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### **Executive Officers**

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### TO:

Committee on Commerce, Consumer Protection and Health, and Committee on Judiciary Senator Rosalyn H. Baker and Senator Karl Rhoads, Chairs Senator Stanley Chang and Senator Jarrett Keohokalole, Vice Chair

FROM: HAWAII FOOD INDUSTRY ASSOCIATION

Lauren Zirbel, Executive Director

DATE: February 21, 2020

TIME: 10:30am

PLACE: Conference Room 229

RE: SB2050 SD1 Relating to Industrial Hemp Derived Products

Position: Support

The Hawaii Food Industry Association is comprised of two hundred member companies representing retailers, suppliers, producers, and distributors of food and beverage related products in the State of Hawaii.

Hemp is an industry with great potential for growth in our state. We believe this measure will help foster that growth. Giving clarity to existing regulations and establishing clear and consistent guidelines for the industry is an important step for creating a strong sustainable future for hemp in our state. Currently businesses that adhere to the FDA's guidelines are at a commercial disadvantage compared to the many businesses that continue to sell these unregulated products. We support a framework that will create a level playing field and allow consumers to make informed decisions about these products. We thank you for the opportunity to testify.

Submitted on: 2/19/2020 12:08:39 PM

Testimony for CPH on 2/21/2020 10:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing	
keali'i	Testifying for Hawaii Cannabis Care	Support	No	

# Comments:

i support bill SB2050,

i would love to see CBD regulated especially through edibles and drinks since they have low doses and easy to consume & mainly for health reasons. this state should give the freedom to access regulated CBD for the good health of the people, local hawaii based companies & businesses. Hawaii is a excellent spot to grow cannabis hemp! tourism will also help with buying "HAWAI'I BASED" products. whiich they also greatly support! we need local access to clean lab-tested CBD or the black market will continue to sell unregulated, unclean, unsafe CBD

Submitted on: 2/18/2020 8:10:12 AM

Testimony for CPH on 2/21/2020 10:30:00 AM

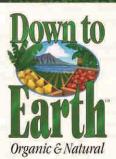
Submitted By	Organization	Testifier Position	Present at Hearing
Scott Rasak	Testifying for JOCOR Distro	Support	No

Comments:

Greetings,

JOCOR Distro is supporting SB 2050 as it offers a clear path for CBD prodcuts to be distributed in Hawaii. Much like the mainland markets, CBD has become a large benifit to customers and Hawaii has been put in a grey area. This bill would benifit thousands of Hawaii residents and help Hawaii businesses with clear guidance and language to protect the growing CBD market locally.

Thank you for the opportunity to testify.



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### Oahu Locations

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### Maui Location

Kahului 305 Dairy Road Kahului, HI 96732 Phone: (808) 877-2661 Fax: (808) 877-7548 kahului@downtoearth.org SB 2050, SD1 RELATING TO INDUSTRIAL HEMP DERIVED PRODUCTS

Senate Committees on Commerce, Consumer Protection, and Health and Judiciary
February 21, 2020, 10:30am State Capitol

Aloha Sen. Rosalyn H. Baker, CPH Chair, Sen. Stanley Chang, CPH Vice Chair, Sen. Karl Rhoads, JDC Chair, Sen. Jarrett Keohokalole, JDC Vice Chair, and Committee Members,

### Down to Earth Organic and Natural testifies in support of SB 2050, SD1.

Down to Earth Organic and Natural has six locations on Oahu and Maui. Since we opened in 1977, we have supported healthy lifestyles and preservation of the environment by selling local, fresh, organic and natural products, and by promoting a healthy, plant-based and vegetarian lifestyle.

We are in support of SB 2050 SD1. We have experienced a great demand for CBD and other hemp-derived products because of the significant improvement in quality of life that these products offer, such as the reduction of anxiety, depression, pain, inflammation, and general calming properties. Finding a natural substance with these benefits can be life-renewing for people who suffer from a wide range of mental and physical health challenges. We are in support of SB 2050, SD1 to establish a uniform, safe regulatory framework for the testing and sale of CBD products while ensuring their proper labeling.

Thank you for the opportunity to comment on this bill.

Alison Riggs
Public Policy & Government Relations Manager
Down to Earth

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E-mail: alison.riggs@downtoearth.org

www.downtoearth.org

<u>SB-2050-SD-1</u> Submitted on: 2/19/2020 3:32:07 PM

Testimony for CPH on 2/21/2020 10:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Hawaii Cannabis Care	Individual	Support	No

# Comments:

I support the bill and want to see a regulated cbd market. We would like to have edibles and drinks for people who enjoy ingesting thru this option. thank u

### February 20, 2020

To: Senator Rosalyn H. Baker, Chair
Senator Stanley Chang, Vice Chair
Members of the Committee on Commerce, Consumer Protection, and Health

Senator Karl Rhoads, Chair Senator Jarrett Keohokalole, Vice Chair Members of the Committee on Judiciary

From: Maggie Cole, Pan Pacific Ventures

Re: TESTIMONY IN **SUPPORT OF SB 2050 SD1** 

### RELATING TO INDUSTRIAL HEMP DERIVED PRODUCTS

Pan Pacific Ventures (PPV) was formed in Hawai'i in 1986 to invest in early stage enterprises on behalf of our family. Over the past 34 years PPV has served as lead investor and often the principal manager for companies in multiple sectors, including organic agriculture, human nutrition, food processing, software development, health information systems and biotechnology.

