrial hemp pilot program before August 27, 2020;

17 (2) Hemp shall not be grown within one hundred feet of any
18 pre-existing house, dwelling unit, residential
19 apartment, or other residential structure that is not
20 owned or controlled by the license holder; provided
21 that this restriction shall not apply to an individual



1 or entity licensed to grow hemp in those areas under
2 the state industrial hemp pilot program before August
3 27, 2020; and

4 (3) Hemp shall not be grown in any house, dwelling unit,
5 residential apartment, or other residential structure,
6 unless that structure is part of a United States
7 Department of Agriculture area.

8 (b) An individual or entity licensed to produce hemp
9 pursuant to subsection (a) may transport hemp within the State
10 to a facility authorized by law to process hemp or to another
11 licensed producer's grow area; provided that the transportation
12 has been reported to the department of agriculture. The
13 department of agriculture may require movement reports that
14 include copies of the United States Department of Agriculture
15 test results for the hemp to be transported and may deny
16 authorization if the hemp is found to not comply with any law or
17 regulation.

18 (c) Any individual or entity who grows hemp without a
19 United States Department of Agriculture license shall be fined
20 not more than \$10,000 for each separate offense. Any notice of
21 violation of this section may be accompanied by a cease and



1 desist order, the violation of which constitutes a further
2 violation of this section. Any action taken to collect the
3 penalty provided for in this subsection shall be considered a
4 civil action.

5 (d) For any judicial proceeding to recover an
6 administrative penalty imposed by order or to enforce a cease
7 and desist order against an unlicensed hemp producer, the
8 department may petition any court of appropriate jurisdiction
9 and need only show that:

- 10 (1) Notice was given;
- 11 (2) A hearing was held or the time granted for requesting
12 a hearing has expired without such a request;
- 13 (3) The administrative penalty was imposed on the
14 individual or entity producing hemp; and
- 15 (4) The penalty remains unpaid or the individual or entity
16 continues to produce hemp.

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

20 (f) In addition to all other labeling requirements, the
21 identity statement used for labeling or advertising hemp



1 products shall identify the percentage of Hawaii-grown hemp in
2 hemp products; provided that any hemp product containing hemp
3 not grown or processed in Hawaii shall identify the origin and
4 percentage of the hemp from outside Hawaii in the hemp product;
5 provided further that if the hemp product contains hemp from
6 multiple origins, the hemp product shall identify the percentage
7 of hemp origin as "United States" or "Foreign" if the hemp
8 product includes hemp from a source outside of the United
9 States.

10 (g) A hemp producer licensed by the United States
11 Department of Agriculture to grow hemp shall follow all
12 inspection and sampling rules and protocols established by the
13 United States Department of Agriculture. The State shall not
14 require other inspections or sampling. The State shall not
15 issue notices of violations or impose penalties upon any hemp
16 producer licensed by the United States Department of
17 Agriculture; provided that the licensee complies with all of the
18 requirements imposed by the United States Department of
19 Agriculture. The State shall impose no penalty with respect to
20 the production of hemp, except penalties for growing hemp



1 without a license issued by the United States Department of
2 Agriculture.

3 (h) A Hawaii hemp task force shall be jointly convened by
4 the department of agriculture and the department of health to
5 gather data and information to understand industry needs and
6 inform strategies and actions that support agriculture and a
7 robust hemp industry in the State. The task force:

- 8 (1) Shall include hemp producers from each island
9 proportionate to the total number of United States
10 Department of Agriculture hemp licenses in the State
11 and a representative from each of the fuel, building,
12 general fiber, cannabinoid, and grain food sectors;
- 13 (2) May ask for data and information from additional
14 sources, including but not limited to hemp economists,
15 regulators in other states, retailers, farmers, and
16 hemp industry groups outside of the State;
- 17 (3) Shall jointly develop an outline of farmer and
18 industry needs and the strategies and actions that can
19 help inform public policy concerning the development
20 of a hemp industry in the State that also supports
21 rural agricultural development in the State;



- 1 (4) Shall work to ameliorate inconsistencies in the Hawaii
- 2 Revised Statutes that impede economic growth in the
- 3 emerging sector of commercial hemp production;
- 4 (5) Shall identify legal and feasible pathways for start-
- 5 up hemp farming and processing;
- 6 (6) Shall submit a report of its findings and
- 7 recommendations, including any proposed legislation,
- 8 to the legislature no later than twenty days prior to
- 9 the convening of the regular session of 2025; and
- 10 (7) Shall cease to exist on July 1, 2025.

11 The initial meeting of the task force shall occur no later
12 than sixty days after the effective date of Act , Regular
13 Session 2024, during which the members shall elect a chairperson
14 and any other necessary officers from among its appointed
15 members. The task force shall be exempt from chapter 92.

16 Members of the task force shall receive no compensation for
17 their duties and shall not be subject to section 84-17 solely
18 based on their participation on the task force.

19 [~~h~~] (i) As used in this section, "hemp biomass" means
20 the stalks of hemp plants.



1 SECTION 3. Statutory material to be repealed is bracketed
2 and stricken. New statutory material is underscored.

3 SECTION 4. This Act shall take effect upon its approval,
4 and shall be repealed on July 1, 2025.

5

INTRODUCED BY: *Dent M. Rivera*



S.B. NO. 2191

Report Title:

DOA; DOH; Hawaii Hemp Industry Task Force; Hemp Producers;
Commercial Hemp Production; Rural Economic Development

Description:

Requires the Department of Agriculture and Department of Health to jointly convene a Hawaii Hemp Task Force to inform public policy and identify methods and actions to best support agriculture and build a hemp industry to support rural economic development in the State. Repeals 7/1/2025.

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

