

JOSH GREEN, M.D.
Governor

SYLVIA LUKE
Lt. Governor



SHARON HURD
Chairperson, Board of Agriculture

MORRIS M. ATTA
Deputy to the Chairperson

State of Hawai'i
DEPARTMENT OF AGRICULTURE
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TESTIMONY OF SHARON HURD
CHAIRPERSON, BOARD OF AGRICULTURE

BEFORE THE HOUSE COMMITTEE ON CONSUMER PROTECTION & COMMERCE

THURSDAY, MARCH 30, 2023
2:00 PM
CONFERENCE ROOM 329 AND VIDEOCONFERENCE

SENATE BILL NO. 637 SD1 HD1
RELATING TO HEMP

Chairperson Nakashima and Members of the Committee:

Thank you for the opportunity to testify on Senate Bill 637 SD1 HD1. This measure requires persons applying to register as hemp processors to include with their application form documentation that the indoor facility and planned hemp processing operation does not include heat or volatile compounds or gases under pressure, such as cold-water extraction, and is exempt from building permit and building code requirements pursuant to section 46-88, Hawaii Revised Statutes, or is in a food hub or agricultural park. The Department of Agriculture (DOA) offers comments.

DOA supports the Hawaii hemp industry but respectfully does not agree with the statement regarding "overregulation of production" on page 2, line 3. DOA does not regulate farming of hemp within the state. The USDA regulates the entire production such as growing, harvesting and other on-farm operations including licensing of Hawaii hemp growers. Monitoring transport of hemp materials (flowers, leaves, viable seeds) and buffer zone restrictions are not part of USDA regulatory function. These are responsibilities assigned to DOA under Act 14, SLH 2020 as amended by Act 137, SLH

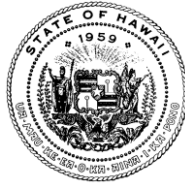


2020, that are necessary to ensure such nonfarming intrastate activities are conducted in a safe, healthy, and appropriate manner.

The Hawaii Department of Health (DOH) regulates hemp products and processing of hemp within the state. DOA defers to comments of DOH regarding the requirements for hemp processors.

Thank you for the opportunity to testify on this measure.

JOSH GREEN, M.D.
GOVERNOR OF HAWAII
KE KIA'ĀINA O KA MOKU'ĀINA 'O HAWAII



KENNETH S. FINK, MD, MGA, MPH
DIRECTOR OF HEALTH
KA LUNA HO'OKELE

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

In reply, please refer to:
File:

**Testimony COMMENTING on SB0637 SD1 HD1
RELATING TO HEMP**

REPRESENTATIVE MARK M. NAKASHIMA, CHAIR
HOUSE COMMITTEE ON CONSUMER PROTECTION & COMMERCE

Hearing Date: March 30, 2023

Room Number: CR 329

- 1 **Fiscal Implications:** This measure does not impact the priorities identified in the Governor's
2 Executive Budget Request for the Department of Health's (Department) appropriations and
3 personnel priorities.
- 4 **Department Testimony:** In consultation with the Department of the Attorney General, the
5 Department respectfully provides the following comments on SB0637 SD1 HD1, which amends
6 Chapter 328G, Hawaii Revised Statutes (HRS). This measure purports to amend chapter 328G,
7 Hawaii Revised Statutes (HRS), in a way that changes the types of facilities that hemp producers
8 may utilize to process hemp. The House Committee on Agriculture and Food Systems, from
9 which this measure was referred, found in its report that "hemp producers should again enjoy
10 similar flexibility in the types of facilities in which they may process hemp." [Stand. Com. Rep.
11 No. 1414]. However the proposed amendments to section 328G-2(d)(4) do not change the
12 requirements related to the type of building in which hemp may be processed, rather these
13 amendments only alter the documentation required to be submitted with applications for
14 registration. The requirement that hemp be processed only within an enclosed facility is found in
15 section 328G-3(b) which states:
- 16 "Hemp and hemp products shall be processed within an enclosed indoor facility secured
17 to prevent unauthorized entry. Hemp, hemp products, and any toxic or otherwise
18 hazardous by-products of hemp processing, or by-products, including but not limited to
19 delta-9 tetrahydrocannabinol, shall be stored within an enclosed indoor facility, secured

1 to prevent unauthorized entry in a manner that prevents cross-contamination and
2 unintended exposures.”

3 Requiring an applicant to submit documentation that the enclosed indoor facility on their farm is
4 exempt per section 46-88, HRS, or is in a food hub or agricultural park, will not relieve the
5 applicant from its obligation to comply with, nor prevent the Department from enforcing, the
6 applicable hemp processing facility requirements of chapter 11-37 subchapters 5 and 6, Hawaii
7 Administrative Rules. These minimum standards, which apply to all food and dietary
8 supplement manufacturers, address matters including appropriate personal hygienic practices,
9 design, and construction of an enclosed indoor facility, maintenance of equipment, sanitary
10 operations, and process controls during the production of hemp products.