Last year PPV was awarded a license by the Hawai'i Department of Agriculture (HDOA) to grow hemp on up to 10 acres under the industrial hemp pilot program. As a state-licensed hemp producer dedicated to the production of quality-assured, hemp-derived medicinal products made in Hawai'i, PPV strongly **supports** the key provisions contained within SB 2050 SD1, which would help to foster the development of an economically viable hemp industry in Hawai'i while putting in place rigorous and urgently needed public health protections.

Mahalo for your consideration.

<u>SB-2050-SD-1</u> Submitted on: 2/19/2020 8:38:06 PM

Testimony for CPH on 2/21/2020 10:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Miles W. Tuttle	Testifying for Kush Bottles Hawai'i	Support	No

<u>SB-2050-SD-1</u> Submitted on: 2/19/2020 4:55:07 PM

Testimony for CPH on 2/21/2020 10:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Steephill Hawaii	Testifying for Steephill Hawaii	Support	No

Submitted on: 2/20/2020 6:43:30 AM

Testimony for CPH on 2/21/2020 10:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Margaret Richardson	Testifying for Global Widget, LLC	Support	No

### Comments:

Global Widget and its distribution partner, Volcano, fully support the proposed Senate Bill No. 2050 with the caveat that the proposed Bill should be implemented in a timely manner. The implementation of the bill allows Hawaii to create a regulatory structure that protects its consumers from under-potent and/or dangerous CBD products by ensuring that the products sold in Hawaii meet a set of minimum standards. Global Widget has been, and continues to be, a leader in the CBD Industry related to quality and compliance and manufactures its products pursuant to cGMP. Global Widget and Volcano welcome the proposed regulatory oversight and look forward to working with the various state agencies to implement regulations that protect Hawaii consumers and create a vibrant, new industry that leads to dynamic job growth.

Submitted on: 2/20/2020 8:36:19 AM

Testimony for CPH on 2/21/2020 10:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Neil Ishida	Testifying for ABC Stores	Support	No

Comments:

Aloha,

ABC Stores continues to be in strong support of SB 2050 – Relating to Industrial Hemp derived products.

As noted in the measure there is currently a lot of confusion among retailer and consumers about these products. Currently businesses that adhere to the Food and Drug Administration's ("FDA") guidelines are at a commercial disadvantage compared to the many businesses that continue to sell these unregulated products. We support a framework that will create a level playing field and allow consumers to make informed decisions about these products.

The 2018 Farm Bill legalized the sale of CBD from hemp across the USA, but the FDA has failed to regulate it. The FDA maybe working on creating opportunities to research for CBD, but this approach will not address the current sale of CBD products within the State of Hawaii in the near future.

Some businesses will continue to sell unregulated products if a bill such as SB 2050 is not passed. This legal limbo puts both consumers and Hawaii's hemp farms at risk. This bill offers clear rules for the production and sale of safe hemp and CBD products.

We respectfully also request that SB 2050 include an amendment that will amend the controlled substance law and criminal law to exclude hemp from the definition of marijuana.

Thank you for this opportunity to testify.

# U.S. Hemp Roundtable

502.319.2358 | 100 M Street, S.E., Suite 600, Washington, DC 20003 | info@hempsupporter.com

February 21, 2020

Senator Rosalyn Baker, Chair Senator Stanley Chang, Vice Chair Senate Committee on Commerce, Consumer Protection, and Health

Senator Karl Rhoads, Chair Senator Jarrett Keohokalole, Vice Chair Senate Committee on Judiciary

Chair Baker, Chair Rhoads, and Members of the Joint Committees:

Thank you for the opportunity to provide testimony <u>in strong support</u> of SB 2050, SD 1

RELATING TO INDUSTRIAL HEMP DERIVED PRODUCTS. This measure would require labels on hemp products, prohibit unwarranted health-related statements about hemp products, and establish standards for manufacturing, distributing and selling products that contain hemp, cannabinoids, or derivatives from hemp.

The U.S. Hemp Roundtable is a coalition of leading companies and organizations committed to safe hemp and CBD products. We proudly represent the industry's major national grassroots organizations, and are leading the way forward for hemp and CBD products through education and action. We do not view industrial hemp derived products as medication, and believe that the most effective way to realize the potential of the industrial hemp market and allow for safe and regulated CBD products in the market is to establish the right conditions for the market to flourish.

Since the passage of the federal Farm Bill in 2018, which effectively legalized the sale of cannabidiol products from the commercial cultivation of hemp, more than sixteen thousand hemp growers have emerged throughout the United States. The hemp industry across the country has grown rapidly, and hemp-derived products including cannabidiol are used by a wide range of consumers. In Hawaii, there are currently over 30 registered hemp growers under the Industrial Hemp pilot program.

It is expected that the Food and Drug Administration will eventually use its authority to regulate hemp-derived products. However, the only enforcement action that the FDA has taken to date is to issue warning letters against improper disease remediation claims made by food and supplement

companies. The Hawaii Department of Health has adhered to guidance from the FDA that provides that food, beverage, or cosmetic products that contain cannabidiol are adulterated and therefore prohibited under law. Despite this suggested prohibition, cannabidiol products continue to be sold across Hawaii, with no regulatory oversight.

Given the time expected for the FDA to act, other states have considered and enacted their own regulatory frameworks for hemp-derived cannabidiol. We believe that it is prudent for Hawaii to also do so, and support the approach outlined in SB 2050, SD 1.

