July 2, 2025

The Honorable Ronald D. Kouchi President of the Senate, and Members of the Senate Thirty-Third State Legislature State Capitol, Room 409 Honolulu, Hawai'i 96813 The Honorable Nadine Nakamura Speaker, and Members of the House of Representatives Thirty-Third State Legislature State Capitol, Room 431 Honolulu, Hawai'i 96813

Aloha President Kouchi, Speaker Nakamura, and Members of the Legislature:

This is to inform you that on July 2, 2025, the following bill was signed into law:

H.B. NO. 1482, H.D. 1,

RELATED TO CONTROLLED SUBSTANCES.

S.D. 3, C.D. 1 ACT 269

Mahalo,

Josh Green, M.D.

Governor, State of Hawai'i

Approved by the Governor

on_____JUL 2 2025

1

11

12

HOUSE OF REPRESENTATIVES THIRTY-THIRD LEGISLATURE, 2025 STATE OF HAWAII ACT 269 H.B. NO. H.D. S.D. 3

A BILL FOR AN ACT

SECTION 1. Chapter 328G, Hawaii Revised Statues, is

RELATED TO CONTROLLED SUBSTANCES.

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

2	amended by adding five new sections to be appropriately
3	designated and to read as follows:
4	"§328G-A Registry of distributors and retailers;
5	application; renewals; suspension or revocation of certificates;
6	exceptions. (a) The department shall establish and maintain a
7	registry of all manufactured hemp product distributors and
8	manufactured hemp product retailers doing business in the State.
9	(b) Beginning January 1, 2026, no manufactured hemp
10	product distributor or manufactured hemp product retailer shall

sell or offer for sale manufactured hemp products without a

certificate of registration issued by the department pursuant to

13 this section. It shall be the responsibility of the

14 manufactured hemp product distributor or manufactured hemp

15 product retailer to confirm that a valid certificate of

H.B. NO. 1482 S.D. 3

- 1 registration has been obtained and is in compliance with any and
- 2 all laws, rules, and regulations.
- 3 (c) A manufactured hemp product distributor or
- 4 manufactured hemp product retailer that sells or offers for sale
- 5 or intends to sell or offer for sale manufactured hemp products
- 6 shall apply to the department to be registered and receive a
- 7 certificate of registration on an application form prescribed by
- 8 the department and pay an application fee of \$50.
- 9 (d) An application that fails to contain all the
- 10 information as required by the department shall be deemed
- 11 incomplete. Any incomplete application shall be denied.
- 12 (e) After receipt of a complete and accurate application
- 13 form and payment of the application fee, the department shall
- 14 list the manufactured hemp product distributor or manufactured
- 15 hemp product retailer as a registrant on the registry and issue
- 16 a certificate of registration. Whenever a certificate of
- 17 registration is defaced, destroyed, or lost, the department may
- 18 issue a duplicate certificate of registration to the registrant
- 19 for a fee of \$10 per copy.
- 20 (f) The department shall post on its website a current
- 21 list of registrants on the registry.

H.B. NO. 1482 H.D. 1 S.D. 3 C.D. 1

1	(g) The certificate of registration shall be valid for	
2	five years and shall be renewed by filing a completed renewal	
3	application with, and paying a renewal fee of \$50 to, the	
4	department.	
5	(h) All fees required under this section shall be	
6	non-transferable and non-refundable and shall be fully paid	
7	before the issuance of a new or renewed certificate of	
8	registration.	
9	(i) The certificate of registration issued under this	
10	section shall be displayed at all times in a conspicuous place	
11	at the place of business where the sale of manufactured hemp	
12	products is conducted and a digital reproduction of the	
13	certificate of registration shall be displayed conspicuously on	
14	the website of a registrant conducting sales online.	
15	(j) The department may suspend or revoke a registrant's	
16	certificate of registration for failure to comply with this	
17	chapter and rules adopted under this chapter pursuant to the	
18	procedures set forth in section 328G-6.	
19	(k) Carriers or entities that ship goods shall not be	
20	subject to this section by reason of their receipt, carriage,	
21	holding, shipping, or delivery of manufactured hemp products in	

H.B. NO. H.D. 1482 S.D. 3

- 1 the usual course of business as carriers or entities that ship
- 2 goods unless the carrier or entity sells or offers for sale
- 3 manufactured hemp products.
- 4 (1) Hemp processors with a valid permit issued pursuant to
- 5 section 328G-2 shall be issued a certificate of registration and
- 6 added to the registry by the department for the sale and
- 7 distribution of manufactured hemp products at the locations
- 8 indicated on the permit. The certificate of registration shall
- 9 be issued with the same expiration date as found on the permit.
- 10 Application and renewal fees required in subsections (c) and (q)
- 11 shall not apply to hemp processors with a valid permit issued
- 12 pursuant to section 328G-2.
- 13 (m) This section shall not apply to the sale of the
- 14 following manufactured hemp products:
- 15 (1) Products that are topically applied; or
- 16 (2) Tinctures; provided that tinctures shall not be sold
- to individuals under the age of twenty-one;
- 18 provided further that the manufactured hemp products otherwise
- 19 comply with this chapter and any rules adopted pursuant to this
- 20 chapter.

H.B. NO. 1482 H.D. 1 S.D. 3 C.D. 1

1	§328G-B Unlawful hemp distribution or retailing. (a) A
2	person or entity required to be registered as a manufactured
3	hemp product distributor or manufactured hemp product retailer
4	under this chapter commits the offense of unlawful hemp
5	distribution or retailing if the person or entity recklessly
6	fails to register as a manufactured hemp product distributor or
7	manufactured hemp product retailer as required under section
8	328G-A and, for the purposes of distribution or retail sale,
9	recklessly sells, possesses, stores, acquires, or distributes
10	any product containing or derived from hemp, or marketed as
11	containing or being derived from hemp.
12	(b) Unlawful hemp distribution or retailing shall be a
13	misdemeanor, except that any offense under subsection (a) that
14	occurs within five years of a conviction for unlawful hemp
15	distribution or retailing shall be a class C felony.
16	§328G-C Inspection authority. The department and the
17	attorney general may inspect the operations, premises, and
18	storage areas of any entity engaged in the distribution or sale
19	of any product containing or derived from hemp, or marketed as
20	containing or being derived from hemp, during regular business
21	hours, to verify compliance with this chapter. The inspection

H.B. NO. 1482 H.D. 1 S.D. 3

- 1 shall include examination of all statements, books, papers, and
- 2 records in whatever format, including electronic format,
- 3 pertaining to the cultivation, processing, acquisition,
- 4 possession, transportation, sale, or use any product containing
- 5 or derived from hemp, or marketed as containing or being derived
- 6 from hemp. The inspection may also include taking reasonable
- 7 samples and conducting tests to verify compliance with this
- 8 chapter. Every entity in possession of any statements, books,
- 9 papers, and records, and the entity's agents and employees,
- 10 shall be required to give the department and attorney general
- 11 the means, facilities, and opportunities for the examinations.
- 12 §328G-D Forfeiture; confiscation and seizure; disposition.
- 13 (a) The department, attorney general, department of law
- 14 enforcement, and the police department of each county may seize
- 15 and confiscate any product containing or derived from hemp, or
- 16 marketed as containing or being derived from hemp, that is
- 17 possessed, kept, stored, retained, held, owned, received,
- 18 acquired, distributed, sold, or offered for sale in violation of
- 19 this chapter. The department seizing products as evidence shall
- 20 not be responsible for the care and maintenance of the products.

H.B. NO. H.D. 1 S.D. 3 C.D. 1

1	(b) Any product seized or confiscated under this section
2	may be subject to forfeiture for destruction pursuant to chapter
3	712A or section 328G-6.
4	§328G-E Tinctures; persons under twenty-one years of age.
5	(a) It shall be unlawful to sell or furnish a tincture to a
6	person under twenty-one years of age.
7	(b) All persons engaged in the retail sale of tinctures
8	shall check the identification of tincture purchasers to
9	establish the age of the purchaser if the purchaser reasonably
10	appears to be under twenty-seven years of age.
11	(c) It shall be an affirmative defense that the
12	manufactured hemp product retailer that sells a tincture to a
13	person under twenty-one years of age in violation of this
14	section had requested, examined, and reasonably relied upon a
15	photographic identification from the person establishing that
16	person's age as at least twenty-one years of age before selling
17	the person a tincture. The failure of a manufactured hemp
18	product retailer to request and examine photographic
19	identification from a person under twenty-one years of age
20	before the sale of a tincture to the person shall be construed
-	

