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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  
18          easily distinguishable from hemp crops grown for cannabinoids.



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

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

17 Accordingly, the purpose of this Act is to authorize the  
18 department of agriculture to amend its rules to align with the  
19 United States Department of Agriculture rules, including 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 shall be prohibited from producing hemp, or being a  
12 key participant in an entity producing hemp, for a  
13 period 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~~] three hundred  
17 feet of pre-existing real property comprising a  
18 playground, [~~childcare~~] child care facility, or  
19 school; provided that this restriction shall not apply  
20 to an individual or entity licensed to grow hemp in



1 those areas under the [State] state industrial hemp  
2 pilot program [~~prior to~~] before August 27, 2020;

3 (4) Hemp shall not be grown within [500] one hundred feet  
4 of any pre-existing house, dwelling unit, residential  
5 apartment, or other residential structure that is not  
6 owned or controlled by the license holder; provided  
7 that this restriction shall not apply to an individual  
8 or entity licensed to grow hemp in those areas under  
9 the [State] state industrial hemp pilot program [~~prior~~  
10 ~~to~~] before August 27, 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 house, dwelling unit,  
14 residential apartment, or other residential structure  
15 that is part of a United States Department of  
16 Agriculture licensed production area.

17 (b) An individual or entity licensed to produce hemp  
18 pursuant to [~~paragraph~~] subsection (a) may transport hemp within  
19 the State to a facility authorized by law to process hemp or to  
20 another 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[-] of agriculture. The department may  
6 require movement reports, inspections, sampling, and  
7 testing of the hemp to be transported and may deny  
8 authorization if the hemp is found to not comply with  
9 any law or regulation.

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

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

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

20 (d) Any individual or entity who violates this section or  
21 any rule adopted pursuant to this section shall be fined [~~not~~]



1 no more than \$10,000 for each separate offense. Any notice of  
2 violation of this section may be accompanied by a cease and  
3 desist order, the violation of which constitutes a further  
4 violation of this section. Any action taken to collect the  
5 penalty provided for in this subsection shall be considered a  
6 civil action.

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

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

19 (f) The department of agriculture may amend hemp  
20 production rules to align with federal exemptions for hemp  
21 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 upon its approval.



**Report Title:**

Hemp Producers; Commercial Hemp Production; Cultivation

**Description:**

Authorizes the Department of Agriculture to align state hemp production administrative rules with federal exemptions for fiber, fuel, and seed grain hemp crops. (CD1)

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

