## A BILL FOR AN ACT

RELATING TO HEMP.

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

SECTION 1. The legislature finds that hemp is a high-value
 crop. Nationwide, there has been a marked increase in hemp
 cultivation from 2018 to 2019. At least forty-six states have
 passed legislation to facilitate hemp cultivation. However,
 Hawaii's hemp industry remains in a nascent stage, in part due
 to restrictive regulatory actions taken by the state department
 of agriculture under existing law.

8 The legislature recognizes that the Agriculture Improvement 9 Act of 2018, informally known as the 2018 "Farm Bill", legalized 10 hemp by removing hemp from the definition of "marihuana" 11 contained in the federal Controlled Substances Act. Therefore, hemp is no longer classified as an illegal drug under federal 12 13 law. Further, in October 2019, the United States Department of 14 Agriculture established new regulations through which states may 15 monitor and regulate hemp production. The legislature believes 16 that, in light of these federal reforms, state laws regarding 17 hemp should also be reformed.

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1	The I	legislature also finds that in Oregon, the Global Hemp
2	Innovation	n Center at Oregon State University is making strides
3	in propaga	ating and growing hemp varieties. Similarly, the
4	college o:	f tropical agriculture and human resources at the
5	University	y of Hawaii has been conducting hemp research to
6	facilitate	e the promotion and growth of the State's hemp
7	industry.	Among the critical needs are adequate choices of hemp
8	varieties	, tetrahydrocannabinol content stability and
9	managemen	t, and photoperiod adjustment.
10	Acco:	rdingly, the purpose of this Act is to:
11	(1)	Require the chairperson of the board of agriculture to
12		seek approval from the United States Department of
13		Agriculture of a state plan to monitor and regulate
14		hemp;
15	(2)	Establish a statutory framework for the state
16		department of agriculture to monitor and regulate
17		hemp;
18	(3)	Establish and provide temporary legislative funding
19		for a hemp regulatory special fund, which will be
20		funded through inspection fees in the longer term;

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1	(4)	Exclude hemp from the State's prohibitions against
2		marijuana;
3	(5)	Expedite the repeal of the existing industrial hemp
4		pilot program; and
5	(6)	Appropriate funds to the:
6		(A) Department of agriculture for the monitoring and
7		regulation of hemp production; and
8		(B) College of tropical agriculture and human
9		resources at the University of Hawaii for hemp
10		research.
11	SECT	ION 2. Chapter 141, Hawaii Revised Statutes, is
12	amended b	y adding a new part to be appropriately designated and
13	to read a	s follows:
14		"PART . HEMP PRODUCTION
15	§141	-A Definitions. As used in this part:
16	"App	licable federal hemp law" means:
17	(1)	Section 297B of the Agricultural Marketing Act of
18		1946, as amended;
19	(2)	Title 7 Code of Federal Regulations part 990; and
20	(3)	Other applicable federal law.

1 "Cannabis" means a genus of flowering plants in the family 2 Cannabaceae of which Cannabis sativa is a species, and Cannabis 3 indica and Cannabis ruderalis are subspecies thereof. 4 "Cannabis" refers to any form of the plant in which the delta-9 5 tetrahydrocannabinol concentration on a dry weight basis has not 6 yet been determined. 7 "Corrective action plan" means a plan established by the department for a producer to correct a negligent violation. 8 "Culpable mental state greater than negligence" means to 9 10 act intentionally, knowingly, wilfully, or recklessly. 11 "Department" means the department of agriculture. 12 "Entity" means a non-natural person. 13 "Hemp" means the plant species Cannabis sativa L. and any 14 part of that plant, including the seeds thereof and all derivatives, extracts, cannabinoids, isomers, acids, salts, and 15 16 salts of isomers, whether growing or not, with a delta-9 tetrahydrocannabinol concentration of not more than 0.3 per cent 17 18 on a dry weight basis. "Key participant" means: 19 20 (1) A sole proprietor; 21 (2) A partner in a partnership;

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1	(3) A chief executive officer or chief operating officer;
2	or
3	(4) Any other person with executive managerial control in
4	an entity.
5	"Key participant" does not include farm managers, field
6	managers, shift managers, or other non-executive managers.
7	"Measurement of uncertainty" means the parameter,
8	associated with the result of a measurement, that characterizes
9	the dispersion of the values that could reasonably be attributed
10	to the particular quantity subject to measurement.
11	"Negligent" means to fail to exercise the level of care
12	that a reasonably prudent person would exercise in complying
13	with this part, the state plan, or applicable federal hemp law.
14	"Produce" means to grow hemp plants for market, or for
15	cultivation for market, in the State.
16	"Producer" means a producer, as defined under title 7 Code
17	of Federal Regulations section 718.2, that is licensed by the
18	department to produce hemp in the State.
19	"State plan" means a plan under which the department
20	monitors and regulates the production of hemp.