11 The Department supports the requirement that hemp processing, which is an activity
12 distinguishable from farming, be performed within an enclosed indoor facility that complies with
13 the hemp processing and hemp products rules that set forth the requirements for the processing
14 of hemp and the sale of hemp products to provide for the protection of the health and safety of
15 the general public.

16
17 Thank you for the opportunity to testify.

18
19 **Offered Amendments:** None

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21
22
23



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Kauai

Aloha Chair Nakashima, Vice Chair Sayama, and Members of the House Consumer Protection & Commerce Committee,

The Hawaii Farmers Union United (HFUU) is a 501(c)(5) agricultural advocacy nonprofit representing a network of over 2,500 family farmers and their supporters across the Hawaiian Islands. **HFUU supports SB637.**

Hemp is a versatile crop that can be used for medicinal and industrial purposes and has seen increased demand due to its numerous benefits. Prior to 2021, Hawaii's licensed hemp producers processed small batches of hemp on their farms in agricultural buildings and structures with no adverse consequences. These types of buildings and structures are regularly used to store and process other crops with no restrictions. However, 2021's hemp processing rules unintentionally eliminated farmers right to process hemp on their farms and in these structures.

By amending the rules to allow producers to process their hemp on the farm, they can save money and remain competitive. By amending this hemp processing rule to allow farmers to process hemp in agricultural structures, it will make hemp production more financially feasible and allow our farmers to thrive.

Mahalo for the opportunity to testify.

Kaipo Kekona, President HFUU/HFUF



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Phone: (808) 848-2074; Fax: (808) 848-1921
e-mail info@hfbf.org; www.hfbf.org

March 30, 2023

HEARING BEFORE THE
HOUSE COMMITTEE ON CONSUMER PROTECTION & COMMERCE

TESTIMONY ON SB 637, SD1, HD1
RELATING TO HEMP

Conference Room 329 & Videoconference
2:00 PM

Aloha Chair Nakashima, Vice-Chair Sayama, and Members of the Committee:

I am Brian Miyamoto, Executive Director of the Hawai'i Farm Bureau (HFB). Organized since 1948, the HFB is comprised of 1,800 farm family members statewide and serves as Hawai'i's voice of agriculture to protect, advocate and advance the social, economic, and educational interests of our diverse agricultural community.

The Hawai'i Farm Bureau supports SB 637, SD1, HD1, which requires persons applying to register as hemp processors to include with their application form documentation that the indoor facility and planned hemp processing operation does not include heat or volatile compounds or gases under pressure, such as cold-water extraction, and is exempt from building permit and building code requirements pursuant to section 46-88, Hawaii Revised Statutes, or is in a food hub or agricultural park.

Hemp continues to provide an opportunity for our farmers to diversify and expand agriculture production into new areas. Hemp is a very versatile agricultural product that is used to make a variety of products including clothing, food, animal feed, paper, biofuels, construction material, medicinal products, and various non-medicinal products.

This measure will continue to support and grow Hawai'i's hemp industry.

Thank you for this opportunity to testify in support of this measure.

TO: Chair Nakashima, Vice-Chair Jackson and CPC Committee
FROM: Robert Bence, Farmer, for Hawai'i Sustainable Farms
RE: Strong Support of SB 637 SD 1 HD1

DATE: 3/28/23

Aloha

The state DOH has regulatory jurisdiction on the processing of hemp beyond a raw agricultural commodity (RAC), this bill would allow water washing of RAC hemp which would extract from the RAC, at least of quality genetic varieties of hemp flower, that can easily separate well from the flower's trichome with just simple stir of water, ice and filtration this activity unlike solvent extraction is ancient. The method has been further refined by scientists/artists over the last decades to make the highest quality extract with no potential for contamination or explosions unlike the solvent and compressed gas extraction methods. The process is similar, in some cases identical, to any greens farm's wash and pack shed which is traditionally done in Ag exempt buildings, ag parks and still conforms to GAP/GMP.

I grew up farming here, after graduating from UH Mānoa with a BBA, returned to Kula to farm full time. Diversified organic farming since and implemented a USDA Natural Resource Conservation Services, (NRCS) Environmental Quality Incentives Program,(EQIP) contract that brought federal funding to help improve the agriculture and environment on the family farm.

