

JAN 25 2023

A BILL FOR AN ACT

RELATING TO THE ESTABLISHMENT OF A HEMP TASK FORCE.

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

1 SECTION 1. The legislature finds it necessary that a task
2 force be established to identify development strategies and
3 actions that will best support Hawaii's emergent hemp industry.
4 This task force will provide for the sharing and exchanging of
5 pertinent information amongst principal industry and government
6 actors, which will aim to optimize hemp policy and programming
7 to support Hawaii agriculture, hemp consumers, and the public
8 generally. This task force shall include hemp industry
9 stakeholders and representatives from the department of
10 agriculture and department of health.

11 The legislature also finds that, although hemp is a high-
12 value crop that has the potential to bring significant and
13 diverse revenues to Hawaii, the industry has been significantly
14 stymied in Hawaii due to several factors, including limitations
15 to Hawaii farmer's access to markets and overregulation of
16 farming, production, and processing, which has often driven
17 Hawaii hemp farmers out of business, made farmers non-



1 competitive, and has also created challenges for hemp building
2 and housing and biofuel projects. Moreover, Hawaii is the only
3 state in the union where hemp production and farming is heavily
4 regulated at both the state and federal levels.

5 The legislature further finds that the department of
6 agriculture and department of health have worked to be
7 responsive to changing federal and state hemp regulations and
8 that a forum that provides an opportunity for regular interface
9 with a cross-section of the Hawaii hemp industry and experts can
10 help identify data that will make department of agriculture and
11 department of health administrative rule implementation easier,
12 potentially saving agency time and resources.

13 Accordingly, the purpose of this Act is to establish a hemp
14 industry task force to include members of the Hawaii hemp
15 industry and representatives from the department of agriculture
16 and the department of health to compile information from farmers
17 and industry experts inside and outside Hawaii as to how to best
18 build a hemp industry that supports rural agricultural
19 development in the State.

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



S.B. NO. 1589

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

- 7 (1) Any person convicted of a felony related to a
8 controlled substance under state or federal law is
9 prohibited from producing hemp, or being a key
10 participant in an entity producing hemp, for a period
11 of ten years following the date of conviction;
- 12 (2) Hemp shall not be grown outside of a state
13 agricultural district;
- 14 (3) Hemp shall not be grown within 500 feet of pre-
15 existing real property comprising a playground,
16 childcare facility, or school; provided that this
17 restriction shall not apply to an individual or entity
18 licensed to grow hemp in those areas under the State
19 industrial hemp pilot program prior to August 27,
20 2020;



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

9 (5) Hemp shall not be grown in any house, dwelling unit,
10 residential apartment, or other residential structure.

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

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

18 (2) The transportation has been authorized by the
19 department. The department may require movement
20 reports, inspections, sampling, and testing of the
21 hemp to be transported and may deny authorization if



1 the hemp is found to not comply with any law or
2 regulation.

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

5 (1) The hemp to be exported has passed all compliance
6 testing required by the United States Department of
7 Agriculture; and

8 (2) The licensed producer complies with all laws relating
9 to the exportation of hemp, including state and
10 federal laws and the laws of the state or country of
11 import.

12 (d) Any individual or entity who violates this section or
13 any rule adopted pursuant to this section shall be fined not
14 more than \$10,000 for each separate offense. Any notice of
15 violation of this section may be accompanied by a cease and
16 desist order, the violation of which constitutes a further
17 violation of this section. Any action taken to collect the
18 penalty provided for in this subsection shall be considered a
19 civil action.

20 (e) For any judicial proceeding to recover an
21 administrative penalty imposed by order or to enforce a cease



1 and desist order against a hemp producer, the department may
2 petition any court of appropriate jurisdiction and need only
3 show that:

- 4 (1) Notice was given;
- 5 (2) A hearing was held or the time granted for requesting
6 a hearing has expired without such a request;
- 7 (3) The administrative penalty was imposed on the
8 individual or entity producing hemp; and
- 9 (4) The penalty remains unpaid or the individual or entity
10 continues to produce hemp.

11 (f) A Hawaii hemp task force shall be jointly convened by
12 the department of agriculture and the department of health to
13 gather data and information to understand industry needs and
14 inform strategies and actions that support Hawaii agriculture
15 and a robust hemp industry in Hawaii. The task force:

- 16 (1) Shall include hemp producers from each island
17 proportionate to the total number of United States
18 Department of Agriculture hemp licenses in the State
19 and a representative from each of the fuel, building,
20 general fiber, cannabinoid, and grain food sectors;



- 1 (2) May ask for data and information from additional
2 sources, including but not limited to hemp economists,
3 regulators in other states, retailers, farmers, and
4 hemp industry groups outside of Hawaii;
- 5 (3) Shall jointly develop an outline of farmer and
6 industry needs and the strategies and actions that can
7 help inform public policy concerning the development
8 of a hemp industry in the State that also supports
9 rural agricultural development in the State;
- 10 (4) Shall submit a report of its findings and
11 recommendations, including any proposed legislation,
12 to the legislature no later than twenty days prior to
13 the convening of the regular session of 2024; and
- 14 (5) Shall cease to exist on August 30, 2024.

15 The initial meeting of the task force shall occur no later
16 than sixty days after the effective date of this Act, during
17 which the members shall elect a chair and any other necessary
18 officers from among the appointed members.

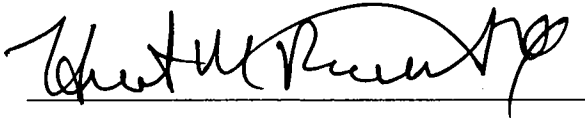
19 Members of the task force shall receive no compensation for
20 their duties and shall not be subject to section 84-17, solely

1 based on their participation on the task force. The task force
2 shall be exempt from chapter 92."

3 SECTION 3. Statutory material to be repealed is bracketed
4 and stricken. New statutory material is underscored.

5 SECTION 4. This Act shall take effect upon its approval.

6

INTRODUCED BY: 



S.B. NO. 1589

Report Title:

Hemp Industry Task Force; Hemp Producers; Commercial Hemp Production; Rural Economic Development

Description:

Establishes a Hawaii Hemp Task Force to inform public policy and identify methods and actions to best support Hawaii agriculture and build a hemp industry to support rural economic development.

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