against the manufactured hemp product retailer and form a

21

H.B. NO. H.D. 1482 S.D. 3

- 1 conclusive basis for the manufactured hemp product retailer's
- 2 violation of this section.
- 3 (d) It shall be unlawful for a person under twenty-one
- 4 years of age to purchase or possess any tincture. This
- 5 provision shall not apply if a person under the age of twenty-
- 6 one, with parental authorization, is participating in a
- 7 controlled purchase as part of a law enforcement activity or a
- 8 study authorized by the department under the supervision of law
- 9 enforcement to determine the level of incidence of tincture
- 10 sales to persons under twenty-one years of age.
- (e) Any person who violates subsection (a) shall be fined
- 12 \$500 for the first offense. Any subsequent offenses shall
- 13 subject the person to a fine no less than \$500 and no more than
- 14 \$2,000. Any person under twenty-one years of age who violates
- 15 subsection (d) shall be fined \$10 for the first offense. Any
- 16 subsequent offense shall subject the violator to a fine of \$50,
- 17 no part of which shall be suspended, or the person shall be
- 18 required to perform no less than forty-eight hours and no more
- 19 than seventy-two hours of community service during hours when
- 20 the person is not employed and is not attending school. Any
- 21 tincture in the person's possession at the time of violation of

H.B. NO. H.D. S.D. 3

- 1 subsection (d) shall be seized, summarily forfeited to the
- 2 State, and destroyed by law enforcement following the conclusion
- 3 of an administrative or judicial proceeding finding that a
- 4 violation of subsection (d) has been committed. The procedures
- 5 set forth in chapter 712A shall not apply to this subsection."
- 6 SECTION 2. Section 328G-1, Hawaii Revised Statutes, is
- 7 amended as follows:
- 8 1. By adding eight new definitions to be appropriately
- 9 inserted and to read:
- ""Certificate of registration" means the certificate issued
- 11 by the department authorizing the sale of manufactured hemp
- 12 products by the registrant.
- "Consumer" means a person who is a member of the public, is
- 14 not functioning in the capacity of an operator of a hemp
- 15 processing facility, and does not process hemp biomass, produce
- 16 manufactured hemp products, or offer manufactured hemp products
- 17 for resale.
- 18 "Manufactured hemp product distributor" means a person
- 19 selling manufactured hemp products to a manufactured hemp
- 20 product retailer and includes the person's agents and employees.

H.B. NO. H.D. 1482 S.D. 3

- 1 "Manufactured hemp product retailer" means a person selling
- 2 manufactured hemp products to consumers and includes the
- 3 person's agents and employees.
- 4 "Registrant" means the holder of the certificate of
- 5 registration.
- 6 "Registry" means a database of registered manufactured hemp
- 7 product distributors and manufactured hemp product retailers
- 8 maintained by the department.
- 9 "Sale", "sell", or "selling", means offering any
- 10 transactions, whether cash is actually paid therefor or not, of
- 11 hemp, hemp biomass, crude extract, or manufactured hemp products
- 12 and includes resale and every act of selling that originates
- 13 from any order that is placed or submitted in-person or by means
- 14 of telephonic or other synchronous online communication methods,
- 15 the mail, catalog, or digital application, or the Internet or
- 16 other online service.
- 17 "Tincture" means any oil-based, unflavored product that
- 18 contains no more than:
- 19 (1) One ounce per container; and
- 20 (2) 0.3 per cent tetrahydrocannabinol."
- 2. By amending the definition of "permit" to read:

H.B. NO. H.D. 1 S.D. 3 C.D. 1

Ţ	""Permit" means the [eertificate] document issued by the
2	department attesting that the applicant is permitted to operate
3	as a hemp processor."
4	SECTION 3. Section 328G-6, Hawaii Revised Statutes, is
5	amended to read as follows:
6	"\$328G-6 Enforcement; penalty. (a) Any person who
7	violates this chapter or any rule adopted by the department
8	pursuant to this chapter shall be fined [not] no more than
9	\$10,000 for each separate offense. Any action taken to collect
10	the penalty provided for in this subsection shall be considered
11	a civil action. In addition to any other administrative or
12	judicial remedy provided by this chapter, or by rules adopted
13	pursuant to this chapter, the director may impose by order
14	[the]:
15	(1) The administrative penalty specified in this section
16	[or revoke];
17	(2) The forfeiture of products possessed, kept, stored,
18	retained, held, owned, received, acquired,
19	distributed, sold, or offered for sale in violation of
20	this chapter;

