

RE: H.B. No. 1819  
H.D. 2  
S.D. 1

Honorable Ronald D. Kouchi  
President of the Senate  
Thirtieth State Legislature  
Regular Session of 2020  
State of Hawaii  
Sir:

Your Committees on Agriculture and Environment and Commerce, Consumer Protection, and Health, to which was referred H.B. No. 1819, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO HEMP,"

beg leave to report as follows:

The purpose and intent of this measure is to:

(1) Require the Chairperson of the Board of Agriculture to seek approval from the United States Department of Agriculture of a state plan to monitor and regulate hemp;

(2) Establish a statutory framework for the state Department of Agriculture to monitor and regulate hemp;

(3) Establish and provide temporary legislative funding for a Hemp Regulatory Special Fund;

(4) Exclude hemp from the State's prohibitions against marijuana;

(5) Expedite the repeal of the existing Industrial Hemp Pilot Program; and

(6) Appropriate funds to the:

(A) Department of Agriculture for the monitoring and regulation of hemp production; and

(B) College of Tropical Agriculture and Human Resources at the University of Hawaii at Manoa for hemp research.

Prior to the hearing on this measure, your Committees posted and made available for public review a proposed SD1, dated June 24, 2020, which amends this measure by:

(1) Allowing hemp farmers in Hawaii to apply directly to the United States Department of Agriculture for licensure, instead of a state hemp program under the Hawaii Department of Agriculture, as it requires staffing and resources;

(2) Forbidding the production of smokable hemp products and its addition to food;

(3) Making it effective on July 1, 2020 with a repeal date of June 30, 2022; and

(4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

Your Committees received testimony in support of this measure from Department of Agriculture; Department of Health; University of Hawaii's System; Hawaii's Hemp Farmers Association; Hawaii Farmers Union United; U.S. Hemp Roundtable; Hawaii Farm Bureau; Arcadia Biosciences; Hawaiian Fuinki LLC; JCOR Distro; Hawaii Cannabis Care; Steep Hill Hawaii; ABC Stores; Hawaiian Choice; Intellectual AG LLC; Power Distribution LLC; Global Widget, LLC; EcoTipping Points Project; Tropical Sunset Farms LLC; Bric-A-Brac, Inc.; Legacy Partners Hawaii's; Pan Pacific Ventures, LP; Omaopio/Piliwale Ohana; Omao Lands/Omao Labs; Hawaii Food Industry Association; Down to Earth Organic and Natural; and thirty-one individuals. Your Committees received testimony in opposition to this measure from Khandro Farm and eleven individuals. Your Committees received comments on this measure from the Department of Budget and Finance, Maui Police Department, Akamai Cannabis Clinic, and three individuals.

Your Committees find that with the economic impact to our State caused by the COVID-19 pandemic, for consideration, this measure must have no fiscal impact to the state budget.

Your Committees note that the proposed S.D. 1 sufficiently considers the concerns of the Department of Agriculture, Department of Health, Department of Public Safety, and Department of the Attorney General.

Although your Committees recognize that there are further concerns about the smells and noises from hemp farming, along with calls to limit the acreage of hemp production, your Committees believe that the State should be looking at ways to invest locally and diversify our economy at this time. Therefore, your Committees have further amended the proposed measure by:

(1) Reducing the buffer zone requirement for hemp processing from 1,000 feet to 500 feet from pre-existing

playgrounds, schools, state parks, state recreation areas, residential neighborhoods, hospitals, or daycare facilities;

(2) Reducing the buffer zone requirement for hemp production from 750 feet to 500 feet from pre-existing real property comprising a playground, childcare facility, or school; and

(3) Increasing the buffer zone for hemp production from 250 feet to 500 feet from any pre-existing house, dwelling unit, residential apartment, or other residential structure that is not owned or controlled by a license holder; and

(4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Agriculture and Environment and Commerce, Consumer Protection, and Health that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1819, H.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1819, H.D. 2, S.D. 1, and be referred to your Committees on Judiciary and Ways and Means.

Respectfully submitted on behalf of the members of the Committees on  
Agriculture and Environment and Commerce, Consumer Protection, and  
Health,

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ROSALYN H. BAKER, Chair

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MIKE GABBARD, Chair