

LINDA LINGLE
Governor



SANDRA LEE KUNIMOTO
Chairperson, Board of Agriculture

DUANE K. OKAMOTO
Deputy to the Chairperson

State of Hawaii
DEPARTMENT OF AGRICULTURE
1428 South King Street
Honolulu, Hawaii 96814-2512
Phone: (808) 973-9600 Fax: (808) 973-9613

**TESTIMONY OF SANDRA LEE KUNIMOTO
CHAIRPERSON, BOARD OF AGRICULTURE**

**BEFORE THE HOUSE COMMITTEE ON AGRICULTURE
FRIDAY, FEBRUARY 6, 2009
9:00 AM
ROOM 312**

**HOUSE BILL NO. 305
RELATING TO INDUSTRIAL HEMP**

Chairperson Tsuji and Members of the Committee:

Thank you for the opportunity to provide testimony on House Bill 305 relating to the production of industrial hemp. The Department is not currently capable of supporting the required licensing, inspection, seed certification, record maintenance, or ensuring proper disposal as required for the legal production of industrial hemp. Funding, hiring, rule development, training and the development of enforcement protocols would be required as indicated in the bill. The bill does not provide appropriation for adding these departmental capabilities and given the current fiscal difficulties, it would not be prudent to add new programs at this time.

LINDA LINGLE
GOVERNOR



STATE OF HAWAII
DEPARTMENT OF PUBLIC SAFETY
919 Ala Moana Blvd. 4th Floor
Honolulu, Hawaii 96813

CLAYTON A. FRANK
DIRECTOR

DAVID F. FESTERLING
Deputy Director of
Administration

TOMMY JOHNSON
Deputy Director
Corrections

JAMES L. PROPOTNICK
Deputy Director
Law Enforcement

No. _____

TESTIMONY ON HOUSE BILL 305
A BILL FOR AN ACT RELATING TO
INDUSTRIAL HEMP

Clayton A. Frank, Director
Department of Public Safety

Committee on Agriculture
Representative Clift Tsuji, Chair
Representative Jessica Wooley, Vice Chair

Friday, February 6, 2009, 9:00 AM
State Capitol, Room 312

Representatives Tsuji and Members of the Committee:

The Department of Public Safety does not support House Bill 305 that attempts to establish in the Hawaii Revised Statutes a new Chapter designated as "Industrial Hemp." House Bill 305 also defines "Industrial hemp" to mean varieties of the plant cannabis sativa having not more than 0.3 percent of tetrahydrocannabinol. The problem with this definition is that this definition is contrary to existing State law that defines "Marijuana" as all parts of the plant (genus) Cannabis whether growing or not; the seeds thereof, the resin extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds, or resin. It does not include the mature stalks of the plant, fiber produced from the stalks, oil, or cake made from the seeds of the plant, any other compound, manufacture, salt, derivative, mixture, or preparation of the mature stalks (except the resin extracted there from), fiber, oil, or cake, or the sterilized seed of the plant that is incapable of germination. The law focuses on the THC content of the plant

genus Cannabis with a level over 0%. Under present federal and state law, any cannabis plant with a tetrahydrocannabinol level over zero percent is considered marijuana, a hallucinogenic Schedule I controlled substance, and can not be manufactured for sale to the public. The argument over the difference between the definition of Hemp and Marijuana is irrelevant until Federal law is amended to classify "hemp" as having a set percentage of THC. Till then, any cannabis plant with a percentage of THC over zero will be classified as Marijuana, a Schedule I controlled substance. Therefore, any amendments to existing State law to legalize, decriminalize, authorize for exportation, refine or reclassify marijuana for industrial use as "Hemp" would be counterproductive, and make Hawaii law inconsistent with existing federal law, which would prevail over Hawaii law in any case.

Under present State and Federal law, anyone seeking to do research with marijuana/cannabis hemp must apply for a controlled substance registration with both the State's Narcotics Enforcement Division and the Federal Drug Enforcement Administration as a "researcher." A person registered to conduct research with a basic class of controlled substances listed in Schedule I shall be authorized to manufacture or import such class if and to the extent that such manufacture or importation is set forth in the research protocol submitted at the time of registration.

STUDIES ON THE ECONOMIC POTENTIAL OF GROWING HEMP IN HAWAII

On December 20, 1996, completed a response to House Concurrent Resolution No. 63 H.D. 2 requesting the Agribusiness Development Corporation (ADC) to conduct a study on the economic potential, problems, and other related matters of growing non-psychoactive industrial hemp as an agricultural product in Hawaii. According to the August 1996 nationwide poll conducted by ADC, there is little national interest and activity in industrial hemp production. There is limited investment interest in candidate mainland areas, and no laws supporting industrial-hemp production have been passed. ADC's research paper indicates that production of industrial-hemp that belongs to a plant group known as bast fibers would not be feasible on small-scale acreage due to Processing requirements and cost. Most sources (Bioresource Hemp Symposium proceedings, Danforth International, Weyerhauser, etc.) state that it is critical in gauging bast-fiber (hemp) profitability to remember that estimates of returns per acre have little meaning until the following conditions are met: a viable market is established, and significant private-sector investments is secured to support appropriate production technology, which Hawaii lacks as of present.

In November of 1995, Drug Science Specialists of the Drug Enforcement Administration met with Mr. Frank Riccio (President) and J. Richard Cook (Vice President, Finance) of Danforth International Trade Associates, Inc., to learn about the economic potential of hemp as a fiber crop in the United States. Danforth produces and distributes products such as textiles and specialty papers made from non-wood fibers such as flax, hemp, jute, etc. Danforth also produces specialty flax pulp and

hemp pulp at a factory in Tortosa, Spain. Danforth is the largest importer of non-wood fibers in the United States and is the sole marketer of hemp pulp and an expert on the non-wood fiber industry.

Mr. Riccio indicated that hemp is a bast fiber like kenaf, flax, jute, and ramie. Bast fibers are long, high cellulose-content cells taken from the inner bark of the plant. These fibers have a wide range of applications but currently, the cigarette industry is the largest utilizer of bast fibers, predominantly flax. Mr. Riccio stated that paper companies have not turned to non-wood sources such as hemp or kenaf because either would be more expensive raw materials relative to wood. Also, the technology implemented for papermaking is different for wood than for hemp or kenaf so it would result in added cost to the manufacturer. One paper company where hemp is employed to a significant degree is the cigarette paper industry. But even in this industry the predominant fiber is flax and then wood and then hemp.

Mr. Riccio explained in detail the process of harvesting flax. It is important to understand the intense labor involved in the processing of flax into fiber because this greatly impacts the economic value of this plant as a source of fiber. It is also important to understand that hemp is even more difficult to process than flax. Mr. Riccio has stated that the hemp fiber has very little current infrastructure, an extremely small and questionable market. Mr. Riccio also sees no great demand for hemp paper nor does he predict an increase in demand. In fact Mr. Riccio has developed a hempen paper and has been unimpressed by its sales to date. Contrary to what has been stated in the popular press, hemp fiber is not superior to other fibers such as flax for making paper. Hemp fiber does not increase the strength or value of the paper more so than other non-wood

fibers. The strength and quality of the paper is more a function of how it is processed rather than the inherent strength of the fibers.

In summary, Mr. Riccio has confirmed that the cultivation of hemp in the United States would not be economically viable. This is before considering the added cost of cultivating a Schedule I controlled substance. Hemp fiber and hemp pulp is readily available for import into this country and currently there is very little demand relative to other fibers.

The Department therefore feels that amendments being recommended by House Bill 305 are premature and that Federal law would have to be amended before the provisions proposed in House Bill 305 could ever be considered. Under present State and Federal laws, the State of Hawaii could not develop or sanction the development of licensed hemp growing research facilities on any of the islands unless authorized by way of a controlled substance research permit authorized by the State and the Federal Government. Thank you for the opportunity to testify on this matter.

wooley1-Christopher

From: mailinglist@capitol.hawaii.gov
Sent: Wednesday, February 04, 2009 3:43 PM
To: AGRtestimony
Cc:
Subject: Testimony for HB305 on 2/6/2009 9:00:00 AM

Testimony for AGR 2/6/2009 9:00:00 AM HB305

Conference room: 312
Testifier position: support
Testifier will be present: No
Submitted by: Ramoda Anand
Organization: Individual
Address: Makawao, HI
Phone: (808)
E-mail:
Submitted on: 2/4/2009

Comments:

I am a 23 year old man with Cerebral Palsy. My friend Anthony got me involved with industrial hemp in 2005 when Act 305 was about to sunset. The economy is in bad shape and industrial hemp can be one of the solutions. Building materials, clothing, fuel, rope and paper can be made from hemp. Hemp also helps with erosion. For this reason I feel HB 305 should be voted out of committee.

Thank you for your service.

Ramoda P Anand

wooley1-Christopher

From: mailinglist@capitol.hawaii.gov
Sent: Thursday, February 05, 2009 1:07 PM
To: AGRtestimonv
Cc: ;
Subject: Testimony for HB305 on 2/6/2009 9:00:00 AM

Testimony for AGR 2/6/2009 9:00:00 AM HB305

Conference room: 312
Testifier position: support
Testifier will be present: No
Submitted by: sarah ridenour
Organization: Individual
Address: Kapaa, HI
Phone:
E-mail:
Submitted on: 2/5/2009

Comments:

wooley1-Christopher

From: mailinglist@capitol.hawaii.gov
Sent: Thursday, February 05, 2009 8:01 AM
To: AGRtestimonv
Cc:
Subject: Testimony for HB305 on 2/6/2009 9:00:00 AM

Testimony for AGR 2/6/2009 9:00:00 AM HB305

Conference room: 312
Testifier position: support
Testifier will be present: No
Submitted by: Karen tilley
Organization: Individual
Address: Kealia 96751
Phone:
E-mail:
Submitted on: 2/5/2009

Comments:

I definitely support the growing of hemp in Hawaii.

For paper, plastic, fuel, food, twine, cordage, rope, cloth, sails, hemp seed oil for industrial or nutritional use, and so much more.

It will prosper our economy on so many levels, once we are able to grow and manufacture Hawaiian grown hemp.