1	(3) The revocation of a permit or suspension or revocation
2	of a certificate of registration pursuant to this
3	chapter[-]; or
4	(4) Any combination of paragraphs (1), (2), and (3).
5	(b) Any order issued under this chapter shall become
6	final, unless $[not]$ no later than twenty days after the notice
7	of order is served, the person or persons named therein request
8	in writing a hearing before the director. Any penalty imposed,
9	including the revocation of a permit[$_{7}$] or suspension or
10	revocation of a certificate of registration, shall become final,
11	and any monetary penalty shall become due and payable twenty
12	days after the order is served unless the person or persons
13	named therein request in writing a hearing before the director.
14	Whenever a hearing is requested, the penalty imposed, including
15	permit revocation, or suspension or revocation of a certificate
16	of registration, shall become final, and any monetary penalty
17	shall become due and payable only upon completion of all review
18	proceedings and the issuance of a final order confirming the
19	penalty in whole or in part. Any hearing shall be conducted in
20	accordance with chapter 91.

16

17

18

19

20

21

H.B. NO. 1482 S.D. 3

I	(C)	in any judicial proceeding to enforce an order issued
2	by the de	partment pursuant to this section, including but not
3	limited t	o the recovery of administrative penalties imposed by
4	order aga	inst a hemp processor[$ au$] or registrant, the director
5	may petit	ion any court of appropriate jurisdiction for relief
6	and need	only show that:
7	(1)	Notice was given;
8	(2)	A hearing was held or the time granted for requesting
9		a hearing has expired without such a request;
10	(3)	The administrative penalty was imposed $[or]_{\underline{r}}$ the hemp
11		processor's permit was revoked[+], or the registrant's
12		certificate of registration was suspended or revoked;
13		and

- 14 (4) The penalty remains unpaid or the hemp processor or

 15 the registrant continues to operate.
 - (d) The director, in the event there is deemed a potential health hazard, may take precautionary measures to protect the public through imposition of an embargo, the detention and removal of hemp, hemp biomass, crude extract, or manufactured hemp products from the market, and the sequestration of hemp, hemp biomass, crude extract, or manufactured hemp products

H.B. NO. 1482 H.D. 1 S.D. 3

- 1 suspected to be contaminated or otherwise harmful to human
- 2 health. In the event of any embargo or detention of hemp, hemp
- 3 biomass, crude extract, or manufactured hemp products, the
- 4 person or persons so named in the order imposing the embargo or
- 5 detention shall be afforded an opportunity to contest the
- 6 findings of the department in a hearing pursuant to chapter 91.
- 7 (e) Nothing in this chapter shall limit any other legal
- 8 remedy, or limit any civil or criminal action, available under
- 9 any other statute, rule, or ordinance.
- 10 (f) In addition to any penalties provided by law, a
- 11 violation of section 328G-B shall be subject to nuisance
- 12 abatement proceedings provided in part V of chapter 712.
- 13 (g) In addition to any penalties provided by law, any
- 14 product containing or derived from hemp, or marketed as
- 15 containing or being derived from hemp sold or distributed in
- 16 violation of section 328G-B shall be subject to forfeiture under
- 17 chapter 712A.
- (h) In addition to any penalties provided by law, a
- 19 violation of this chapter shall constitute an unfair or
- 20 deceptive act or practice and unfair method of competition

