

STATE OF HAWAII DEPARTMENT OF HEALTH KA 'OIHANA OLAKINO P. O. Box 3378 Honolulu, HI 96801-3378 doh.testimony@doh.hawaii.gov

Testimony in SUPPORT of SB3138 RELATING TO MANUFACTURED HEMP PRODUCTS

SENATOR JOY A. SAN BUENAVENTURA, CHAIR SENATE COMMITTEE ON HEALTH AND HUMAN SERVICES

Hearing Date: 2/2/2024

Room Number: 225

- 1 Fiscal Implications: None.
- 2 Department Testimony: The Department of Health (department) is in strong support of this
- 3 measure as it will ensure the legislative intent, authorized in Act 263, Session Laws of Hawaii
- 4 2023, giving the department rulemaking authority, to add new hemp products to the list of
- 5 allowable manufactured hemp products that could legally be manufactured and sold in the state.
- 6 Currently, the definition of "manufactured hemp product" in section 328G-1, Hawaii Revised
- 7 Statutes (HRS), inadvertently restricts the department from adopting, via rules, new allowable
- 8 forms like hemp gummies or hemp chocolate that are not already in one of the currently
- 9 allowed ingestible forms: "tablet, capsule, powder, softgel, gelcap, or liquid".
- 10 This measure relieves the department of this unintentional restriction and will allow the
- 11 department the ability to evaluate and consider allowing other hemp product forms, like
- 12 gummies and chocolate, for inclusion as a manufactured hemp product.
- 13 Thank you for the opportunity to testify.
- 14 **Offered Amendments:** None.

15

SYLVIA LUKE Lt. Governor



SHARON HURD Chairperson, Board of Agriculture

> **DEXTER KISHIDA** Deputy to the Chairperson

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TESTIMONY OF SHARON HURD CHAIRPERSON, BOARD OF AGRICULTURE

BEFORE THE SENATE COMMITTEE ON HEALTH & HUMAN SERVICES

FRIDAY, FEBRUARY 2, 2024 1:00 PM CONFERENCE ROOM 225 and VIDEOCONFERENCE

SENATE BILL NO. 3138 RELATING TO MANUFACTURED HEMP PRODUCTS

Chair San Buenaventura, Vice Chair Aquino and Members of the Committee:

Thank you for the opportunity to testify on Senate Bill No. 3138. The purpose of this bill is to clarify that the definition of "manufactured hemp products" in section 328G-1, Hawaii Revised Statutes (HRS), includes hemp products specified in rules adopted by the Department of Health pursuant to section 328G-4, HRS. The Hawaii Department of Agriculture (HDOA) offers comments.

HDOA regulates the hemp production areas and the transport of hemp in the state. The Hawaii Department of Health (DOH) regulates hemp products and the processing of hemp within the state. HDOA defers to comments of DOH regarding the definition of "manufactured hemp products".

Thank you for the opportunity to testify on this measure.





<u>SB-3138</u> Submitted on: 2/1/2024 9:39:38 PM Testimony for HHS on 2/2/2024 1:00:00 PM

Submitted B	y	Organization	Testifier Position	Testify
JARED DALGAM	IOUNI	Testifying for Hawaiian Choice / Rare Cannabinoid Company	Support	Written Testimony Only

Comments:

We are writing in support of this bill as we are in support of moving the process forward such that the Department of Health is authorized to use its rulemaking power to expand the allowed product list to include gummies.

We are a Hawaii born business operating since 2017, with our gummies and oil tinctures stocked in 300+ stores in 44 states. In our early days, we made and sold oils which were stocked in 100+ local stores across all the islands. Unfortunately a national shift in consumer preferences from oils to gummies (gummies now represents 80% of the medicinal hemp industry) has hobbled the responsible large local retailers from stocking the low-THC gummy products which local customers actually want. This has sent the local customers into the arms of shady retailers and online sellers who offer only high and synthetic THC products. The result is the decimation of the legitimate local medicinal retail industry which used to sell quality, safe, regulated hemp products.

As a result, proliferating in Hawaii are an abundance of synthetic cannabinoids, high THC gummies, and unregulated vapes which fill the market demand which would mostly be satiated with low-THC, medicinal non-psychoactive products. These irresponsible products have no age minimums, testing, or quality standards because they are sold by retailers who don't care.

We strongly feel a gummy option needs to be authorized – with a realistic attitude towards regulation which follows the national trend to fill market demand with a locally available, clean, and regulated low-THC gummies that consumers actually want - bought through responsible local retailers which have an interest in vetting the products they carry. The current situation of outlawing the most popular category on the market, combined with a lack of local enforcement against rogue retailers has predictably resulted in a lack of an available quality products and a "race to the bottom".

We want to also warn that an enforcement only strategy, without allowing some product options for local retailers will simply mean Hawaii consumers switch to online ordering. Obviously this would shift the problem into an even worse race to the bottom with no ability for the DOH to influence.

We support low THC products, age limits, FDA labeling requirements, liability insurance requirements by manufacturers, and full panel testing of products in-line with the dispensaries.

The key philosophy is Hawaii needs to sensibly fill market demand with a viable, affordable, quality alternative to the unregulated products currently flooding the market.

Thank you for your time.