STAND. COM. REP. NO.

2438

Honolulu, Hawaii FEB 1 9 2016 RE: S.B. No. 2659

S.D. 1

Honorable Ronald D. Kouchi President of the Senate Twenty-Eighth State Legislature Regular Session of 2016 State of Hawaii

Sir:

Your Committee on Water, Land, and Agriculture, to which was referred S.B. No. 2659 entitled:

"A BILL FOR AN ACT RELATING TO INDUSTRIAL HEMP,"

begs leave to report as follows:

The purpose and intent of this measure is to establish an industrial hemp pilot program to allow the cultivation of industrial hemp and distribution of its seed in Hawaii through limited activities by the Board of Agriculture for purposes of agricultural or academic research.

Your Committee received testimony in support of this measure from the Department of Agriculture; University of Hawai'i System; Maui Farmers Union United; Kihei Community Association; Laakea Community LLC; The Drug Policy Forum of Hawai'i; Hawaii Advocates for Consumer Rights; Life of the Land; The Haiku Aina Permaculture Initiative; Maui Farmers Union United; Ho'omana Pono, LLC; Hawai'i Farm Bureau; Maui Coffee Association; 'Ai Pohaku; Sanctuary of Mana Ke'a Gardens; We Are One; Soul Role; The Spirit of Aloha Botanical Gardens; Nellie's Rentals; National Hemp Association; and one hundred one individuals.

Your Committee finds that industrial hemp is well suited to Hawaii's climate and soil and can grow to over ten feet in a short period of time with little water and no pesticides. According to estimates by the Hemp Industries Association, retail sales of industrial hemp products grew to over \$620,000,000 annually in

2016-1356 SSCR SMA.doc

STAND. COM. REP. NO. 2438 Page 2

2014. Industrial hemp has over 25,000 uses, including food, fiber, and fuel products, and has high potential to contribute to the future viability of the State's agricultural industry.

Your Committee has amended this measure by:

- Requiring the Board of Agriculture to adopt rules concerning industrial hemp production no later than July 1, 2017, rather than November 1, 2016; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Water, Land, and Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2659, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2659, S.D. 1, and be referred to your Committees on Judiciary and Labor and Ways and Means.

> Respectfully submitted on behalf of the members of the Committee on Water, Land, and

Aqriculture MIKE GABBARD Chair

The Senate Twenty-Eighth Legislature State of Hawai'i

Record of Votes Committee on Water, Land, and Agriculture WLA

Bill / Resolution No.:*	Committee Referral:			Date:		
5B 2659	WLA, JDL/WAM			02-17-16		
The Committee is reconsidering its previous decision on this measure.						
If so, then the previous decision was to:						
The Recommendation is:						
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313						
Members		Aye	Aye (W	R)	Nay	Excused
GABBARD, Mike (C)						
NISHIHARA, Clarence K. (VC)		1				
DELA CRUZ, Donovan M.						./
RIVIERE, Gil						
RUDERMAN, Russell E.		/				
SHIMABUKURO, Maile S.L.		/			_	
THIELEN, Laura H.		/				
WAKAI, Glenn						1
SLOM, Sam		 				
	<u>_</u>					
	<u> </u>				<u> </u>	
		·				
TOTAL		6		- -		3
Recommendation:			,	I		
Adopted Not Adopted						
Chair's or Designee's Signature: Ulura & Subsidian						
Distribution: Original File with Committee Re	Y eport Clerk	Pink Drafting Age				

*Only one measure per Record of Votes