1	§141-B Hemp production; monitoring and regulation; state
2	plan. (a) The department shall monitor and regulate hemp
3	production in the State, pursuant to a state plan approved by
4	the Secretary of the United States Department of Agriculture.
5	(b) The state plan, both in its establishment and
6	implementation, shall be no more stringent against producers
7	than required by:
8	(1) This part; or
9	(2) Applicable federal hemp law.
10	§141-C Applications for producer licenses. Each person,
11	whether an individual or entity, that intends to produce hemp in
12	the State shall apply to the department for a license on a form
13	prescribed by the department and pay an application fee. Each
14	applicant shall submit to the department information about the
15	applicant necessary for the purposes of applicable federal hemp
16	law. Further, the application shall include supporting
17	documentation to establish:
18	(1) If the applicant is an individual, the state where the
19	applicant resides; or
20	(2) If the applicant is an entity, the states of residence
21	of each of the key participants of the entity.



2 state control. (a) Subject to the limitation imposed by 3 subsection (d), the department shall approve the issuance of a hemp production license to any applicant that meets all 4 5 applicable federal and state requirements. 6 Each license shall be valid for three years from the (b) 7 date of issuance, after which the licensee shall be required to 8 renew the license and pay a renewal fee for each license 9 renewal. 10 (c) Notwithstanding the repeal of Act 228, Session Laws of 11 Hawaii 2016, any license issued under the industrial hemp pilot 12 program established under Act 228, Session Laws of Hawaii 2016, 13 shall have continued validity under the original terms and 14 conditions of that license until it expires. Upon expiration, 15 the licensee may renew that license, under new terms and 16 conditions that are compliant with this part, by paying a

§141-D Application approval; expiration; limits on out-of-

17 renewal fee and applying for license renewal pursuant to a 18 process established by the department.

19 (d) In issuing new, non-renewal licenses for the20 production of hemp, the department shall ensure that at least



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1 fifty per cent of new, non-renewal licenses issued within each 2 fiscal year are issued to: Individuals who are legal residents of the State; 3 (1)4 (2) Entities whose key participants are legal residents of 5 the State; or 6 Any combination of the foregoing persons. (3) §141-E Producer requirements; seed acquisition; 7 8 residential structures. (a) Each producer shall conform to all 9 requirements of this part, the state plan, and applicable 10 federal hemp law. 11 (b) Each producer shall acquire or import hemp seed in 12 accordance with applicable federal hemp law. 13 (c) No producer shall grow hemp in any house, dwelling 14 unit, residential apartment, or other residential structure. 15 §141-F Inspection, sampling, and testing; destruction; 16 fees. (a) The department and producers shall adhere to this section with respect to the inspection, sampling, and testing of 17 18 cannabis or hemp produced; provided that if applicable federal hemp law provides for different principles or standards, those 19 20 federal principles or standards shall apply.



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1 Each producer shall provide the department with (b) 2 complete and unrestricted access during business hours to all hemp and other cannabis plants, whether growing or harvested, 3 and all land, buildings, and other structures used for the 4 cultivation, handling, and storage of all hemp and other 5 6 cannabis plants, and all locations listed in the producer 7 license. 8 The department shall collect samples of cannabis grown (C) 9 from the lots of producers to the extent and in amounts and 10 frequency required by applicable federal hemp law. The 11 department shall conduct tests of those samples as required by 12 appliable federal hemp law. 13 (d) A producer shall not harvest hemp or cannabis crop 14 before the department collects samples and tests necessary samples from that crop. 15 The department may collect fees from producers for the 16 (e) 17 inspection, sample collection, and testing of cannabis and hemp 18 crops. 19 (f) The department shall ensure the destruction of any lot 20 of cannabis crop, to the extent required by applicable federal hemp law, if any sample from that lot fails to meet the 21

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standards established by applicable federal hemp law. State or
 county law enforcement shall be present at the location of
 destruction whenever a cannabis crop is destroyed pursuant to
 this subsection.

