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# 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 impede growth of the hemp industry and, in effect, also the  
7 development and production of sustainable building materials,  
8 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 its rules to align with any  
20 federal exemptions for hemp fiber, fuel, and food grain;  
21 provided that the rules do not exceed federal law.



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

3 "[~~†~~]**\$141-42**[~~†~~] **Commercial hemp production.** (a) It shall  
4 be legal for an individual or entity to produce hemp, as defined  
5 in title 7 United States Code section 1639o, if that individual  
6 or entity has a license to produce hemp, issued by the Secretary  
7 of the United States Department of Agriculture pursuant to title  
8 7 United States Code section 1639q; provided that:

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

14 (2) Hemp shall not be grown outside of a state  
15 agricultural district;

16 (3) Hemp shall not be grown within 500 feet of pre-  
17 existing real property comprising a playground,  
18 childcare facility, or school; provided that this  
19 restriction shall not apply to an individual or entity  
20 licensed to grow hemp in those areas under the State



1 industrial hemp pilot program prior to August 27,  
2 2020;

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

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

16 (b) An individual or entity licensed to produce hemp  
17 pursuant to paragraph (a) may transport hemp within the State to  
18 a facility authorized by law to process hemp or to another  
19 licensed producer's grow area, provided that:



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

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

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

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

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

19 (d) Any individual or entity who violates this section or  
20 any rule adopted pursuant to this section shall be fined not  
21 more than \$10,000 for each separate offense. Any notice of



1 violation of this section may be accompanied by a cease and  
2 desist order, the violation of which constitutes a further  
3 violation of this section. Any action taken to collect the  
4 penalty provided for in this subsection shall be considered a  
5 civil action.

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

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

18 (f) The department of agriculture may amend hemp  
19 production rules to align with federal exemptions for hemp  
20 fiber, fuel, and seed grain crops; provided that the rules shall



1 not exceed federal law on the regulation of hemp production in  
2 the State."

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

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

15 SECTION 4. Statutory material to be repealed is bracketed  
16 and stricken. New statutory material is underscored.

17 SECTION 5. This Act shall take effect on June 30, 3000.

18



S.B. NO. 655  
S.D. 1  
H.D. 1

**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 exemptions for fiber, fuel, and seed grain hemp crops. Effective 6/30/3000.  
(HD1)

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

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