We believe that SB 2050, SD 1 provides legal clarity to businesses and consumers by explicitly authorizing the production and sale of hemp-derived cannabidiol products, while at the same time establishing and provides needed regulatory oversight to eliminate the confusion in the marketplace that exists today. This bill establishes that products containing cannabidiol are not adulterated food, beverage or cosmetics, and also provides for consumer protections and safety through the following mechanisms:

- Requiring the hemp to come from an established hemp program that meets federal law.
- Requiring the hemp to be tested for potency and contaminants under industrial hemp regulations.
- Requiring labels to be placed on all products cautioning against use while pregnant and keeping out of reach of children.
- Prohibiting misleading health related claims from being made about the use of CBD.

We believe that this measure provides the necessary framework to establish a viable hemp/cannabidiol industry and would continue to maintain the current unregulated market being fulfilled through on-line sales and unregulated marketplaces.

For these reasons the U.S. Hemp Roundtable respectfully urges you to pass SB 2050, SD 1. Thank you for the opportunity to submit testimony in support of this measure.

Submitted on: 2/18/2020 1:22:39 PM

Testimony for CPH on 2/21/2020 10:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Jennifer Carlile	Testifying for Hawaiian Choice	Support	No

### Comments:

Thank you for the opportunity to submit testimony on SB2050.

I am writing in strong support of SB2050 on behalf of Hawaiian Choice, a local CBD manufacturer. I would like to voice my support for all of the testimony submitted by Jared Dalgamouni and the quick enactment of this bill (not waiting 2050!). To save time, I will not repeat his testimony here.

There is just one small additional amendment that I hope you will consider.

Page 6, line 11: change "benefits or effects on health" to "benefits or effects on the diagnosis, cure, mitigation, treatment or prevention of any disease."

I suggest this because term "health" is very broad. According to Merriam-Webster Dictionary, the primary definition of "health" is "the condition of being sound in body, mind or spirit."

I believe this change would make it clear that CBD companies cannot make any claims relating to diseases and keeps the wording in line with the FDA's intention.

The wording I am suggesting comes from this FDA article: "FDA is Committed to Sound, Science-based Policy on CBD"

https://www.fda.gov/news-events/fda-voices-perspectives-fda-leadership-and-experts/fda-committed-sound-science-based-policy-cbd

Thank you very much for taking the time to read and consider my position in strong support of SB2050.

Submitted on: 2/18/2020 12:00:43 PM

Testimony for CPH on 2/21/2020 10:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
JARED DALGAMOUNI	Testifying for Hawaiian Choice CBD	Support	No

### Comments:

Dear Committee Members,

Thank you for the opportunity to provide testimony today. My name is Jared Dalgamouni and I am the founder of a local CBD manufacturing company called Hawaiian Choice. We are a local business in Hawaii and are a leading Hawaii manufacturer of luxury, super premium CBD products with our products currently carried by over 100 local retailers, plus 50 more on the mainland, Japan, Mexico and Switzerland.

We support the intent of SB2050 strongly, and applaud your efforts to make regulatory progress in this area. Farmers, Manufacturers, and Retailers need a reasonable level of regulation, which we feel this Bill provides.

We have some concerns about the intend of changing the date on this bill to the year 2050, and we understand that this is because there has been some discussion of not "overregulating CBD" and we can assure you that this bill does not do that. In fact, we believe the level described is essential.

As such we warn strongly against delaying the immediate implementation of this Bill because Hawaii's retailers, especially the larger corporate retailers, have been clear with us that out of the abundance of caution they need explicit assurance that CBD is allowed for them to sell. The lack of regulation to date in this area has not provided security for Hawaii's consumers, and has had the effect of keeping larger retailers on the sidelines. This inaction has hurt the expansion of this industry, to the detriment of Hawaii's manufacturers, and by extension the hemp farmers. Adoption by the larger retailers is key to giving credibility to our local brands to "not miss the boat" as a springboard to the National Retailers on the mainland.

As an example, the lack of clarity - in particular the DOH statement of April 26, 2019 and May 1, 2019 - have already prompted a number of civil litigation issues and significantly hurt Hawaii's manufacturers and farmers. There have also been a number of media statements by the DOH to this effect which have been carried in the local news.

https://health.hawaii.gov/news/files/2019/05/19-027-DOH-Advisory-on-Products-Containing-CBD-and-Safety-002.pdf https://health.hawaii.gov/food-drug/cbd-questions-and-answers/

Specifically as you may be already aware one of the 329 Licensees has already been sending, via their lawyers, Cease and Desist letters to some of Hawaii's largest retailers claiming those retailers are not allowed to sell CBD products and that only the dispensaries are. This is obviously economically motivated, and has caused some of these retailers to stop selling CBD products whilst they await legislation. This has had a secondary effect of causing disruption, uncertainty, and fear in the secondary market of smaller retailers who look to these larger retailers for example. I understand also that there have been some Mainland CBD companies which have been sending form letters to some of Hawaii's leading spas threatening them with unfounded legal action if they use Hawaiian made products, causing a chill in those larger corporates towards the overall industry. All these are consequences of not regulating CBD and providing explicit assurances to our retailers that Hawaii's CBD products are regulated to a minimum basic standard and are allowed to be grown, manufactured and sold.

It is important that we have a legislative fix implemented immediately before further damage is done, and we ask for the subsequent retraction of these DOH statements and affirmation of SB2050.

We have a few amendment requests to SB2050 which we would request:

Page 8, line 16 - for the aforementioned reasons we ask the date is moved to being effective immediately, in the year 2020, not 2050. Time is of the essence.

