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Honolulu, Hawaii

FEB 13 ' 2020

RE: H.B. No. 2102

H.D. 1

Honorable Scott K. Saiki Speaker, House of Representatives Thirtieth State Legislature Regular Session of 2020 State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred H.B. No. 2102 entitled:

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

begs leave to report as follows:

The purpose of this measure is to establish uniform standards and practices to facilitate the safe availability of hemp products in the State.

Your Committee received testimony in support of this measure from the U.S. Hemp Roundtable and one individual. Your Committee received testimony in opposition to this measure from Irie Hawaii and four individuals. Your Committee received comments on this measure from the Department of Health (Department).

Your Committee finds that there is a proliferation of hemp products for use and sale. Your Committee further finds that there are thirty-six industrial hemp farmers registered in the Industrial Hemp Pilot Program. Your Committee believes that standards and practices should be established, to ensure the safe availability of hemp-derived products for consumers and clear regulatory guidelines for hemp farmers.

Your Committee notes that the federal Food and Drug Administration (FDA) retains jurisdiction over the regulation of

ingestible and topical hemp products, but has not approved hemp derivatives for safe use in the food supply. As such, your Committee finds that in regard to the consumption of hemp, caution is warranted to ensure the safety of consumers. Your Committee believes that any standards and practices to facilitate the safe availability of hemp products should not allow hemp or its derivatives for human consumption as food products until the FDA approves of such use for hemp.

Your Committee has amended this measure by:

- (1) Amending the definition of "hemp product" to clarify that these types of products do not include food or food additives but do include dietary supplements and are for human or animal consumption, and removing the distinction between finished and raw products;
- (2) Clarifying that "human or animal consumption" is the ingestion or topical application to skin, hair, or eyes;
- (3) Adding an additional warning statement that will be required on the package of any hemp product and changing the requirements for how the warning statements are to be displayed;
- (4) Amending the manufacturing standards to be applicable only to hemp products intended to be a dietary supplement, rather than intended for food;
- (5) Prohibiting the manufacture, sale, and distribution in the State of any food into which a hemp product has been added;
- (6) Prohibiting the sale and distribution in the State of hemp products designed to be appealing to children;
- (7) Requiring the Department to adopt rules on the standards and practices for regulating hemp, including the authority to adopt interim rules;
- (8) Specifying that licensed medical cannabis dispensaries must receive approval from the Department prior to including hemp as an ingredient in any manufactured cannabis product;

- (9) Prohibiting the sale of hemp products to individuals under twenty-one years of age;
- (10) Requiring the Department to submit a report to the Legislature no later than twenty days prior to the convening of the Regular Sessions of 2021, 2022, and 2023;
- (11) Inserting a sunset date of June 30, 2023;
- (12) Changing the effective date to July 1, 2050, to encourage further discussion; and
- (13) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2102, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2102, H.D. 1, and be referred to your Committee on Finance.

Respectfully submitted on behalf of the members of the Committee on Consumer Protection & Commerce,

ROY M. TAKUMI, Chair

State of Hawaii House of Representatives The THIRTIETH Legislature HSCR 418-20

Record of Votes of the Committee on Consumer Protection & Commerce

Bill/Resolution No.:	Committee Referral:	Date:	2-15	120
HB 2102	CPC, FIN		2/5/20	
☐ The committee is reconsidering its previous decision on the measure.				
The recommendation is to: Pass, unamended (as is) Pass, with amendments (HD) Pass short form bill with HD to recommit for future public hearing (recommit)				
CPC Members	Ayes	Ayes (WR)	Nays	Excused
1. TAKUMI, Roy M. (C)				
2. ICHIYAMA, Linda (VC)	/			
3. AQUINO, Henry J.C.				V
4. BELATTI, Della Au				
5. CABANILLA ARAKAWA, Rida	a			
6. CACHOLA, Romy M.	√	-		
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7. HAR, Sharon E.	V			
8. KONG, Sam Satoru	✓			
9. MIZUNO, John M.	/		The second second	
10. ONISHI, Richard H.K.		5. N. S.		
11. MATSUMOTO, Lauren				
11. MAISONOTO, Lauren	· · · · · · · · · · · · · · · · · · ·			
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TOTAL (11)	70	Ø	0	1
The recommendation is: Adopted If joint referral, did not support recommendation. committee acronym(s)				
Vice Chair's or designee's signature: Linde Chairy				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				