After being diagnosed with a previously undiscovered random birth defect, that caused a stroke followed by brain surgery that led to learning to walk and talk again, developed conditions that I treat with hemp. I am licensed to grow hemp by the USDA AMS rules on my farm which was purchased with a loan from USDA FSA. Farming hemp has been a major life goal since returning to farming full-time with a severe disability and the first farm bill over a decade ago.

Plan to include hemp with the farm's agroforestry conservation plan as part of alley cropping and multistory planting practices with ultra high density planting of several different trees including grafted avocados,

mango and endemic forests in this area before human contact. Rotational grazing and no-till cover crop rotations of sunn hemp rolled and crimped followed by hemp making it a great companion plant for the no-till rotations that can be done from tractor allowing more production despite the disability.

The benefits of hemp as a food and a myriad of other uses from soil remediation to advanced nano particles of hemp graphene superconductors from animal bedding to housing from fresh juice to solvent-less extracts to seed breeding and microgreens... the market potential and environmental benefit list would go on for countless pages. Hawai'i farmers shouldn't be left behind any longer.

Greatly appreciate your hearing this bill.

Mahalo

Robert Bence
Farmer
Hawai'i Sustainable Farms

Kula, HI

Farm Board Member of

Keki O Ka 'Āina

SB-637-HD-1

Submitted on: 3/29/2023 7:41:39 PM

Testimony for CPC on 3/30/2023 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Vince Kana`i Dodge	`Ai Pohaku-The Stone Eaters	Support	Written Testimony Only

Comments:

Aloha kakou!

Writing in strong support for SB 637.

SB637 fixes an unforeseen glitch that occurred when the hemp processing rules were adopted in 2021.

There has been much supportive testimony for SB 637. Please pass SBA 637 and relieve unnecessary and expensive production burdens on small scale hemp farmers.

Mahalo Nui!

Vince Kana'i Dodge



www.hawaiihempfarmersassociation.org

March 30, 2023

RE: SUPPORT SB 637 Hemp Processing *with* Amendment

Aloha, Chair Nakashima and the House Committee on Consumer Protection and Commerce,

Thank you for your support of Hawaii's farmers. The Hawaii Hemp Farmers Association supports SB 637 and, in communication with Senator Gabbard's and Representative Gate's office, is requesting a small clarification/edit of SB 637 to meet the original intent of the bill. The preposition "or" needs to be added as indicated below so hemp farmers can once again process hemp on their farms in agriculturally exempt buildings. Rules drafted in September, 2021 unintentionally excluded many farmers from processing on their farms.

Please add the language in yellow highlighted text below and delete the semi colon in the second phrase.

Page 4, line 7, paragraph 4:

(4) Documentation that the indoor facility and planned hemp processing operation complies with all zoning ordinances, building codes, and fire codes; or documentation that the processing does not include heat or volatile compounds or gases under pressure, such as cold water extraction, and is in an enclosed indoor facility that is exempt from building permit and building code requirements pursuant to section 46-88; or is in an enclosed indoor facility in a food hub or agricultural park;

SB 637 is needed because current rules,

- 1.) Are not flexible enough to allow hemp processing in HRS 46-88 ag buildings where there are no safety issues. These safe processes include extractions with ice water or coconut oil using a hand screw press and don't use chemicals or heat or compressed gases. If an agricultural building is exempt per HRS 46-88, it is not permitted and therefore there is no way to prove that the building meets building codes other than going through the expensive process that would require permitting - secure architectural and engineering stamped plans, which defeats the purpose of HRS 46-88, which in part, is to

make agriculture feasible for farmers. Some hemp processing methods are as safe as washing cucumbers, therefore, should be fully exempt per HRS 46-88. We agree with the Department of Health that for processes that include heat, volatile compounds, or compressed gases, documentation of compliance with codes is important.

2.) Exclude farmers from accessing almost all food hubs and some ag parks because of 500-foot buffer requirement for hemp processing. Most food hubs are within 500 feet of other structures, some of which are rural residences. Given current hemp rules and regulations, it is impossible for hemp farmers to use the cold and frozen storage facilities at food hubs and ag parks or to use their facilities to set up small batch processing. Therefore, allowance for farmers to process in food hubs and agricultural parks is needed. Food hubs often have the capacity to apply for funding for infrastructure that serves numerous farmers. Without this allowance for hemp processing at food hubs and ag parks, hemp farmers continue to be singled out and forbidden from accessing opportunities allowed for every other farmer in the state.

