

Honolulu, Hawaii

FEB 14 2025

RE: S.B. No. 1633

S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Third State Legislature
Regular Session of 2025
State of Hawaii

Sir:

Your Committees on Agriculture and Environment and Health and Human Services, to which was referred S.B. No. 1633 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) Establish a refundable Green Building Tax Credit for costs related to the construction of a primary structure made with at least thirty percent Hawaii-grown hemp material;
- (2) Allow any hemp processor with a permit from the Department of Health to sell an edible or beverage cannabinoid product that contains a tetrahydrocannabinol concentration of not more than 2.5 milligrams per serving and not more than twenty-five servings per package;
- (3) Prohibit the sale of an edible or beverage cannabinoid product to any person less than twenty-one years of age;
- (4) Establish child-resistant packaging requirements for edible cannabinoid products;



- (5) Clarify the tetrahydrocannabinol concentration limit for a non-edible legacy cannabinoid product or manufactured hemp product shall be subject only to federal restrictions;
- (6) Amend the definition of "hemp biomass" to include stalks and foliage material; and
- (7) Require the Department of Health to establish a dedicated program to regulate hemp that is separate from the regulatory process for cannabinoid products with a high concentration of tetrahydrocannabinol.

Your Committees received testimony in support of this measure from Hawaiian Choice, Hemptuary Hawaii, Climate Protectors Hawaii, and two individuals.

Your Committees received testimony in opposition to this measure from the Department of the Attorney General and Honolulu Police Department.

Your Committees received comments on this measure from the Department of Health, Department of Taxation, Tax Foundation of Hawaii, and Hawaii Food Industry Association.

Your Committees find that industrial hemp has many innovative uses, including construction material, food, and fuel products, and has a high potential to contribute to the future viability of the State's agricultural industry. Your Committees acknowledge concerns raised in testimony regarding various provisions of the measure, including but not limited to requiring primary structures eligible for the Green Building Tax Credit to be constructed with at least thirty percent Hawaii-grown hemp material. Accordingly, this measure is a vehicle for further consideration and discussion as it advances through the legislative process.

Your Committees have amended this measure by:

- (1) Inserting language requiring the Green Building Tax Credit to be precertified by the Department of Agriculture;



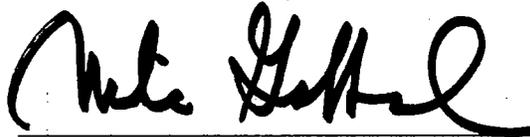
- (2) Making the Green Building Tax Credit a nonrefundable tax credit;
- (3) Inserting definitions for "hemp" and "primary structure" as used in the Green Building Tax Credit;
- (4) Clarifying that a cannabinoid product that contains a tetrahydrocannabinol concentration of not more than 2.5 milligrams per serving and not more than twenty-five servings per package is standard within the industry;
- (5) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (6) 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 Health and Human Services that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1633, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1633, S.D. 1, and be referred to your Committees on Commerce and Consumer Protection and Ways and Means.

Respectfully submitted on
behalf of the members of the
Committees on Agriculture and
Environment and Health and
Human Services,



JOY A. SAN BUENAVENTURA, Chair



MIKE GABBARD, Chair



The Senate
 Thirty-Third Legislature
 State of Hawai'i

Record of Votes
Committee on Health and Human Services
HHS

Bill / Resolution No.:* SB 1633	Committee Referral: AEN/HHS, CPN/WAM	Date: 2/12/25		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
SAN BUENAVENTURA, Joy A. (C)	✓			
AQUINO, Henry J.C. (VC)	✓			
HASHIMOTO, Troy N.	✓			
KEOHOKALOLE, Jarrett	✓			
FEVELLA, Kurt				✓
TOTAL	4			1
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes