JAN 1 7 2014

A BILL FOR AN ACT

RELATING TO INDUSTRIAL HEMP.

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

- 1 SECTION 1. The legislature finds that industrial hemp is a
- 2 suitable crop for Hawaii that will contribute to the future
- 3 viability of the State's agricultural industry.
- 4 As a food crop, industrial hemp seeds and oil have high
- 5 nutritional value, including healthy fats and protein. As a
- 6 fiber crop, industrial hemp can be used in the manufacture of
- 7 clothing, building supplies, animal bedding, and other products.
- 8 As a fuel crop, industrial hemp seeds can be processed into
- 9 biodiesel energy, and stalks can be pelletized or flaked for
- 10 burning or processed for cellulosic ethanol.
- 11 The purpose of this Act is to:
- 12 (1) Legalize industrial hemp; and
- 13 (2) Promote research and development of markets for
- industrial hemp.
- 15 SECTION 2. The Hawaii Revised Statutes is amended by
- 16 adding a new chapter to be appropriately designated and to read
- 17 as follows:

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"CHAPTER



1 INDUSTRIAL HEMP 2 Ş -1 Purpose. The purpose of this Act is to establish 3 appropriate policies and procedures related to the production of industrial hemp in the State. 4 -2 Definitions. As used in this chapter: 5 6 "Department" means the department of agriculture. 7 "Grower" means any person or business entity licensed under 8 this chapter as an industrial hemp grower. 9 "Hemp products" means all products made from industrial 10 hemp, including but not limited to cloth, cordage, fiber, food, 11 fuel, paint, paper, particle board, plastics, seed, seed meal, 12 seed oil, and certified seed for cultivation, if the seeds 13 originate from industrial hemp varieties. 14 "Industrial hemp" shall have the same meaning as in section 15 329-1. 16 -3 Industrial hemp; agricultural production. 17 Industrial hemp is an agricultural product that may be grown, 18 produced, possessed, and commercially traded in the State to 19 produce hemp products pursuant to this chapter. **20** -4 Licensing; application. (a) Any person or 21 business entity that engages in the production of industrial hemp shall be licensed as an industrial hemp grower by the 22

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1	department. A license from the department authorizes industrial
2	hemp production only at a site or sites specified by the
3	license.
4	(b) A license from the department shall be valid for
5	twenty-four months from the date of issuance. The license may
6	be renewed and is not transferable. A person who has been
7	convicted of a felony offense or a comparable offense in another
8	jurisdiction shall not be eligible for a license under this
9	chapter.
10	(c) When applying for a license, an applicant shall
11	provide the following information to demonstrate that the
12	applicant intends to grow and is capable of growing industrial
13	hemp in accordance with this chapter:
14	(1) Filing with the department a set of classifiable
15	fingerprints and written authorization allowing the
16	department to conduct a criminal records check;
17	(2) Filing documentation with the department that
18	certifies that the seeds obtained for planting are of
19	a type and variety compliant with the maximum
20	concentration of tetrahydrocannabinol as prescribed by

this chapter;

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1	(3)	Filing with the department the location and acreage of
2		all parcels sown and other field reference information
3		as may be required by the department; and
4	(4)	Any other information required by the department.
5	(d)	To qualify for a license under this chapter, an
6	applicant	shall demonstrate the following to the satisfaction of
7	the depart	tment that the applicant has adopted methods to ensure
8	the legal	production of industrial hemp:
9	(1)	Ensuring that all parts of the industrial hemp plant
10		that do not enter the stream of commerce as hemp
11		products are destroyed, incorporated into the soil, or
12		otherwise properly disposed;
13	(2)	Maintaining records that reflect compliance with this
14		chapter and with all other state laws related to the
15		regulation of industrial hemp; and
16	(3)	Satisfying any other requirements established by the
17		department.
18	(e)	Every grower shall maintain all production and sales
19	records fo	or at least three years.
20	(f)	Every grower shall allow industrial hemp crops