5 (g) The department may authorize third parties to collect
6 cannabis samples and conduct testing of those samples on the
7 department's behalf for the purposes of this part or rules
8 adopted for the purposes of this part.

§ §141-G Transportation. A licensee may transport, to
another site for processing and in a department-approved manner,
the resin, flowering tops, and leaves of the licensee's crop
that passed department-ordered compliance testing.

13 §141-H Negligent violations. (a) A producer that
14 violates this part or the state plan in a negligent manner shall
15 follow a corrective action plan to correct the violation as
16 required by applicable federal hemp law.

17 (b) The department shall not suspend or revoke the license 18 of a producer that violates this part or the state plan in a 19 negligent manner, unless required by applicable federal hemp 20 law.



In determining whether a violation was committed in a 1 (c)2 negligent manner, the department shall conform to the standards 3 established by federal applicable hemp law. 4 §141-I Culpable violations. (a) If the department 5 determines that a producer has violated this part or the state 6 plan with a culpable mental state greater than negligence, the 7 department shall immediately report the producer to federal and state authorities, as required by applicable federal hemp law. 8 9 (b) Any producer that violates this part or the state plan 10 shall be penalized according to applicable federal hemp law. 11 §141-J Department compliance with federal requirements. 12 The department shall comply with all requirements established in 13 applicable federal hemp law. 14 §141-K Hemp regulatory special fund; established. (a) 15 There is created in the state treasury a special fund to be 16 designated as the hemp regulatory special fund to be 17 administered by the department. Moneys deposited in the special fund shall include: 18 19 Any moneys appropriated by the legislature to the (1) 20 special fund; provided that no legislative

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1		appropriations shall be made for any fiscal year that
2		begins after fiscal year 2020-2021;
3	(2)	Any fees collected by the department pursuant to this
4		part; and
5	(3)	The interest or return on investments earned from
6		moneys in the special fund.
7	(b)	The department may use the moneys in the special fund
8	to carry	out the purposes of this part, including hiring
9	employees	, specialists, and consultants necessary for the
10	purposes	of this part.
11	§141	-L Rules. (a) The department shall adopt rules
12	pursuant	to chapter 91 that are necessary for the purposes of
13	this part	, which, at a minimum, shall:
14	(1)	Establish standards for the collection and testing of
15		cannabis samples;
16	(2)	Limit the number of acres of land that each producer
17		may use to grow hemp; and
18	(3)	Establish standards for the transportation of hemp
19		from producers to processors, which may include a
20		closed loop system or any other appropriate system of
21		transportation.



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1	(b) The department may adopt and amend interim rules to
2	effectuate the purposes of this part; provided that the interim
3	rules shall remain in effect until July 1, 2023, or until rules
4	are adopted pursuant to subsection (a), whichever occurs sooner.
5	(c) Rules adopted pursuant to this section shall comply
6	with section 141-B(b)."
7	SECTION 3. Section 329-1, Hawaii Revised Statutes, is
8	amended as follows:
9	1. By adding a new definition to be appropriately inserted
10	and to read:
11	""Hemp" shall have the same meaning as in section 141-A."
12	2. By amending the definition of "marijuana" to read:
13	""Marijuana" means all parts of the plant (genus) Cannabis
14	whether growing or not; the seeds thereof, the resin extracted
15	from any part of the plant; and every compound, manufacture,
16	salt, derivative, mixture, or preparation of the plant, its
17	seeds, or resin. [ <del>It</del> ]
18	<u>"Marijuana"</u> does not include [ <del>the</del> ] <u>:</u>
19	(1) Hemp; or
20	(2) The mature stalks of the plant $[-7]$ (genus) Cannabis,
21	fiber produced from the stalks, oil, or cake made from



the seeds of the plant, any other compound, 1 2 manufacture, salt, derivative, mixture, or preparation 3 of the mature stalks (except the resin extracted therefrom), fiber, oil, or cake, or the sterilized 4 5 seed of the plant [which] that is incapable of 6 germination." 7 SECTION 4. Section 329-14, Hawaii Revised Statutes, is 8 amended by amending subsection (g) to read as follows: 9 "(q) Any of the following cannabinoids, their salts, 10 isomers, and salts of isomers, unless specifically excepted, 11 whenever the existence of these salts, isomers, and salts of 12 isomers is possible within the specific chemical designation: 13 Tetrahydrocannabinols; meaning tetrahydrocannabinols (1)14 naturally contained in a plant of the genus Cannabis 15 (cannabis plant), as well as synthetic equivalents of 16 the substances contained in the plant, or in the 17 resinous extractives of Cannabis, sp. or synthetic substances, derivatives, and their isomers with 18 19 similar chemical structure and pharmacological 20 activity to those substances contained in the plant, 21 such as the following: Delta 1 cis or trans



1		tetrahydrocannabinol, and their optical isomers; Delta
2		6 cis or trans tetrahydrocannabinol, and their optical
3		isomers; and Delta 3,4 cis or trans-
4		tetrahydrocannabinol, and its optical isomers (since
5		nomenclature of these substances is not
6		internationally standardized, compounds of these
7		structures, regardless of numerical designation of
8		atomic positions, are covered); provided that
9		tetrahydrocannabinols under this subsection shall
10		exclude tetrahydrocannabinols in hemp;
11	(2)	Naphthoylindoles; meaning any compound containing a 3-
12		(1-naphthoyl) indole structure with substitution at the
13		nitrogen atom of the indole ring by a alkyl,
14		haloalkyl, alkenyl, cycloalkylmethyl,cycloalkylethyl,
15		1-(N-methyl-2-piperidinyl)methyl or 2-(4-
16		morpholinyl)ethyl group, whether or not further
17		substituted in the indole ring to any extent and
18		whether or not substituted in the naphthyl ring to any
19		extent;
20	(3)	Naphthylmethylindoles; meaning any compound containing
21		a 1H-indol-3-yl-(1-naphthyl) methane structure with



1		substitution at the nitrogen atom of the indole ring
2		by a alkyl, haloalkyl, alkenyl, cycloalkylmethyl,
3		cycloalkylethyl, 1-(N-methyl-2-piperidinyl) methyl or
4		2-(4-morpholinyl) ethyl group whether or not further
5		substituted in the indole ring to any extent and
6		whether or not substituted in the naphthyl ring to any
7		extent;
8	(4)	Naphthoylpyrroles; meaning any compound containing a
9		3-(1-naphthoyl)pyrrole structure with substitution at
10		the nitrogen atom of the pyrrole ring by a alkyl,
11		haloalkyl, alkenyl, cycloalkylmethyl, cycloalkylethyl,
12		1-(N-methyl-2-piperidinyl)methyl or 2-(4-morpholinyl)
13		ethyl group whether or not further substituted in the
14		pyrrole ring to any extent, whether or not substituted
15		in the naphthyl ring to any extent;
16	(5)	Naphthylmethylindenes; meaning any compound containing
17		a naphthylideneindene structure with substitution at
18		the 3-position of the indene ring by a alkyl,
19		haloalkyl, alkenyl, cycloalkylmethyl, cycloalkylethyl,
20		1-(N-methyl-2-piperidinyl) methyl or 2-(4-morpholinyl)
21		ethyl group whether or not further substituted in the



1		indene ring to any extent, whether or not substituted
2		in the naphthyl ring to any extent;
3	(6)	Phenylacetylindoles; meaning any compound containing a
4		3-phenylacetylindole structure with substitution at
5		the nitrogen atom of the indole ring by a alkyl,
6		haloalkyl, alkenyl, cycloalkylmethyl, cycloalkylethyl,
7		1-(N-methyl-2-piperidinyl) methyl or 2-(4-morpholinyl)
8		ethyl group whether or not further substituted in the
9		indole ring to any extent, whether or not substituted
10		in the phenyl ring to any extent;
11	(7)	Cyclohexylphenols; meaning any compound containing a
12		2-(3-hydroxycyclohexyl) phenol structure with
13		substitution at the 5-position of the phenolic ring by
14		a alkyl, haloalkyl, alkenyl, cycloalkylmethyl,
15		cycloalkylethyl, 1-(N-methyl-2-piperidinyl) methyl or
16		2-(4-morpholinyl) ethyl group whether or not
17		substituted in the cyclohexyl ring to any extent;
18	(8)	Benzoylindoles; meaning any compound containing a 3-
19		(benzoyl) indole structure with substitution at the
20		nitrogen atom of the indole ring by a alkyl,
21		haloalkyl, alkenyl, cycloalkylmethyl, cycloalkylethyl,



