

JAN 21 2026

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# A BILL FOR AN ACT

RELATING TO INDUSTRIAL HEMP.

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

PART I

SECTION 1. The legislature finds that hemp cultivated for industrial purposes, such as fiber, hurd, and grain, serves a fundamentally different role than hemp that is cultivated for cannabinoid extraction. Industrial or commercial hemp production has the potential to bring significant revenues to the State; however, the industry currently lacks a distinct regulatory and development pathway.

Accordingly, the purpose of this Act is to establish a clear and separate regulatory framework for industrial hemp that is distinct from hemp grown for cannabinoids by:

(1) Establishing an industrial hemp program that includes comprehensive licensing, education, and support for non-cannabinoid industrial hemp cultivation and use;

(2) Establishing the industrial hemp program advisory board to develop a strategic plan to establish and



- 1 expand the processing infrastructure and
- 2 commercialization of non-cannabinoid industrial hemp;
- 3 (3) Supporting research and development focused on local
- 4 adaptation, sustainability, and economic development
- 5 goals;
- 6 (4) Promoting partnerships with Native Hawaiian
- 7 practitioners, cooperatives, and aina-based programs;
- 8 and
- 9 (5) Adopting state building codes for hemp-based
- 10 materials, including hempcrete.

11 SECTION 2. This Act shall be cited as the "Hawaii  
12 Industrial Hemp Infrastructure and Innovation Act".

13 PART II

14 SECTION 3. Chapter 141, Hawaii Revised Statutes, is  
15 amended by adding a new part to be appropriately designated and  
16 to read as follows:

17 **"PART . INDUSTRIAL HEMP PROGRAM**

18 **§141-A Definitions.** As used in this part:

19 "Advisory board" means the industrial hemp program advisory  
20 board.



1 "Chairperson" means the chairperson of the board of  
2 agriculture and biosecurity.

3 "Department" means the department of agriculture and  
4 biosecurity.

5 "Industrial hemp" means the plant *Cannabis sativa* L. and  
6 any part of that plant, except cannabidiol, with a delta-9  
7 tetrahydrocannabinol concentration of not more than 0.3 per cent  
8 on a dry weight basis grown for its fiber, seed, or oil.

9 "Industrial hemp" includes non-cannabidiol parts including seeds  
10 and all derivatives, extracts, isomers, acids, salts, and salts  
11 of isomers, whether growing or not. "Industrial hemp" excludes  
12 hemp grown for the extraction of cannabidiol.

13 "Program" means the industrial hemp program.

14 **§141-B Industrial hemp program; established.** There is  
15 established an industrial hemp program within the department for  
16 administrative purposes to promote the non-cannabinoid hemp  
17 industry. The program shall:

- 18 (1) Provide technical assistance to industrial hemp  
19 farmers;  
20 (2) Develop Hawaii-adapted industrial hemp seed varieties;  
21 (3) Facilitate market access for industrial hemp products;



(4) Conduct educational outreach and workforce training in industrial hemp applications, with a focus on construction and regenerative agriculture; and

(5) Collaborate with the university of Hawaii, department of land and natural resources, and department of education on research, education, and integration of the program into land restoration efforts and school agriculture programs.

**§141-C Licensing.** (a) Beginning July 1, 2027, a person who intends to grow non-cannabinoid industrial hemp in the State for fiber, grain, or building materials shall apply to the department for a license on a form prescribed by the department and pay an application fee.

(b) Each applicant for a license shall be either an individual applicant or an applying entity. If the applicant is:

(1) An individual, the application shall include supporting documentation to establish that the individual:

(A) Is not less than twenty-one years of age; and



(B) Has no drug felony convictions in the ten years immediately preceding the date of submission of the application; or

(2) An entity, the application shall include supporting documentation to establish that the entity:

(A) Has been organized under the laws of the State of Hawaii;

(B) Has a Hawaii tax identification number;

(C) Has a department of commerce and consumer affairs business registration division number and suffix;

(D) Has a federal employer identification number; and

(E) Is composed of principals or members, each of whom have had no drug felony convictions in the ten years immediately preceding the date of submission of the application.

(c) Licensees shall comply with all county zoning ordinances, rules, or regulations.

(d) If the chairperson determines that the requirements for a license pursuant to this part, and any other requirements established by rule, are satisfied, the chairperson shall issue



1 a license to the applicant upon payment of the fee established  
2 in this section.

3 (e) Each license shall be valid for two years from the  
4 date of issuance, after which the licensee shall be required to  
5 renew the license and pay a renewal fee.