throughout the sowing, growing, harvesting, storage, and

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- 1 processing of the industrial hemp to be inspected by the
- 2 department.
- 3 § -5 Revocation and suspension of license; enforcement.
- 4 (a) The department may deny, suspend, revoke, or refuse to
- 5 renew the license of any grower who:
- 6 (1) Makes a false statement or misrepresentation on an
- 7 application for a license or renewal of a license
- 8 under this chapter; or
- 9 (2) Fails to comply with or violates any provision of this
- 10 chapter or any rule adopted thereof.
- 11 (b) Revocation or suspension of a license may be in
- 12 addition to any civil or criminal penalties imposed on a grower
- 13 for a violation of any other state law or county ordinance.
- 14 § -6 Research and development. The department shall
- 15 promote research and development of markets for industrial hemp
- 16 to the extent that any particular research and development
- 17 activity is not in violation of federal laws.
- 18 § -7 Rulemaking authority. The department shall adopt
- 19 rules pursuant to chapter 91 to implement this chapter,
- 20 including rules to require industrial hemp to be tested during
- 21 growth for tetrahydrocannabinol concentration levels and to
- 22 require adequate supervision of employees during the sowing,

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2 hemp." 3 SECTION 3. Chapter 712, Hawaii Revised Statutes, is 4 amended by adding a new section to part IV to be appropriately 5 designated and to read as follows: 6 "§712- Industrial hemp research activities. The 7 possession, use, sale, or transfer of industrial hemp for 8 purposes of research and development as provided by law shall 9 not constitute an offense involving a detrimental drug under 10 section 712-1247, 712-1248, 712-1249, 712-1251, or 712-1255." 11 SECTION 4. Section 329-1, Hawaii Revised Statutes, is 12 amended as follows: 13 1. By adding a new definition to be appropriately inserted 14 and to read: 15 ""Industrial hemp" means fiber and seed products derived 16 from varieties of the cannabis plant that contains no more than 17 .3 per cent tetrahydrocannabinol, the mature stalks of the

cannabis plant, fiber produced from the stalks of the cannabis

plant, oil or cake derived from the seeds of the plant, and any

other compound, manufacture, salt, derivative, mixture, or

preparation of the mature stalks (except the resin extracted

growing, harvesting, storage, and processing of industrial

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- 1 therefrom), fiber, oil, or cake, or the sterilized seed of the
- 2 cannabis plant that is incapable of germination."
- 3 2. By amending the definition of "marijuana" to read:
- 4 ""Marijuana" means all parts of the plant (genus) Cannabis
- 5 whether growing or not; the seeds thereof, the resin extracted
- 6 from any part of the plant; and every compound, manufacture,
- 7 salt, derivative, mixture, or preparation of the plant, its
- 8 seeds, or resin. It does not include the mature stalks of the
- 9 plant, fiber produced from the stalks, oil, or cake made from
- 10 the seeds of the plant, industrial hemp, any other compound,
- 11 manufacture, salt, derivative, mixture, or preparation of the
- 12 mature stalks (except the resin extracted therefrom), fiber,
- 13 oil, or cake, or the sterilized seed of the plant which is
- 14 incapable of germination."
- 15 SECTION 5. Section 712-1240, Hawaii Revised Statutes, is
- 16 amended by amending the definition of "marijuana" to read as
- 17 follows:
- ""Marijuana" means any part of the plant (genus) cannabis,
- 19 whether growing or not, including the seeds and the resin, and
- 20 every alkaloid, salt, derivative, preparation, compound, or
- 21 mixture of the plant, its seeds or resin, except that, as used
- 22 herein, "marijuana" does not include hashish, industrial hemp as



- 1 defined in section 329-1, tetrahydrocannabinol, and any
- 2 alkaloid, salt, derivative, preparation, compound, or mixture,
- 3 whether natural or synthesized, of tetrahydrocannabinol."
- 4 SECTION 6. New statutory material is underscored.
- 5 SECTION 7. This Act shall take effect upon its approval.

INTRODUCED BY: / hoell

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Franne Chun alexand.

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Report Title:

Industrial Hemp; Marijuana

Description:

Provides the authority, procedures, and licensing related to the production of industrial hemp. Requires the department of agriculture to promote industrial hemp research and development of markets for industrial hemp. Requires the possession, use, sale, or transfer of industrial hemp for research and development purposes to not constitute certain offenses involving a detrimental drug.

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