
A BILL FOR AN ACT

RELATING TO HEMP.

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

1 SECTION 1. The legislature finds that overregulation
2 hinders the growth of the hemp industry, which otherwise could
3 foster sustainable resources and food security in Hawaii,
4 particularly with regard to the fiber, fuel and seed grain
5 sectors. Hemp seeds are high in essential fatty acids, as well
6 as vitamins E, B1, B2, B6, and D, calcium, magnesium, and
7 potassium and contain more digestible proteins than meat, eggs,
8 cheese, and milk, which is expected to drive their demand as a
9 food. Hemp has been used as a biofuel for decades and has been
10 proven to be a soil remediator. There are numerous projects in
11 the State examining ways to make building materials from hemp
12 and using hemp in affordable housing, but most of these projects
13 have to import hemp due to the regulatory barriers to growing
14 hemp in Hawaii.

15 The legislature further finds that hemp crops look more
16 like traditional grain crops than their psychoactive
17 counterpart, with tight spacing between the stalks, and are



1 easily distinguishable from hemp crops grown for cannabinoids.
2 There is little to zero risk of hemp fiber, fuel, and food grain
3 producers harvesting a crop that exceeds the federal legal limit
4 of 0.3 per cent Tetrahydrocannabinol, or THC. The testing and
5 handling requirements that center on regulation increase costs
6 and slow down growth of the hemp industry and, in effect, also
7 the development and production of sustainable building
8 materials, cloth, food, and fuel.

9 The legislature also understands that the United States
10 Congress will be amending federal hemp cultivation laws in the
11 near future to allow for exemptions with industrial hemp crops
12 that are grown for fiber, fuel, or grain for food. The federal
13 exemptions may include relief from testing and transportation
14 requirements. The legislature recognizes the department of
15 agriculture should be allowed to amend hemp cultivation rules to
16 align with federal law when the United States Congress amends
17 federal laws.

18 Accordingly, the purpose of this Act is to authorize the
19 department of agriculture to amend state laws to align with
20 federal laws as exemptions for hemp fiber, fuel, and food grain
21 are passed by the United States Congress and ensure state rules



1 do not exceed federal law by applying the provisions of federal
2 law as defined under 7 C.F.R. 990, "Establishment of a Domestic
3 Hemp Production Program, Final Rule, which explicitly defines
4 regulations for hemp production.

5 SECTION 2. Section 141-42, Hawaii Revised Statutes, is
6 amended to read as follows:

7 " ~~§141-42~~ Commercial hemp production. (a) It shall
8 be legal for an individual or entity to produce hemp, as defined
9 in title 7 United States Code section 1639o, if that individual
10 or entity has a license to produce hemp, issued by the Secretary
11 of the United States Department of Agriculture pursuant to title
12 7 United States Code section 1639q; provided that:

13 (1) Any person convicted of a felony related to a
14 controlled substance under state or federal law is
15 prohibited from producing hemp, or being a key
16 participant in an entity producing hemp, for a period
17 of ten years following the date of conviction;

18 (2) Hemp shall not be grown outside of a state
19 agricultural district;

20 (3) Hemp shall not be grown within 500 feet of pre-
21 existing real property comprising a playground,



1 childcare facility, or school; provided that this
2 restriction shall not apply to an individual or entity
3 licensed to grow hemp in those areas under the State
4 industrial hemp pilot program prior to August 27,
5 2020;

6 (4) Hemp shall not be grown within 500 feet of any pre-
7 existing house, dwelling unit, residential apartment,
8 or other residential structure that is not owned or
9 controlled by the license holder; provided that this
10 restriction shall not apply to an individual or entity
11 licensed to grow hemp in those areas under the State
12 industrial hemp pilot program prior to August 27,
13 2020; and

14 (5) Hemp shall not be grown in any house, dwelling unit,
15 residential apartment, or other residential
16 structure[-], except for a home or dwelling that is
17 part of an United States Department of Agriculture
18 licensed production area.

19 (b) An individual or entity licensed to produce hemp
20 pursuant to paragraph (a) may transport hemp within the State to



1 a facility authorized by law to process hemp or to another
2 licensed producer's grow area, provided that:

3 (1) The hemp to be transported has passed all compliance
4 testing required by the United States Department of
5 Agriculture; and

6 (2) The transportation has been authorized by the
7 department. The department may require movement
8 reports, inspections, sampling, and testing of the
9 hemp to be transported and may deny authorization if
10 the hemp is found to not comply with any law or
11 regulation.

12 (c) An individual or entity licensed to produce hemp
13 pursuant to paragraph (a) may export hemp; provided that:

14 (1) The hemp to be exported has passed all compliance
15 testing required by the United States Department of
16 Agriculture; and

17 (2) The licensed producer complies with all laws relating
18 to the exportation of hemp, including state and
19 federal laws and the laws of the state or country of
20 import.



1 (d) Any individual or entity who violates this section or
2 any rule adopted pursuant to this section shall be fined not
3 more than \$10,000 for each separate offense. Any notice of
4 violation of this section may be accompanied by a cease and
5 desist order, the violation of which constitutes a further
6 violation of this section. Any action taken to collect the
7 penalty provided for in this subsection shall be considered a
8 civil action.

9 (e) For any judicial proceeding to recover an
10 administrative penalty imposed by order or to enforce a cease
11 and desist order against a hemp producer, the department may
12 petition any court of appropriate jurisdiction and need only
13 show that:

- 14 (1) Notice was given;
- 15 (2) A hearing was held or the time granted for requesting
16 a hearing has expired without such a request;
- 17 (3) The administrative penalty was imposed on the
18 individual or entity producing hemp; and
- 19 (4) The penalty remains unpaid or the individual or entity
20 continues to produce hemp.



1 (f) The department of agriculture may amend hemp
2 production rules to align with federal exemptions for hemp,
3 fiber, fuel, and seed grain crops; provided that such rules
4 shall not exceed federal law on the regulation of hemp
5 production in the State."

6 SECTION 3. Section 141-43, Hawaii Revised Statutes, is
7 amended by amending subsection (a) to read as follows:

8 "(a) The department of agriculture shall adopt rules
9 pursuant to chapter 91 to effectuate the purpose of this
10 part [~~,including any rules necessary to address any nuisance~~
11 ~~issues, including smell, noise, and excessive lighting arising~~
12 ~~out of the activities of hemp growers licensed under the State's~~
13 ~~industrial hemp pilot program who grow hemp within areas~~
14 ~~prohibited under section 141-42(a)(3) and (4)]. The rules may
15 align with federal exemptions for hemp fiber, fuel, and seed
16 grain crops; provided that such rules shall not exceed federal
17 law on the regulation of hemp production in the State."~~

18 SECTION 4. Statutory material to be repealed is bracketed
19 and stricken. New statutory material is underscored.

20 SECTION 5. This Act shall take effect upon its approval.



Report Title:

Hemp Producers; Commercial Hemp Production; Cultivation

Description:

Gives authority to the Department of Agriculture to align state hemp production administrative rules with federal law, with regard to exemptions for fiber, fuel, and seed grain hemp crops. (SD1)

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