Page 6, line 16 - add "HR 141-32" to identify Hawaii's current legal hemp program so as not to limit interim adoption to mainland retailers only since Hawaii is still awaiting adoption of Hawaii's new hemp program.

Page 5, line 8 - clarity that any individual or entity is covered by this bill. The DOH acknowledged at the AEN meeting that there was no intent to limit sales to the licensees, but out of the abundance of caution and in light of the recent litigation we feel it is essential to provide explicit assurances to everyone.

Page 3, line 21 - we feel it is important to clarify that "the regulatory framework" is clarified as limited to labelling and testing requirements mirroring the tests required of equivalent products currently subjected to in the dispensaries - i.e. potency, heavy metal, pesticide, microbial, and where relevant solvent.

Page 3, line 20 - change "manufactured" to "grown" to support the hemp farmers.

Page 3, line 15 & 20, page 2 line 4 - change "CBD" to "hemp product and cannabinoids" to assure protection for all cannabinoids in support of the growing market for the other cannabinoids (obviously THC is regulated elsewhere).

Page 13, line 13 - remove examples of state programs as they exceed labelling and independent lab testing.

Thank you for your time and attention to this important issue.

Jared Dalgamouni

Submitted on: 2/18/2020 3:17:58 PM

Testimony for CPH on 2/21/2020 10:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Tasia Collier	Individual	Support	No

# Comments:

To whom it may concern,

I support SB2050. A regulatory framework for products containing CBD is a necessity if consumers are to feel safe. Manufacturers should be held to a regulated standard of excellence. They should have to refrain from making unsubstantiated health claims and confusing consumers.

Respectfully,

Tasia Collier

Submitted on: 2/19/2020 9:31:40 AM

Testimony for CPH on 2/21/2020 10:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Lincoln	Individual	Support	No

# Comments:

This is good for Hawaii's farmers and consumers. Helps regulate cbd and hemp and makes farmers better sell their product and brand it. Also helps consumers know what they're buying and where it comes from.

<u>SB-2050-SD-1</u> Submitted on: 2/19/2020 3:31:35 PM

Testimony for CPH on 2/21/2020 10:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Kimberly Gale	Individual	Support	No

<u>SB-2050-SD-1</u> Submitted on: 2/19/2020 3:04:59 PM

Testimony for CPH on 2/21/2020 10:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
wendy kelly	Individual	Support	No

Submitted on: 2/19/2020 3:51:18 PM

Testimony for CPH on 2/21/2020 10:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Stacy King	Individual	Support	No

# Comments:

I support the regulation of hemp-derived CBD products in the form of required lab testing in order to ensure consumer safety. However, the sale of CBD should not be limited to dispensaries, as many other companies are capable of obtaining legal hemp-derived CBD and following testing guidelines for CBD products. Limiting CBD sales to dispensaries limits the availability of helpful products that do not require a prescription.

Submitted on: 2/19/2020 6:01:44 PM

Testimony for CPH on 2/21/2020 10:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
keanu	Individual	Support	No

### Comments:

i keanu would like to support SB 2050 because i support local regulated CBD thats labtested. we cannot trust black market CBD being sold that is more likely to be unclean and unsafe. we need regulations on CBD so everyone can buy whether its CBD drinks or gummies or even tinctures we all wanna make sure the CBD we buy and consume in hawaii is LOCAL & LAB tested. checking for potency accuracy and THC% & other compliances that are necessary to ensure people who take CBD do not fail drug tests & do not get sick from it. ALOHA last note i take CBVD because its natural medicine for my body / muscle pain, my pet dogs anxiety & also helps my cousins seizures..

Submitted on: 2/19/2020 4:34:12 PM

Testimony for CPH on 2/21/2020 10:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
leina	Individual	Support	No

### Comments:

i leina would like to support bill SB2050 because i would love to consume regulated, safe, lab tested CBD that helps with my stress and pains.. cbd drinks and cbd gummies are my favorite and easiest way for me to get my small dose of CBD for my everyday needs! Hawai'i is also known to be the best place to grow cannabis as well. another note these black market un-lab tested CBD have been known to have THC in them causing a few to lose GOOD jobs all because it wasn't lab tested for THC.. people who are making their own CBD are selling it without knowing that high traces of THC is inside.. MAHALO

<u>SB-2050-SD-1</u> Submitted on: 2/19/2020 6:17:51 PM

Testimony for CPH on 2/21/2020 10:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Tara Sellars	Individual	Support	No

<u>SB-2050-SD-1</u> Submitted on: 2/19/2020 6:51:09 PM

Testimony for CPH on 2/21/2020 10:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Drew Erickson	Individual	Support	No

# Comments:

Please don't take away our opportunity to farm hemp. Keep it local.

<u>SB-2050-SD-1</u> Submitted on: 2/19/2020 4:39:57 PM

Testimony for CPH on 2/21/2020 10:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Shalin Ranjitkar	Testifying for Steep Hill Hawaii	Support	No

# Comments:

Regulating CBD infused products will ensure consumer safety.

Submitted on: 2/19/2020 4:52:00 PM

Testimony for CPH on 2/21/2020 10:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Nelson Lazaga	Testifying for Steep Hill Hawaii	Support	No

# Comments:

All products should be lab tested with the same stringency that the medical cannabis licensees have to abide by to ensure patient safety. This includes both microbial and chemical contaminants, as well as potency values for the products.

<u>SB-2050-SD-1</u> Submitted on: 2/19/2020 11:51:00 AM

Testimony for CPH on 2/21/2020 10:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Curtis Smith	Individual	Support	No

<u>SB-2050-SD-1</u> Submitted on: 2/19/2020 8:47:11 AM

Testimony for CPH on 2/21/2020 10:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Angela Catania	Individual	Support	No

<u>SB-2050-SD-1</u> Submitted on: 2/18/2020 9:39:33 AM

Testimony for CPH on 2/21/2020 10:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Hoku	Individual	Oppose	No

Submitted on: 2/18/2020 9:16:36 AM

Testimony for CPH on 2/21/2020 10:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
HANALEI BENN	Individual	Oppose	No

# Comments:

Since being introduced to CBD and learning alot about it, it has helped me in A enormous way. i havent claimed it has magical powers that will solve everything but I do feel and learned our bodys need it regardless, so we should be able to choice if we want to use it or not and how it way help us.

<u>SB-2050-SD-1</u> Submitted on: 2/17/2020 8:34:52 PM

Testimony for CPH on 2/21/2020 10:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
VALENTINO MIRANDA-KEPA	Individual	Oppose	No

<u>SB-2050-SD-1</u> Submitted on: 2/17/2020 9:04:17 PM

Testimony for CPH on 2/21/2020 10:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Jericho Tobin	Individual	Oppose	No

<u>SB-2050-SD-1</u> Submitted on: 2/17/2020 9:10:34 PM

Testimony for CPH on 2/21/2020 10:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Eric Heaukulani	Individual	Oppose	No

<u>SB-2050-SD-1</u> Submitted on: 2/17/2020 9:31:25 PM

Testimony for CPH on 2/21/2020 10:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Monique gunn	Individual	Oppose	No

<u>SB-2050-SD-1</u> Submitted on: 2/17/2020 9:49:08 PM

Testimony for CPH on 2/21/2020 10:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Theresa Revell	Individual	Oppose	No

# Comments:

Honorable Senators:

I strongly oppose SB2050. Hemp has multiple positive uses, it is a plant. To treat it as contraband is wrong. Please vote against SB2050.

Respectfully submitted,

Theresa Revell

<u>SB-2050-SD-1</u> Submitted on: 2/17/2020 9:57:46 PM

Testimony for CPH on 2/21/2020 10:30:00 AM

Submitted By Organization		Testifier Position	Present at Hearing
Naomi Muronaka	Individual	Oppose	No

<u>SB-2050-SD-1</u> Submitted on: 2/17/2020 10:01:57 PM

Testimony for CPH on 2/21/2020 10:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Louis Bauguess	Individual	Oppose	No

Comments:

Aloha,

I oppose SB2050. Hemp products are very useful and beneficial to everyone.

Mahalo,

Louis Bauguess

<u>SB-2050-SD-1</u> Submitted on: 2/18/2020 8:06:55 AM

Testimony for CPH on 2/21/2020 10:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Andy Takaaze	Individual	Oppose	No

### Comments:

I oppose any unnecessary taxes and or regulations on products already being sold safely on the free market. STOP over regulation, let the market determine product viability.

<u>SB-2050-SD-1</u> Submitted on: 2/18/2020 8:34:52 AM

Testimony for CPH on 2/21/2020 10:30:00 AM

Submitted By	bmitted By Organization		Present at Hearing
ASHLEY MATTOS	Individual	Oppose	No

<u>SB-2050-SD-1</u> Submitted on: 2/18/2020 9:06:10 AM

Testimony for CPH on 2/21/2020 10:30:00 AM

Submitted By	Submitted By Organization		Present at Hearing
natalea mikami	Individual	Oppose	No

# SB-2050-SD-1

Submitted on: 2/18/2020 9:13:19 AM

Testimony for CPH on 2/21/2020 10:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing	
dillon rellez	Individual	Oppose	No	

### Comments:

The main thing is that CBD derived from hemp is a safe and legal product that should be tested every time but making it harder for people to get doesn't make sense to me. I disagree with any law making it harder for us working people to get what we need. Thank you for your time

<u>SB-2050-SD-1</u> Submitted on: 2/18/2020 11:10:53 AM

Testimony for CPH on 2/21/2020 10:30:00 AM

Submitted By Organization		Testifier Position	Present at Hearing	
jonah	Individual	Oppose	No	

<u>SB-2050-SD-1</u> Submitted on: 2/18/2020 2:07:12 PM

Testimony for CPH on 2/21/2020 10:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
pua	Individual	Oppose	No

<u>SB-2050-SD-1</u> Submitted on: 2/19/2020 10:34:37 AM

Testimony for CPH on 2/21/2020 10:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Randi D	Individual	Oppose	No

### SB-2050-SD-1

Submitted on: 2/21/2020 1:04:43 AM

Testimony for CPH on 2/21/2020 10:30:00 AM

Submitted By		Organization	Testifier Position	Present at Hearing	
	John Calvert	Individual	Support	No	

### Comments:

Aloha Members of the Committee:

My name is John Calvert and I'm a hemp farmer living on the Big Island in the Puna district.

I'm an advocate of regulations that are friendly to farmers and producers of end products. I fully support the establishment of testing and labeling standards for end products, in order to ensure quality and safety. I don't support the involvement of the DOH in regulating the processing and production of hemp products, as explained below – there is no need for this, and it just adds another level of bureaucracy and expense.

I am in full support of SB2050 and HB1819.