1		1-(N-methyl-2-piperidinyl) methyl, or 2-(4-
2		morpholinyl) ethyl group whether or not further
3		substituted in the indole ring to any extent and
4		whether or not substituted in the phenyl ring to any
5		extent;
6	(9)	2,3-Dihydro-5-methyl-3-(4-morpholinylmethyl)
7		pyrrolo[1,2,3-de]-1, 4-benzoxazin-6-yl]-1-
8		napthalenylmethanone (another trade name is WIN
9		55,212-2);
10	(10)	(6a,10a)-9-(hydroxymethyl)-6, 6-dimethyl-3-(2-
11		<pre>methyloctan-2-yl)-6a,7,10,10a-</pre>
12		tetrahydrobenzo[c]chdromen-1-ol (Other trade names
13		are: HU-210/HU-211);
14	(11)	Tetramethylcyclopropanoylindoles; meaning any compound
15		containing a 3-tetramethylcyclopropanoylindole
16		structure with substitution at the nitrogen atom of
17		the indole ring by an alkyl, haloalkyl, cyanoalkyl,
18		alkenyl, cycloalkylmethyl, cycloalkylethyl, 1-(N-
19		<pre>methyl-2-piperidinyl)methyl, 2-(4-morpholinyl)ethyl,</pre>
20		1-(N-methyl-2-pyrrolidinyl)methyl, 1-(N-methyl-3-
21		morpholinyl)methyl, or tetrahydropyranylmethyl group,



1		whether or not further substituted in the indole ring
2		to any extent and whether or not substituted in the
3		tetramethylcyclopropyl ring to any extent;
4	(12)	N-(1-adamantyl)-1-pentyl-1H-indazole-3-carboxamide,
5		its optical, positional, and geometric isomers, salts,
6		and salts of isomers (Other names: APINACA, AKB48);
7	(13)	Quinolin-8-yl 1-pentyl-1H-indole-3-carboxylate, its
8		optical, positional, and geometric isomers, salts, and
9		salts of isomers (Other names: PB-22; QUPIC);
10	(14)	Quinolin-8-yl 1-(5fluoropentyl)-1H-indole-3-
11		carboxylate, its optical, positional, and geometric
12		isomers, salts, and salts of isomers (Other names: 5-
13		fluoro-PB-22; 5F-PB-22);
14	(15)	N-(1-amino-3-methyl-1-oxobutan-2-yl)-1-(4-
15		fluorobenzyl)-1H-indazole-3-carboxamide, its optical,
16		positional, and geometric isomers, salts, and salts of
17		isomers (Other names: AB-FUBINACA);
18	(16)	N-(1-amino-3,3-dimethyl-1-oxobutan-2-yl)-1-pentyl-1H-
19		indazole-3-carboxamide, its optical, positional, and
20		geometric isomers, salts, and salts of isomers (Other
21		names: ADB-PINACA);

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1	(17)	N-(1-amino-3-methyl-1-oxobutan-2-yl)-1-
2		(cyclohexylmethyl)-1H-indazole-3-carboxamide, its
3		optical, positional, and geometric isomers, salts, and
4		salts of isomers (Other names: AB-CHMINACA);
5	(18)	N-(1-amino-3-methyl-1-oxobutan-2-yl)-1-pentyl-1H-
6		indazole-3-carboxamide, and geometric isomers, salts,
7		and salts of isomers (Other names: AB-PINACA);
8	(19)	[1-(5-fluoropentyl)-1H-indazol-3-yl](naphthalen-1-
9		yl)methanone, and geometric isomers, salts, and salts
10		of isomers (Other names: THJ-2201);
11	(20)	Methyl (1-(4-fluorobenzyl)-1 H-indazole-3-carbonyl)-L-
12		valinate, and geometric isomers, salts, and salts of
13		isomers (Other names: FUB-AMB);
14	(21)	(S)-methyl 2-(1-(5-fluoropentyl)-1H-indazole-3-
15		carboxamido)-3-methylbutanoate, and geometric isomers,
16		salts, and salts of isomers (Other names: 5-fluoro-
17		AMB, 5-fluoro-AMP);
18	(22)	N-((3s,5s,7s)-adamantan-1-yl)-1-(5-fluoropentyl)-1H-
19		indazole-3-carboxamide, and geometric isomers, salts,
20		and salts of isomers (Other names: AKB48 N-(5-

