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# A BILL FOR AN ACT

RELATING TO HEMP.

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

1 PART I

2 SECTION 1. Chapter 235, Hawaii Revised Statutes, is  
3 amended by adding a new section to be appropriately designated  
4 and to read as follows:

5 "§235- Green building tax credit. (a) Each individual  
6 or corporate taxpayer that files an individual or corporate net  
7 income tax return for a taxable year may claim a green building  
8 tax credit under this section against the Hawaii state  
9 individual or corporate net income tax.

10 (b) The green building tax credit shall be equal to thirty  
11 per cent of the taxpayer's actual costs incurred in connection  
12 with the construction of any primary structure made with at  
13 least thirty per cent Hawaii-grown hemp material.

14 (c) The board of agriculture shall:

15 (1) Maintain records of the names and addresses of the  
16 taxpayers claiming the credits under this section and



1           the total amount of the taxpayer's actual costs upon  
2           which the tax credits are based;

3           (2) Verify the nature and amount of the taxpayer's actual  
4           costs;

5           (3) Total all individual and cumulative actual costs that  
6           the board certifies; and

7           (4) Certify the amount of the tax credit for each taxpayer  
8           for each taxable year and the cumulative amount of the  
9           tax credit.

10 Upon each determination made under this subsection, the board of  
11 agriculture shall issue a certificate to the taxpayer verifying  
12 information submitted to the board of agriculture, including  
13 amounts of taxpayers' actual costs, the credit amount certified  
14 for the taxpayer for each taxable year, and the cumulative  
15 amount of tax credits certified. The taxpayer shall file the  
16 certificate with the taxpayer's tax return with the department  
17 of taxation.

18           (d) The director of taxation:

19           (1) Shall prepare any forms that may be necessary to claim  
20           a tax credit under this section;



1       (2) May require the taxpayer to furnish reasonable  
2           information to ascertain the validity of the claim for  
3           the tax credit made under this section; and

4       (3) May adopt rules under chapter 91 necessary to  
5           effectuate the purposes of this section.

6       (e) If the tax credit under this section exceeds the  
7       taxpayer's income tax liability, the excess of the credit over  
8       liability may be used as a credit against the taxpayer's income  
9       tax liability in subsequent years until exhausted. All claims  
10       for the tax credit under this section, including amended claims,  
11       shall be filed on or before the end of the twelfth month  
12       following the close of the taxable year for which the credit may  
13       be claimed. Failure to comply with the foregoing provision  
14       shall constitute a waiver of the right to claim the credit.

15       (f) As used in this section:

16       "Hemp" means the stalks and foliage material of the hemp  
17       plant.

18       "Primary structure" means a building or residence."

19       SECTION 2. Chapter 328G, Hawaii Revised Statutes, is  
20       amended by adding two new sections to be appropriately  
21       designated and to read as follows:



1        "§328G-A Edible cannabinoid products; tetrahydrocannabinol  
 2 limits; packaging. (a) Notwithstanding section 328G-3(e), any  
 3 hemp processor with a permit pursuant to section 328G-2 may  
 4 sell, hold, offer, or distribute for sale an edible or beverage  
 5 cannabinoid product that contains a tetrahydrocannabinol  
 6 concentration of not more than 2.5 milligrams per serving and  
 7 not more than twenty-five servings per package, as is standard  
 8 within the industry.

9        (b) No person shall sell, hold, offer, or distribute for  
 10 sale an edible or beverage cannabinoid product:

11        (1) To any person less than twenty-one years of age; or

12        (2) In packaging that is:

13            (A) Not child-proof or child-resistant;

14            (B) Marketed towards or attractive to children; and

15            (C) Not clearly labeled with a warning stating that  
 16 the product is not intended for consumption or  
 17 sale to any person less than twenty-one years of  
 18 age.

19        §328G-B Tetrahydrocannabinol limits in legacy cannabinoid  
 20 products. Notwithstanding any other law to the contrary, a  
 21 non-edible legacy cannabinoid product or manufactured hemp



1 product shall not be subject to any restrictions except for the  
2 federal definition of hemp and the corresponding 0.3 per cent  
3 tetrahydrocannabinol concentration limit, as defined by the  
4 United States Food and Drug Administration pursuant to title 7  
5 United States Code section 1639o."

6 SECTION 3. Section 328G-1, Hawaii Revised Statutes, is  
7 amended as follows:

8 1. By adding three new definitions to be appropriately  
9 inserted and to read:

10 "Beverage" has the same meaning as defined in  
11 section 339-1.

12 "Edible" has the same meaning as "food" as defined in  
13 section 328-1.

14 "Foliage material" means the aggregate of leaves, stems,  
15 and residual floral material of the hemp plant."

16 2. By amending the definition of "hemp biomass" to read:

17 "Hemp biomass" means the [~~leaf and floral parts~~] stalks  
18 and foliage material of the hemp plant [~~material~~]."

19 SECTION 4. Section 328G-3, Hawaii Revised Statutes, is  
20 amended by amending subsection (e) to read as follows:





1 SECTION 6. In codifying the new sections added by  
2 section 2 of this Act, the revisor of statutes shall substitute  
3 appropriate section numbers for the letters used in designating  
4 the new sections in this Act.

5 SECTION 7. Statutory material to be repealed is bracketed  
6 and stricken. New statutory material is underscored.

7 SECTION 8. This Act shall take effect on July 1, 2050;  
8 provided that section 1 shall apply to taxable years beginning  
9 after December 31, 2025.



**Report Title:**

DOH; Green Building Tax Credit; Edible Cannabinoid Products; Tetrahydrocannabinol Concentration Limit; Hemp Biomass; Hemp Program; High THC Products

**Description:**

Establishes a Green Building Tax Credit for costs related to the construction of a primary structure made with at least thirty per cent Hawaii-grown hemp material. Allows any hemp processor with a permit from the Department of Health to sell an edible or beverage cannabinoid product that contains a tetrahydrocannabinol concentration of not more than 2.5 milligrams per serving and not more than twenty-five servings per package. Prohibits the sale of an edible or beverage cannabinoid product to any person less than twenty-one years of age. Establishes child-resistant packaging requirements for edible cannabinoid products. Clarifies the tetrahydrocannabinol concentration limit for a non-edible legacy cannabinoid product or manufactured hemp product shall be subject only to federal restrictions. Amends the definition of "hemp biomass" to include stalks and foliage material. Requires the Department of Health to establish a dedicated hemp program to regulate hemp that is separate from the regulatory process for cannabinoid products with a high concentration of tetrahydrocannabinol. Effective 7/1/2050. (SD1)

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

