

JAN 20 2023

A BILL FOR AN ACT

RELATING TO HEMP.

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

1 SECTION 1. The legislature finds that although existing
2 State law prohibits the sale of cannabinoid, or CBD, -infused
3 foods, such as chocolates or gummies, these products are sold on
4 all islands at multiple venues, including gas stations, airport
5 kiosks, and grocery stores. Although food products account for
6 the most cannabinoid-infused product sales across the country,
7 Hawaii farmers and manufacturers are prohibited from selling
8 these products, losing significant sales to mainland farmers and
9 manufacturers.

10 The legislature also finds that Hawaii's rules for testing
11 hemp products manufactured in the State are among the most
12 stringent in the U.S. To protect consumers, testing is done by
13 using medical standards that ensure that Hawaii hemp products
14 are free of contaminants and meet requirements for disclosing
15 accurate levels of cannabinoids in each batch of products.

16 The legislature finds that although the Hawaii hemp
17 cannabinoid and cannabidiol market is estimated to be



1 \$32,000,000 to \$54,000,000 annually, most of that money flows to
2 out-of-state hemp farmers and businesses due, in part, to
3 consumers in Hawaii not being able to differentiate between
4 products that are made with Hawaii-grown hemp and Hawaii-branded
5 products made with imported hemp because the labeling does not
6 provide where the hemp originated from.

7 The legislature acknowledges that Hawaii branded products
8 often garner more in the marketplace, and given the number of
9 "Buy Local", "Buy Aloha", and "Eat Local" campaigns that have
10 been launched, Hawaii residents, when given the opportunity and
11 transparent data, will often choose Hawaii grown products. Hemp
12 farmers in the State have the highest costs of production among
13 U.S. hemp farmers, and capturing consumers who wish to purchase
14 products that use hemp grown in Hawaii is one of the few ways
15 for Hawaii hemp farmers to remain competitive.

16 The legislature finds that origin labeling for hemp
17 products in Hawaii will provide transparency to consumers, give
18 recognition to the hard work of Hawaii hemp farmers, and help
19 protect the quality and authenticity of Hawaii's hemp industry.
20 Allowing Hawaii consumers to purchase Hawaii products will also



1 contribute to a more circular economy that benefits Hawaii
2 residents.

3 Finally, the legislature notes the recent concerns being
4 raised over the safety testing standards for delta-8-
5 tetrahydrocannabinol, or delta-8-THC, products. The legislature
6 finds that the amount of delta-8-tetrahydrocannabinol in natural
7 hemp is very low, and therefore, chemicals are added to convert
8 other cannabinoids in hemp into delta-8-tetrahydrocannabinol.
9 Delta-8-tetrahydrocannabinol products that are created through
10 this process, known as synthetic conversion, likely expose
11 consumers to a much higher level of substance compared to
12 natural hemp cannabis raw extracts. Therefore, historical data
13 on the use of natural cannabis cannot be relied upon in
14 establishing a level of safety for delta-8-tetrahydrocannabinol
15 products.

16 Accordingly, the purpose of this Act is to:

- 17 (1) Allow the sale of food infused with cannabinoid, hemp
18 extract, hemp derivatives, or other hemp product;
19 (2) Prohibit the sale of delta-8-tetrahydrocannabinol
20 products;



1 (3) Allow the sale of hemp leaf and hemp floral material;
2 and

3 (4) Require a producer of any hemp product to include in
4 the identity statement used for labeling or
5 advertising any hemp product:

6 (A) The percentage of Hawaii grown hemp in the hemp
7 product; and

8 (B) For any hemp product not from Hawaii, the origin
9 of the hemp and percentage of the hemp from the
10 origin.

11 SECTION 2. Section 328G-1, Hawaii Revised Statutes, is
12 amended by amending the definition of "hemp product" to read as
13 follows:

14 "Hemp product" means a product that:

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

18 (2) Does not include [~~any living hemp plants, viable~~
19 ~~seeds, leaf materials, or floral materials;~~] delta-8-
20 tetrahydrocannabinol;



- 1 (3) Has a delta-9-tetrahydrocannabinol concentration of
- 2 not more than 0.3 per cent, as measured post-
- 3 decarboxylation, or other similarly reliable methods;
- 4 (4) Is intended to be consumed orally to supplement the
- 5 human or animal diet; and
- 6 (5) Is in the form of a tablet, capsule, powder, softgel,
- 7 gelcap, or liquid form (e.g. hemp oil) to be used by
- 8 the consumer to infuse edible items at home for
- 9 personal use or for topical application to the skin or
- 10 hair.