I am not in support of HB2689/SB3106 unless it is amended to address the following two major problems:

- 1) It includes "hemp processing" in a bill that should only address hemp cultivation. The bill also doesn't even define the term "hemp processing facility," and hence there's nothing in the legislation to provide scope, specifications, metrics, etc. I agree with the testimony of Sara Steiner on 2/9/20, who said: "There is a problem that I see clear as day with Hawaii's medical cannabis law, you let the Health Department make the administrative rules, which they took the law and drafted unnecessary punitive and vague and conflicting rule. But, we can learn from past mistakes and not mess this Hemp bill up."
- 2) It makes hemp flowers illegal as a product in direct contradiction to federal law (i.e. it includes hemp flowers in the state's definition of marijuana.) Hemp is no longer classified as marijuana according to federal law (Hemp Farming Act of 2018), which excludes all parts of the hemp plant from the definition of marijuana.

mahalo,

John Calvert

hemp farmer, Puna district, Big Island



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# Testimony COMMENTING on SB2050 SD1 RELATING TO INDUSTRIAL HEMP DERIVED PRODUCTS

### SENATOR ROSALYN H. BAKER, CHAIR SENATE COMMITTEE ON COMMERCE, CONSUMER PROTECTION AND HEALTH

### SENATOR KARL RHOADS, CHAIR SENATE COMMITTEE ON JUDICIARY

Hearing Date: 2/21/2020 Room Number: 229

- 1 Fiscal Implications: N/A.
- 2 **Department Testimony:** The Department has major concerns with this measure especially to
- 3 the incorporation of hemp products in food and how the measure will affect the Department's
- 4 medical cannabis dispensaries (page 3, line 5 of this testimony). We offer the following
- 5 comments and suggestions.
- 6 The Department has major concerns over allowing hemp products, which include cannabinoids
- 7 like cannabidiol (CBD) to be sold as a food and used as a food ingredient without it being
- 8 evaluated by the U.S. Food and Drug Administration (FDA) for safe use in the food supply.
- 9 FDA has the primary legal responsibility for determining the safe use of a food additive.
- 10 Currently there are over 3000 ingredients in FDA database of ingredients allowed in food. To
- 11 market a new food additive, a manufacturer or other sponsor must first petition FDA for its
- 12 approval. These petitions must provide evidence that the substance is safe for its intended use.
- 13 FDA has not approved hemp derivatives, like CBD or other cannabinoids, for safe use in the
- 14 food supply. Allowing hemp to be used in foods without evaluating safety data to determine safe
- use limits is not good public health policy. Currently, only hulled hemp seeds, hemp seed oil and
- hemp seed protein powder maintain FDA status as Generally Recognized as Safe (GRAS) for
- use, as intended, in our food supply. FDA's GRAS allowance makes sense as hulled hemp seeds

- 1 contain only fat, protein and carbohydrate and have yet to develop into a cannabis plant
- 2 containing THC, CBD and other cannabinoids.
- 3 A state food safety program may require a manufacturer of a hemp food product to comply with
- 4 FDA rules regarding current Good Manufacturing Practice (cGMP). Requiring cGMP's for any
- 5 manufactured food is critical in delivering a food that has been manufactured to eliminate
- 6 harmful pathogens and be free of chemical or physical contaminants including potential
- 7 undeclared food allergens. However, compliance with FDA cGMPs does not make the food
- 8 products containing cannabinoids like CBD safe for human consumption as there is no definitive
- 9 scientific study that proves low dosages of CBD over an extended period is safe. Also, we do
- 10 not know how the exposure to CBD in food products will affect children (and adults) who will
- be consuming CBD at unknown doses and potencies from potentially a multitude of sources.
- To provide relief to hemp growers, states are trying to fill a regulatory gap that is reserved for
- FDA. It is unknown in the current, ever shifting patchwork of state hemp regulations, how
- many, if any, states have sought to adequately fill FDA's role in evaluating and approving hemp
- for safe use in food by employing experts qualified by scientific training and experience to
- evaluate its safety through scientific procedures. The Department is asking for patience to allow
- 17 FDA to adequately determine if hemp derivatives, like CBD and other cannabinoids, should be
- allowed as a food additive.
- 19 Department is looking forward to working with all stakeholders on developing an efficient
- 20 regulatory framework that addresses processing of hemp plants into hemp products for sale in
- 21 Hawaii. We encourage continued discussion on a number of potential issues associated with
- 22 allowing hemp to come to market as a consumable, for example, drafting concise language that
- will allow for effective enforcement of any hemp product making unsubstantiated health claims.
- To that end, we respectfully recommend the committee consider the amendments to the measure,
- as noted below, regarding granting rule making authority to DOH over processing of hemp into
- hemp products. We also offer amendments to the measure regarding the definition of hemp
- 27 product, which would allow hemp to be used in a hemp cosmetic for topical use and as a hemp

- supplement for oral ingesting by humans or animals. We further offer amendments clarifying a
- 2 prohibition adding hemp, any hemp derivatives or hemp products to food.
- 3 This measure also proposes to amend chapter 328 to allow medical cannabis dispensaries
- 4 licensed pursuant to chapter 329D to manufacture, distribute, or sell products that contain
- 5 industrial hemp, cannabinoids, extracts, or derivatives from industrial hemp. The Department has
- 6 serious concerns that this amendment will increase risks to public, product, and patient safety
- 7 and increase the regulatory burden of the dispensary licensing system.