6 (f) The department may prescribe annual sampling,  
7 inspection, and reporting requirements for licensees, including  
8 a procedure for conducting annual inspections of a random sample  
9 of industrial hemp producers to verify that industrial hemp is  
10 not being produced in violation of this part; provided that the  
11 procedure shall ensure that an industrial hemp producer is  
12 subject to not more than one inspection each calendar year.

13 (g) Any license issued under the industrial hemp program  
14 shall have continued validity under the original terms and  
15 conditions of that license until it expires. Upon expiration,  
16 the licensee may renew that license under new terms and  
17 conditions that are compliant with this part, by paying a  
18 renewal fee and applying for license renewal pursuant to a  
19 process established by the chairperson.

20 (h) Licenses may be transferred upon approval by the board  
21 of agriculture and biosecurity.



**§141-D Approved non-cannabinoid industrial hemp. (a)**

Only non-cannabinoid industrial hemp on the list of approved cultivars grown for fiber, grain, or building materials shall be grown. Notwithstanding chapter 91, the chairperson or the board of agriculture and biosecurity may add or remove any cultivar from the list.

(b) The list of approved cultivars shall include the following:

(1) Industrial hemp cultivars that have been certified by the Organisation for Economic Co-operation and Development;

(2) Hawaii varieties of industrial hemp cultivars that have been certified by the board of agriculture and biosecurity; and

(3) Hemp genetics that are shown to:

(A) Meet federal definitions of hemp;

(B) Originate from any state with a federally approved industrial hemp program; and

(C) Utilize testing and sampling protocols similar to those used in Hawaii's program or utilize a



1                   nationally standardized sampling and testing  
2                   protocol.

3           **§141-E Inspections; fees.** (a) A licensee shall be  
4   subject to the annual inspection and sampling of the licensee's  
5   industrial hemp plants, plant material, seeds, growing area,  
6   equipment, and facilities incident to the cultivation of  
7   industrial hemp.

8           (b) Any authorized member of the department, or any agent  
9   or third party authorized by the department, with prior notice  
10   to the applicable licensee, may enter between sunrise and sunset  
11   upon any property utilized for the cultivation of industrial  
12   hemp pursuant to this part to conduct the annual inspection and  
13   sampling pursuant to subsection (a).

14          (c) The department may set reasonable inspection and  
15   sampling fees.

16          (d) The department may employ temporary inspectors to  
17   assist in certification, audit, and inspection services under  
18   this part.

19           **§141-F Transportation.** A licensee may transport, to  
20   another site for processing and in a department-approved manner,





1 the resin, flowering tops, and leaves of the licensee's crop  
2 that passed department-ordered compliance testing.

3 **§141-G Violations.** (a) In addition to any other  
4 violations of this part, the following acts and omissions by any  
5 licensee or authorized representative thereof constitute  
6 violations:

7 (1) Refusal or failure by a licensee or authorized  
8 representative to fully cooperate and assist the  
9 department with the inspection or sampling process;

10 (2) Failure to provide any information reasonably required  
11 or requested by the department for purposes pursuant  
12 to this part;

13 (3) Providing materially false information pertaining to  
14 the licensee's cultivation of industrial hemp to the  
15 department by any means, including information  
16 provided in any application form, report, record, or  
17 inspection required or maintained pursuant to this  
18 part;

19 (4) Failure to pay reasonable fees assessed by the  
20 department for inspection or laboratory analysis  
21 costs; or



(5) A material violation of any other state or federal law or regulation regarding industrial hemp.

(b) For any violation of this part, the department may impose civil penalties up to \$500 and disciplinary sanctions, including denial or revocation of a license; provided that:

(1) If the department determines that a licensee has negligently violated this part, the licensee shall comply with a corrective action plan established by the department to correct the violation, which may include disposal of any industrial hemp crop, plant, plant material, or seed, whether growing or not, and products derived from those plants;

(2) An individual licensee that negligently violates this part three times in a five-year period shall be ineligible for the industrial hemp program, as either an individual or as a principal or member of an entity, for a period of five years beginning on the date of the third violation;

(3) Each principal or member of an entity licensee that negligently violates this part three times in a five-year period shall be ineligible for the



1 industrial hemp program, as either an individual or as  
2 a principal or member of an entity, for a period of  
3 five years beginning on the date of the third  
4 violation; and

5 (4) Any applicant that materially falsifies any  
6 information contained in an application shall be  
7 ineligible to participate in the industrial hemp  
8 program.