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1		fluoropentyl) analog, 5F-AKB48, APINACA 5-fluoropentyl
2		analog, 5F-APINACA);
3	(23)	N-adamantyl-1-fluoropentylindole-3-Carboxamide, and
4		geometric isomers, salts, and salts of isomers (Other
5		<pre>names: STS-135, 5F-APICA; 5-fluoro-APICA);</pre>
6	(24)	Naphthalen-1-yl 1-(5-fluoropentyl)-1H-indole-3-
7		carboxylate, and geometric isomers, salts, and salts
8		of isomers (Other names: NM2201);
9.	(25)	N-(1-amino-3,3-dimethyl-1-oxobutan-2-yl)-1-
10		(cyclohexylmethyl)-1H-indazole-3-carboxamide, and
11		geometric isomers, salts, and salts of isomers (Other
12		names: MAB-CHMINACA and ADB-CHMINACA);
13	(26)	Methyl 2-[1-(5-fluoropentyl)-1H-indazole-3-
14		carboxamido]-3,3-dimethylbutanoate (Other names: 5F-
15		ADB, 5-flouro-ADB, and 5F-MDMB-PINACA), its optical,
16		positional, and geometric isomers, salts, and salts of
17		isomers; and
18	(27)	1-(4-cyanobutyl)-N-(2-phenylpropan-2-yl)indazole-3-
19		carboxamide (CUMYL-4CN-BINACA), its optical,
20		positional, and geometric isomers, salts, and salts of
21		isomers; also known as SGT-78, 4-CN-CUMYL-BINACA;

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1	CUMYL-CB-PINACA; CUMYL-CYBINACA; 4-cyano CUMYL-
2	BUTINACA."
3	SECTION 5. Section 712-1240, Hawaii Revised Statutes, is
4	amended as follows:
5	1. By adding two new definitions to be appropriately
6	inserted and to read:
7	""Hemp" shall have the same meaning as in section 141-A.
8	"Tetrahydrocannabinol" means tetrahydrocannabinol naturally
9	contained in a plant of the genus Cannabis (cannabis plant), as
10	well as synthetic equivalents of the substances contained in the
11	plant, or in the resinous extractives of Cannabis, sp. or
12	synthetic substances, derivatives, and their isomers with
13	similar chemical structure and pharmacological activity to those
14	substances contained in the plant, such as the following: Delta
15	1 cis or trans tetrahydrocannabinol, and their optical isomers;
16	Delta 6 cis or trans tetrahydrocannabinol, and their optical
17	isomers; and Delta 3,4 cis or trans-tetrahydrocannabinol, and
18	its optical isomers (since nomenclature of these substances is
19	not internationally standardized, compounds of these structures,
20	regardless of numerical designation of atomic positions, are



covered); provided that tetrahydrocannabinol shall exclude 1 2 tetrahydrocannabinol in hemp." 3 2. By amending the definition of "marijuana" to read: ""Marijuana" means any part of the plant (genus) cannabis, 4 5 whether growing or not, including the seeds and the resin, and 6 every alkaloid, salt, derivative, preparation, compound, or 7 mixture of the plant, its seeds or resin[, except that, as used herein, "marijuana"]. "Marijuana" does not include hemp, 8 hashish, tetrahydrocannabinol, and any alkaloid, salt, 9 10 derivative, preparation, compound, or mixture, whether natural 11 or synthesized, of tetrahydrocannabinol." SECTION 6. Section 141-41, Hawaii Revised Statutes, is 12 13 repealed. 14 ["[\$141-41] Industrial hemp special fund; established. 15 (a) There is created in the state treasury a special fund to be 16 designated as the industrial hemp special fund to be 17 administered by the department of agriculture. Moneys deposited 18 in this special fund shall be used to fulfill the purposes of 19 this part and shall include: (1) Any moneys appropriated by the legislature to the 20 21 special fund;