- (1) Inability to track hemp flower within the dispensary system poses a public safety risk. This amendment would allow hemp flower to enter the licensed dispensary system with no tracking requirement. By contrast, to prevent diversion, cannabis flower is subject to strict inventory tracking requirements under chapter 329D, HRS. Because hemp flower is visually indistinguishable from cannabis flower, allowing hemp flower into the dispensary system with no tracking requirement would significantly complicate efforts to maintain strict monitoring of cannabis flower inventory risking diversion and endangering public safety.
- (2) Lack of control over manufactured product ingredients poses a patient safety risk.

  This amendment would allow an unlimited array of hemp-derived cannabinoids, extracts, or derivatives to be used in the manufacturing of medical cannabis products or be distributed or sold by licensed dispensaries. These items could contain excipients such as coloring agents, flavorings, preservatives, and fillers which may not be appropriate for incorporation into manufactured medical cannabis products, thereby jeopardizing product and patient safety. As evidenced by the recent national outbreak of vaping-related illnesses and deaths, a single ingredient can result in substantial morbidity and mortality.
- (3) Increased regulatory burden will require additional personnel resources. This amendment will add to the already extensive regulatory burden of the dispensary licensing section which has only two inspectors monitoring every aspect of operations in

2 needed to maintain oversight to ensure patient, product, and public safety. **Offered Amendments:** 3 Page 4, Lines 12 through Page 5, Line 4 4 5 "Industrial hemp" has the same meaning as defined 6 <del>31.</del> 7 "Industrial hemp product" means a finished product containing 8 industrial hemp that meets the following conditions: 9 Is a cosmetic, food, food additive, dietary supplement, 10 herb; 11 Is for human or animal consumption; 12 Contains any part of the hemp plant, including naturally 13 occurring cannabinoids, compounds, concentrates, extracts, 14 isolates, resins, or derivatives; and 15 0.3 percent tetrahydracannabinol. <del>Contains no more</del> than 16 "Industrial hemp product" means a finished product containing 17 industrial hemp or a hemp product that is a drug that has been approved as a drug by the United State Food and Drug Administration. 18 Add New Definitions to Page 4, Bill Section 2 19 20 "Hemp" means Cannabis sativa L. and any part of that plant, 21 including the seeds thereof and all derivatives, extracts, 22 cannabinoids, isomers, acids, salts, and salts of isomers, whether 23 growing or not, with a delta-9-tetrahydrocannabinol concentration of not more than 0.3 per cent on a dry weight basis, as measured post-24 25 decarboxylation or by other similarly reliable methods.

"Hemp product" means a product containing hemp that:

the growing number of production and retail facilities. Additional personnel will be

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26

T	(1) Is a nemp cosmette for topical application to the skin, or a
2	hemp supplement to be ingested orally by humans or animals;
3	(2) Contains any part of the hemp plant, including naturally occurring cannabinoids, compounds, concentrates, extracts,
5	isolates, resins, or derivatives; and
6	(3) Has a delta-9-tetrahydrocannabinol concentration of not more
7	than 0.3 per cent as measured post-decarboxylation or other
8	similarly reliable methods.
9	"Hemp product" does not include any living hemp plants, viable
10	seeds, leaf materials, or floral materials.
11	"Synthetic cannabinoid" means a cannabinoid that is (1) produced
12	in a laboratory, whether from chemicals or from biological agents
13	including but not limited to yeast and algae; and (2) not derived from
14	the genus cannabis. This includes biosynthetic cannabinoids.
15	Page 6, From Line 13 To Page 8, Line5
16	§328- Use in food products. In order for industrial hemp to
17	be used in food products, a manufacturer shall comply with the
18	<u>following:</u>
19	(1) All parts of the hemp plant used in food shall come from a
20	state or country that has an established and approved
21	industrial hemp program that meets all of the federal
22	requirements regarding the lawful and safe cultivation of
23	industrial hemp, and inspects or regulates hemp under a food
24	safety program or equivalent criteria to ensure safety for
25	<u>human consumption;</u>
26	(2) The industrial hemp cultivator or grower shall be in good
27	standing and in compliance with the governing laws of the
28	state or country of origin; and

T	(3) A raw nemp product shall not be distributed or sold in the				
2	State without a certificate of analysis from an independent				
3	testing laboratory that confirms the following:				
1	(7) The year home product is the product of a betch of				
4	(A) The raw hemp product is the product of a batch of				
5	industrial hemp that was tested by the independent				
6	testing laboratory in accordance with section 141-32;				
7	(B) A tested random sample of the batch of industrial hemp				
8	<pre>contained a total delta-9-tetrahydrocannabinol</pre>				
9	concentration that did not exceed 0.3 percent on a dry-				
LO	weight basis; and				
l1	(C) The tested sample of the batch did not contain				
L2	contaminants that are unsafe for human consumption.				
L3	For the purposes of this section, "manufacture" means to compound,				
L4	blend, extract, infuse, or otherwise make or prepare a product.				
<b>L</b> 5	"Manufacture" does not include planting, growing, harvesting, drying,				
L6	curing, grading, or trimming a plant or part of a plant."				
_					
L7	Add a New Section				
L8	"§328- Hemp products; food; manufacture, sale, and				
19	distribution prohibited. No person shall manufacture, or sell, hold,				
20	offer, or distribute for sale, in the State any food into which a				
21	cannabinoid, synthetic cannabinoid, or other hemp product has been				
22	added. This section shall not apply to hemp that is generally				
23	recognized as safe (GRAS) by FDA for use in foods, as intended, in a				
24	GRAS notification."				
25	The following proposed language, starting on page 8, line 6, is unnecessary and we recommend				
26	deletion as we have offered a new definition of "hemp product" which includes products that				
27	contain any part of the hemp plant, including naturally occurring cannabinoids, compounds,				
28	concentrates, extracts, isolates, resins, or derivatives.				