1	pursuant	to section 480-2 and shall be subject to a civil
2	penalty a	s provided in section 480-3.1."
3	SECT	ION 4. Section 328G-7, Hawaii Revised Statutes, is
4	amended by	y amending subsection (b) to read as follows:
5	"(b)	Moneys in the Hawaii hemp processing special fund
6	shall be	used by the department for the following purposes:
7	(1)	To establish and regulate a system of permitting hemp
8		processors and the sale, holding, offering, or
9		distributing for sale of crude extract and
10		manufactured hemp products;
11	(2)	To establish and regulate a system for registering
12		manufactured hemp product distributors and
13		manufactured hemp product retailers to sell
14		manufactured hemp products;
15	[-(2)-]	(3) To fund positions and operating costs authorized
16		by the legislature; and
17	[(3)]	(4) For any other expenditure necessary, consistent
18		with this chapter, to implement the Hawaii hemp
19		processing program."
20	SECT	ION 5. Section 329D-2.5, Hawaii Revised Statutes, is
21	amended b	y amending subsection (b) to read as follows:

H.B. NO. H.D. 1 S.D. 3 C.D. 1

1	(D)	The office of medical cannabis control and regulation
2	shall adm	inister medical cannabis dispensary licensure and
3	regulatio	n, pursuant to this chapter[, and]; the registration of
4	qualifyin	g patients and primary caregivers, pursuant to part IX
5	of chapte	r 329 $[-]$; and the hemp processors program, pursuant to
6	chapter 328G."	
7	SECT	ION 6. Section 712-1270, Hawaii Revised Statutes, is
8	amended t	o read as follows:
9	"§71	2-1270 Places used to commit offenses against public
10	health an	d morals or other offenses, a nuisance. Every
11	building,	premises, or place used for the purpose of violating:
12	(1)	Those laws pertaining to offenses against public
13		health and morals contained in this chapter, except
14		offenses under part IV that do not involve the
15		manufacture or distribution of drugs and activities
16		under part III that involve only social gambling as
17		defined in section 712-1231(a);
18	(2)	Section 132D-14(a)(1) or (3); [or]
19	(3)	Any offense under part II of chapter 708 that involves
20		a person unlawfully residing on or otherwise occupying

H.B. NO. H.D. 1 S.D. 3 C.D. 1

- 1 real property to which the person has no title, lease,
- or other legal claim[7]; or
- 3 (4) Section 328G-B,
- 4 and every building, premises, or place in or upon which
- 5 violations of any of the laws set forth in paragraph (1), (2),
- $\mathbf{6}$ [\mathbf{or}] (3), or (4) are held or occur, is a nuisance that shall be
- 7 enjoined, abated, and prevented, regardless of whether it is a
- 8 public or private nuisance."
- 9 SECTION 7. This Act does not affect rights and duties that
- 10 matured, penalties that were incurred, and proceedings that were
- 11 begun before its effective date.
- 12 SECTION 8. If any provision of this Act, or the
- 13 application thereof to any person or circumstance, is held
- 14 invalid, the invalidity does not affect other provisions or
- 15 applications of the Act that can be given effect without the
- 16 invalid provision or application, and to this end the provisions
- 17 of this Act are severable.
- 18 SECTION 9. In codifying the new sections added by
- 19 section 1 and referenced in sections 3 and 6 of this Act, the
- 20 revisor of statutes shall substitute appropriate section numbers

- 1 for the letters used in designating the new sections in this
- 2 Act.
- 3 SECTION 10. Statutory material to be repealed is bracketed
- 4 and stricken. New statutory material is underscored.
- 5 SECTION 11. This Act shall take effect on July 1, 2025.

H.B. NO.

APPROVED this 2nd day of July , 2025

GOVERNOR OF THE STATE OF HAWAII

HB No. 1482, HD 1, SD 3, CD 1

THE HOUSE OF REPRESENTATIVES OF THE STATE OF HAWAII

Date: April 30, 2025 Honolulu, Hawaii

We hereby certify that the above-referenced Bill on this day passed Final Reading in the House of Representatives of the Thirty-Third Legislature of the State of Hawaii, Regular Session of 2025.

Nadine K. Nakamura Speaker

House of Representatives

Mili Telle

Madri K. Mahre

Brian L. Takeshita

Chief Clerk

House of Representatives

THE SENATE OF THE STATE OF HAWAI'I

Date: April 30, 2025 Honolulu, Hawai'i 96813

We hereby certify that the foregoing Bill this day passed Final Reading in the Senate of the Thirty-Third Legislature of the State of Hawai'i, Regular Session of 2025.

President of the Senate

Clerk of the Senate