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

16 SECTION 3. Section 328G-3, Hawaii Revised Statutes, is
17 amended to read as follows:

18 " ~~§328G-3~~ **Hemp processing; hemp product sale and**
19 **prohibitions; labeling.** (a) No hemp shall be processed into
20 hemp products, nor shall any hemp processor hold for processing
21 or sale any hemp, unless lawfully obtained from a person



1 approved or otherwise authorized by applicable federal, state or
2 local law to cultivate hemp plants.

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

11 (c) Hemp shall not be processed within 500 feet of a pre-
12 existing playground, school, state park, state recreation area,
13 residential neighborhood, hospital, or daycare facility.

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

18 (e) No person shall sell, hold, offer, or distribute for
19 sale any food, as that term is defined in section 328-1, into
20 which a [~~cannabinoid~~] synthetic cannabinoid [~~hemp extract~~,
21 ~~hemp derivatives or other hemp product that~~] or delta-8-



1 tetrahydrocannabinol has been added as an ingredient or
2 component. This section shall not apply to hemp that is
3 generally recognized as safe (GRAS) by FDA for use in foods, as
4 intended, in a public GRAS notification.

5 (f) No person shall sell, hold, offer, or distribute for
6 sale any hemp product into which a synthetic cannabinoid or
7 delta-8-tetrahydrocannabinol has been added.

8 (g) No person shall sell, hold, offer, or distribute for
9 sale any cannabinoid products used to aerosolize for respiratory
10 routes of delivery, such as an inhaler, nebulizer or other
11 device designed for such purpose.

12 ~~[(h) No person shall sell, hold, offer, or distribute for~~
13 ~~sale, any hemp leaf or hemp floral material that is intended to~~
14 ~~be smoked or inhaled, including but not limited to hemp cigars~~
15 ~~or hemp cigarettes.~~

16 ~~(i)]~~ (h) Except for hemp products intended for external
17 topical application to the skin or hair, no person shall sell,
18 hold, offer, or distribute for sale any products containing hemp
19 or hemp derivatives that are intended to be introduced via non-
20 oral routes of entry to the body, including but not limited to,
21 use in eyes, ears, and nasal cavities.



1 ~~(j)~~ (i) No person shall sell, hold, offer or distribute
2 for sale, hemp products without a label, in a form prescribed by
3 the department, affixed to the packaging that identifies the
4 hemp product as having been tested pursuant to department
5 rules~~[-]~~ and clearly identifies the percentage of Hawaii grown
6 hemp in hemp products in a font size large enough for consumers
7 to easily read on the label on the physical product; provided
8 that any hemp product not grown in Hawaii shall identify the
9 origin and percentage of the hemp from outside Hawaii in the
10 hemp product; provided further that if the hemp product contains
11 hemp from multiple origins, the hemp product shall identify the
12 percentage of hemp origin as "United States" or "Foreign" if the
13 hemp product includes hemp from a source outside of the United
14 States."

15 SECTION 4. Statutory material to be repealed is bracketed
16 and stricken. New statutory material is underscored.

17 SECTION 5. This Act shall take effect on June 29, 2023.

18

INTRODUCED BY:





S.B. NO. 651

Report Title:

Hemp Product; Cannabinoid-Infused Food Product; Delta-8-Tetrahydrocannabinol

Description:

Amends the definition of "hemp product" to exclude delta-8-tetrahydrocannabinol. Prohibits the sale of food products and hemp products that contain delta-8-tetrahydrocannabinol. Allows the sale of food products infused with cannabinoid, hemp extract, hemp derivatives, or other hemp products. Allows the sale of hemp leaves and hemp floral material. Requires the identity statement used for labeling or advertising of hemp products to clearly identify the hemp's place of origin. Effective 6/29/2023.

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