Mahalo for your time and consideration. Respectfully,

Gail Byrne Baber

Gail Byrne Baber

President and Farmer

Ray Maki

Ray Maki

Co-Vice President and Farmer

Brittany Neal

Brittany Neal

Co-Vice President and Farmer

SB-637-HD-1

Submitted on: 3/29/2023 4:44:14 PM

Testimony for CPC on 3/30/2023 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Marilyn Mick	Individual	Support	Written Testimony Only

Comments:

Aloha,

Prior to 2021, when hemp processing rules were adopted, Hawaii licensed hemp producers processed small batches of hemp on their farms in agricultural buildings and structures with no adverse consequences. These types of buildings and structures are regularly used to store and process other crops with no restrictions. But hemp processing rules adopted in 2021 unintentionally eliminated farmers right to process hemp on their farms in state-defined agricultural buildings that are exempt from building permits and code requirements where the buildings and structures are not more than one thousand square feet in floor area, e.g., properly anchored shipping containers, one-story masonry or wood-framed buildings or structures with a structural span of less than twenty-five feet, etc. Most farmers can't afford to ship their hemp to be processed and shipping increases costs, while potentially diminishing the quality of the hemp. SB 637 also allows farmers to process hemp in food hubs and agricultural parks. Amending hemp processing rules to allow farmers to process in agricultural buildings and structures, food hubs and agricultural parks, like most other crops, is needed for farmers to survive in a competitive national hemp market.

Please support this Bill.

Mahalo, Marilyn Mick, Honolulu

SB-637-HD-1

Submitted on: 3/29/2023 4:46:06 PM

Testimony for CPC on 3/30/2023 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Ken Stover	Individual	Support	Written Testimony Only

Comments:

Amending hemp processing rules to allow farmers to process in agricultural buildings and structures, food hubs and agricultural parks, like most other crops, is needed for farmers to survive in a competitive national hemp market.

SB-637-HD-1

Submitted on: 3/29/2023 5:25:56 PM

Testimony for CPC on 3/30/2023 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Troy Person	Individual	Support	Written Testimony Only

Comments:

Prior to 2021, when hemp processing rules were adopted, Hawaii licensed hemp producers processed small batches of hemp on their farms in agricultural buildings and structures with no adverse consequences. These types of buildings and structures are regularly used to store and process other crops with no restrictions. But hemp processing rules adopted in 2021 unintentionally eliminated farmers right to process hemp on their farms in state-defined agricultural buildings that are exempt from building permits and code requirements where the buildings and structures are not more than one thousand square feet in floor area, e.g., properly anchored shipping containers, one-story masonry or wood-framed buildings or structures with a structural span of less than twenty-five feet, etc. Most farmers can't afford to ship their hemp to be processed and shipping increases costs, while potentially diminishing the quality of the hemp. SB 637 also allows farmers to process hemp in food hubs and agricultural parks. Amending hemp processing rules to allow farmers to process in agricultural buildings and structures, food hubs and agricultural parks, like most other crops, is needed for farmers to survive in a competitive national hemp market.

SB-637-HD-1

Submitted on: 3/29/2023 5:32:06 PM

Testimony for CPC on 3/30/2023 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
cheryl hendrickson	Individual	Support	Written Testimony Only

Comments:

Hemp processing rules of 2021 unintentionally eliminated farmers right to process hemp on their farms in state defined agricultural buildings that are exempt from building permits and codes requirements causing farmers to outsource processing.

Most hemp farmer's cannot afford to ship their hemp to be processed. Shipping adds tremendous shipping costs while diminishing the quality of the hemp. Amending hemp processing rules is needed to for Hawaii's farmers to survive in a competitive national hemp market.

SB-637-HD-1

Submitted on: 3/29/2023 6:51:56 PM

Testimony for CPC on 3/30/2023 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Lisa Parker	Individual	Support	Written Testimony Only

Comments:

this bill is necessary to restore the hemp farmer's ability ro process their crop on-site, this makes a big difference to the profitability of the crop. Please vote in favor of SB637, thanks

SB-637-HD-1

Submitted on: 3/29/2023 7:26:16 PM

Testimony for CPC on 3/30/2023 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Barbara Barry	Individual	Support	Written Testimony Only

Comments:

Aloha,

Once again, I strongly support.

Mahalo,

SB-637-HD-1

Submitted on: 3/29/2023 8:05:55 PM

Testimony for CPC on 3/30/2023 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Sharon Landry	Individual	Support	Written Testimony Only

Comments:

I'm in favor of SB 637. Mahalo

SB-637-HD-1

Submitted on: 3/29/2023 8:18:11 PM

Testimony for CPC on 3/30/2023 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Raphiell Nolin	Individual	Support	Written Testimony Only

Comments:

I'm in strong support of SB 637

SB-637-HD-1

Submitted on: 3/29/2023 9:14:35 PM

Testimony for CPC on 3/30/2023 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Thomas Brandt	Individual	Support	Written Testimony Only

Comments:

Strong support!