## 1 Repeal Proposed New Section, Page 8, Lines 6 - 15

2	" <u>\$328- Hemp products; when adulterated or misbranded.</u> A food,					
3	beverage, or cosmetic product shall not be considered adulterated					
4	pursuant to sections 328-9 and 328-18 or misbranded pursuant to					
5	sections 328-10 and 328-19 solely by the inclusion of industrial hemp					
6	or cannabinoids, extracts, or derivatives from industrial hemp. The					
7	sale of food, beverages, or cosmetics that include industrial hemp or					
8	cannabinoids, extracts, or derivatives from industrial hemp shall not					
9	be restricted or prohibited based solely on the inclusion of					
LO	industrial hemp or cannabinoids, extracts, or derivatives from					
11	industrial hemp."					
12	Add A New Section					
L2	Add A New Section					
L3	"§328- Rulemaking. (a) The department shall adopt rules					
L4	pursuant to chapter 91 that include but are not limited to:					
L5	(1) Inspection and sampling requirements of any hemp or hemp					
16	products;					
	<u>producesy</u>					
L7	(2) Testing protocols, including certification by state					
18	laboratories of independent third-party laboratories, to					
19	determine delta-9-tetrahydrocannabinol concentration of					
20	hemp or hemp products and screen for contaminants;					
21	(3) Reporting and record-keeping requirements;					
22	(4) Assessment of fees for application, inspecting, sampling,					
23	and testing hemp products;					
24	(5) A procedure for the disposal of hemp or hemp products, found					
25	to be in violation of this part;					
26	(6) Penalties for any violation of this part; and					

- 1 (7) Any other rules necessary to carry out this part.
- 2 (b) The department may adopt and amend interim rules, which
- 3 shall be exempt from chapter 91 and chapter 201M, to effectuate the
- 4 purposes of this part."
- 5 Thank you for the opportunity to testify on this measure.



### SB-2050-SD-1

Submitted on: 2/20/2020 3:27:53 PM

Testimony for CPH on 2/21/2020 10:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Steve Sakala	Testifying for Kona Chapter Hawaii Farmers Union United	Support	No

### Comments:

Aloha Honorable Committee Members,

Thank you for once again accepting this late testimony. As a hemp farmer and manufacture of hemp products I strongly urge you to Support SB2050 with amendments as our best opportunity to support an industry that could bolster the agriculture economy in Hawai'i.

It is only with the strong support of this governing body that we can make the strides needed to appropriately regulate the hemp industry so that it can begin to thrive here. As farmers and producers, we do not want to live or operate in the "grey area". We want this body to help instill confidence in our corporate partners like the Marriot, Hyatt and Hilton so our products can proudly displayed and sold.

Below are my suggested amendments.

Page 8, line 16 change the effective date of the bill back to July 1, 2020.

Page 6, line 16, add HR 141-32 to identify Hawaii's current legal hemp program. Without this change, it is likely Hawaii farmers and retailers can not use Hawaii grown hemp until at least November 1, 2020, perhaps later, depending on when Hawaii's new program is accepted by USDA. The current Hawaii program has the most stringent testing requirements in the country, while products being imported from other states have not had to meet these requirements.

Page 5, Line 8, clarify that any individual or entity is covered by this bill: "Nothing in this part shall prohibit any individual or entity, including entities licensed under 329D...." Please add "any individual or entity, including" to line 8 per the previous sentence.

Page 3, Line 12, delete "...and the existing confusion in the industry and among consumers..." The need for labeling is driven by transparency for consumers.

Page 3, Line 21, clarify that the purpose of the act is to establish a regulatory framework that protects public health with 1.) labeling and 2.) independent laboratory analysis of hemp products. This bill should restrict the scope of the regulatory framework to be established so as to no waste taxpayer dollars on establishing a complex or more onerous framework before the Federal Drug Administration (FDA) rules are released.

Establish a regulatory framework for consumer products containing hemp and cannabinoids CBD that were grown manufactured legally through approved government programs, which consists of labeling and independent laboratory testing to ensure products do not contain contaminants unfit for human consumption and to clarify that these products shall not be considered adulterated food, beverage, or cosmetics.

Page 3, Line 20, change "manufactured" to "grown" to ensure the hemp source for products comes from a government approved source. Because there are currently no government approved hemp product manufacturing programs in Hawaii and to protect public health while be mindful of taxpayers dollars and upcoming FDA guidelines, the existing language could be interpreted to mean that the framework to be established under SB 2050 SD1 is to accept products only from already established government approved manufacturing programs. In other words, the labeling requirements and testings will be for imports. To ensure Hawaii retailers and farmers are included in this bill, we ask that the language of this paragraph be changed to the blue highlighted paragraph in the previous point.

Page 3, Line 15 and Line 20, Page 2, Line 4, and anywhere else in the document - please change CBD to hemp product and cannabinoid throughout the document. CBD is not interchangeable with hemp products since CBD can be an isolated compound.

Page 3, Line 13, strike these examples of state programs because they exceed labeling and independent laboratory testing. To ensure we do no over-regulate while waiting for FDA guidance, protecting public health with labeling and independent laboratory testing is very sufficient.

Mahalo,

Steve Sakala