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1	(2) Any fees collected by the department of agriculture in
2	relation to the industrial hemp pilot program; and
3	(3) The interest or return on investments earned from
4	moneys in the special fund.
5	(b) The department of agriculture may use the moneys in
6	the special fund to carry out the purposes of this part,
7	including hiring employees, specialists, and consultants
8	necessary to complete projects related to the purposes of this
9	<pre>part."]</pre>
10	SECTION 7. Act 228, Session Laws of Hawaii 2016, is
11	amended by amending section 8 to read as follows:
12	"SECTION 8. This Act shall take effect on July 1, 2016,
13	and shall be repealed on [ <del>June 30, 2021.</del> ] <u>October 31, 2020.</u> "
14	SECTION 8. (a) The chairperson of the board of
15	agriculture, in consultation with the governor and the attorney
16	general, shall prepare and submit a proposed state plan to
17	monitor and regulate hemp production in the State pursuant to
18	section 297B of the Agricultural Marketing Act of 1946, as
19	amended, and title 7 Code of Federal Regulations part 990,
20	subpart B, to the Secretary of the United States Department of
21	Agriculture within thirty days after the effective date of this



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Act. The chairperson shall also submit a copy of the proposed
 state plan to the president of the senate and the speaker of the
 house of representatives.

4 (b) The chairperson of the board of agriculture shall
5 submit reports on a monthly basis to the governor, the president
6 of the senate, and the speaker of the house of representatives
7 concerning the status of the pending approval of the state plan
8 by the Secretary of the United States Department of Agriculture
9 until the state plan is approved.

10 (c) If the Secretary of the United States Department of
11 Agriculture approves the state plan, the department shall take
12 steps to implement the state plan.

(d) The chairperson of the board of agriculture shall submit a report on the implementation of the state plan to the legislature no later than twenty days prior to the convening of the regular session of 2021. The report shall include any proposed legislation to facilitate the monitoring and regulation of hemp production in the State.

19 SECTION 9. There is appropriated out of the general
20 revenues of the State of Hawaii the sum of \$ or so
21 much thereof as may be necessary for fiscal year 2020-2021 to be



1 deposited into the hemp regulatory special fund established 2 pursuant to section 141-K, Hawaii Revised Statutes. 3 SECTION 10. There is appropriated out of the hemp 4 regulatory special fund established pursuant to section 141-K, 5 Hawaii Revised Statutes, the sum of \$ or so much 6 thereof as may be necessary for fiscal year 2020-2021 for the 7 monitoring and regulation of hemp production.

8 The sum appropriated shall be expended by the department of9 agriculture for the purposes of this Act.

SECTION 11. Upon the repeal of the industrial hemp pilot program pursuant to Act 228, Session Laws of Hawaii 2016, all unencumbered funds remaining in the industrial hemp special fund established pursuant to section 141-41, Hawaii Revised Statutes, shall be deposited into the hemp regulatory special fund.

15 SECTION 12. There is appropriated out of the general 16 revenues of the State of Hawaii the sum of \$ or so 17 much thereof as may be necessary for fiscal year 2020-2021 for 18 hemp research at the college of tropical agriculture and human 19 resources at the University of Hawaii.

20 The sum appropriated shall be expended by the University of21 Hawaii for the purposes of this Act.



1 SECTION 13. In codifying the new sections added by section 2 2 and referenced in sections 3, 5, 9, and 10 of this Act, the 3 revisor of statutes shall substitute appropriate section numbers 4 for the letters used in designating the new sections in this 5 Act. 6 SECTION 14. This Act does not affect rights and duties 7 that matured, penalties that were incurred, and proceedings that were begun before its effective date. 8 9 SECTION 15. Statutory material to be repealed is bracketed 10 and stricken. New statutory material is underscored. 11 SECTION 16. This Act shall take effect on July 1, 2150; 12 provided that: 13 (1) Section 6 shall take effect on October 31, 2020; and 14 (2) Sections 9, 10, and 12 shall take effect on July 1, 15 2020.



**Report Title:** Hemp; Agriculture; State Plan; Research; Appropriations

#### Description:

Requires the State to seek approval from the federal Department of Agriculture of a state plan to monitor and regulate hemp. Establishes a statutory framework to monitor and regulate hemp. Establishes and appropriates funds for the hemp regulatory special fund. Excludes hemp from the State's prohibitions against marijuana. Appropriates funds to DOA for monitoring and regulating hemp production and CTAHR for hemp research. Takes effective on 7/1/2150. (HD1)

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

