
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 overregulation
2 hinders the growth of the hemp industry, which otherwise could
3 foster sustainable resources and food security in Hawaii,
4 particularly with regard to the fiber, fuel, and seed grain
5 sectors. Hemp seeds are high in essential fatty acids as well
6 as vitamins E, B1, B2, B6, and D; calcium; magnesium; and
7 potassium and contain more digestible proteins than meat, eggs,
8 cheese, and milk, which is expected to drive their demand as a
9 food. Hemp has been used as a biofuel for decades and has been
10 proven to be a soil remediator. There are numerous projects in
11 the State examining ways to make building materials from hemp
12 and using hemp in affordable housing, but most of these projects
13 have to import hemp due to the regulatory barriers to growing
14 hemp in Hawaii.

15 The legislature further finds that hemp crops look more
16 like traditional grain crops than their psychoactive
17 counterpart, with tight spacing between the stalks, and are



1 easily distinguishable from hemp crops grown for cannabinoids.
2 There is little to zero risk of hemp fiber, fuel, and food grain
3 producers harvesting a crop that exceeds the federal legal limit
4 of 0.3 per cent tetrahydrocannabinol, or THC. The testing and
5 handling requirements that center on regulation increase costs
6 and impede growth of the hemp industry and also, in effect, the
7 development and production of sustainable building materials,
8 cloth, food, and fuel.

9 The legislature also understands that the United States
10 Congress will be amending federal hemp cultivation laws in the
11 near future to allow for exemptions with industrial hemp crops
12 that are grown for fiber, fuel, or grain for food. The federal
13 exemptions may include relief from testing and transportation
14 requirements. The legislature recognizes the department of
15 agriculture should be allowed to amend hemp cultivation rules to
16 align with federal law when the United States Congress amends
17 federal laws.

18 Accordingly, the purpose of this Act is to authorize the
19 department of agriculture to amend its rules to align with the
20 United States Department of Agriculture rules, including any



1 federal exemptions for hemp fiber, fuel, and food grain;
2 provided that the rules do not exceed federal law.

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
6 be legal for an individual or entity to produce hemp, as defined
7 in title 7 United States Code section 1639o, if that individual
8 or entity has a license to produce hemp, issued by the Secretary
9 of the United States Department of Agriculture pursuant to title
10 7 United States Code section 1639q; provided that:

11 (1) Any person convicted of a felony related to a
12 controlled substance under state or federal law [~~is~~]
13 shall be prohibited from producing hemp, or being a
14 key participant in an entity producing hemp, for a
15 period of ten years following the date of conviction;

16 (2) Hemp shall not be grown outside of a state
17 agricultural district;

18 (3) Hemp shall not be grown within [~~500~~] five hundred feet
19 of pre-existing real property comprising a playground,
20 [~~childcare~~] child care facility, or school; 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] state industrial hemp pilot program [~~prior~~
3 ~~to~~] before August 27, 2020;

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

12 (5) Hemp shall not be grown in any house, dwelling unit,
13 residential apartment, or other residential
14 structure[], except for a house, dwelling unit,
15 residential apartment, or other residential structure
16 that is part of a United States Department of
17 Agriculture licensed production area.

18 (b) An individual or entity licensed to produce hemp
19 pursuant to [~~paragraph~~] subsection (a) may transport hemp within
20 the State to a facility authorized by law to process hemp or to
21 another licensed producer's grow area[]; provided that:



1 (1) The hemp to be transported has passed all compliance
2 testing required by the United States Department of
3 Agriculture; and

4 (2) The transportation has been authorized by the
5 department[-] of agriculture. The department may
6 require movement reports, inspections, sampling, and
7 testing of the hemp to be transported and may deny
8 authorization if the hemp is found to not comply with
9 any law or regulation.

10 (c) An individual or entity licensed to produce hemp
11 pursuant to [~~paragraph~~] subsection (a) may export hemp; provided
12 that:

13 (1) The hemp to be exported has passed all compliance
14 testing required by the United States Department of
15 Agriculture; and

16 (2) The licensed producer complies with all laws relating
17 to the exportation of hemp, including state and
18 federal laws and the laws of the state or country of
19 import.

20 (d) Any individual or entity who violates this section or
21 any rule adopted pursuant to this section shall be fined [~~not~~]



1 no more than \$10,000 for each separate offense. Any notice of
2 violation of this section may be accompanied by a cease and
3 desist order, the violation of which constitutes a further
4 violation of this section. Any action taken to collect the
5 penalty provided for in this subsection shall be considered a
6 civil action.

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

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

19 (f) The department of agriculture may amend hemp
20 production rules to align with federal exemptions for hemp
21 fiber, fuel, and seed grain crops; provided that the rules shall



1 not exceed federal law on the regulation of hemp production in
2 the State."

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

5 "(a) The department of agriculture shall adopt rules
6 pursuant to chapter 91 to effectuate the purpose of this
7 part[,including any rules necessary to address any nuisance
8 issues, including smell, noise, and excessive lighting arising
9 out of the activities of hemp growers licensed under the State's
10 industrial hemp pilot program who grow hemp within areas
11 prohibited under section 141-42(a)(3) and (4)]. The rules may
12 align with federal exemptions for hemp fiber, fuel, and seed
13 grain crops; provided that the rules shall not exceed federal
14 law on the regulation of hemp production in the State."

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 30, 3000.



Report Title:

Hemp Producers; Commercial Hemp Production; Cultivation

Description:

Authorizes the Department of Agriculture to align state hemp production administrative rules with federal exemptions for fiber, fuel, and seed grain hemp crops. Effective 6/30/3000.
(HD2)

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