9 **§141-H Rules.** (a) The department shall adopt rules  
10 pursuant to chapter 91 for the purposes of this part, which, at  
11 a minimum, shall include:

12 (1) Annual inspection of a random sample of producers of  
13 industrial hemp during growth or after harvest to  
14 determine tetrahydrocannabinol levels; provided that  
15 an analytical testing of tetrahydrocannabinol levels  
16 greater than 0.3 per cent shall not result in  
17 revocation of a license so long as the crop from which  
18 the sample is taken is disposed of in a manner  
19 provided by rule;

20 (2) Licensure requirements;



- 1 (3) Reporting requirements; provided that pre-planting  
2 reporting shall not be required;
- 3 (4) A process to create standards for selecting licensees  
4 that ensures equity, access, and inclusion;
- 5 (5) Assessment and collection of fees for applications,  
6 licenses, license renewals, inspections, and the  
7 sampling and testing of industrial hemp;
- 8 (6) A procedure for the disposal of industrial hemp crop,  
9 plant, plant material, or seed, whether growing or  
10 not, found to be in violation of this part, and  
11 products derived from those plants;
- 12 (7) Civil penalties for any violation of this part; and
- 13 (8) Any other rules and procedures necessary to carry out  
14 this part.

15 (b) By October 1, 2026, the department shall adopt interim  
16 rules to effectuate the purposes of this part; provided that the  
17 interim rules shall remain in effect until July 1, 2027, or  
18 until rules are adopted pursuant to subsection (a), whichever  
19 occurs sooner.

20 **§141-I Authority to modify operations.** Notwithstanding  
21 any other provision of this part to the contrary, the board of



1 agriculture and biosecurity may authorize the chairperson to  
2 modify the industrial hemp program to effectuate any other  
3 federal or state industrial hemp law or regulations; provided  
4 that any license that has been issued as of that time shall  
5 remain in effect until its expiration.

6 **§141-J Industrial hemp program advisory board;**

7 **established.** (a) There is established an industrial hemp  
8 program advisory board to be appointed by the governor under  
9 section 26-34. The advisory board shall consist of seven  
10 members, as follows:

11 (1) Three farmers, including at least one farmer who shall  
12 have demonstrated expertise in Native Hawaiian  
13 traditional and customary practices;

14 (2) One materials scientist;

15 (3) One environmental economist; and

16 (4) Two representatives from the university of Hawaii  
17 college of tropical agriculture and human resiliency.

18 The members of the board shall serve without compensation but  
19 shall be reimbursed for expenses, including travel expenses,  
20 actually incurred in the performance of their duties.



(b) The advisory board shall develop a strategic plan to establish and expand the processing infrastructure and commercialization of industrial hemp, including fiber, hurd, grain, and non-cannabinoid components. Priority shall be given to scalable and regenerative technologies that align with the State's climate and economic goals. The strategic plan shall include the following areas of support:

(1) Development of processing infrastructure;

(2) Support for value-added industrial hemp products:

(3) Standards, safety, and market readiness: and

(4) Inclusive participation and community benefit."

SECTION 4. Section 141-14, Hawaii Revised Statutes, is amended to read as follows:

**"§141-14 Industrial hemp special fund; established.** (a)

There is created in the state treasury a special fund to be designated as the industrial hemp special fund to be administered by the department of agriculture and biosecurity. Moneys deposited in this special fund shall be used to fulfill the purposes of ~~[this]~~ part \_\_\_\_\_ and shall include:

(1) Any moneys appropriated by the legislature to the special fund;



(2) Any fees collected by the department of agriculture and biosecurity in relation to the industrial hemp ~~[pilot]~~ program; and

(3) The interest or return on investments earned from moneys in the special fund.

(b) The department of agriculture and biosecurity may use the moneys in the special fund to carry out the purposes of ~~[this part,]~~ part \_\_\_\_\_, including hiring employees, specialists, and consultants necessary to complete projects related to the purposes of this part."

SECTION 5. There is appropriated out of the general revenues of the State of Hawaii the sum of \$800,000 or so much thereof as may be necessary for fiscal year 2026-2027 to be deposited into the industrial hemp special fund.

SECTION 6. There is appropriated out of the industrial hemp special fund the sum of \$800,000 or so much thereof as may be necessary for fiscal year 2026-2027 for the purposes of this part.

The sum appropriated shall be expended by the department of agriculture and biosecurity for the purposes of this Act.

PART III



SECTION 7. Section 107-25, Hawaii Revised Statutes, is amended to read as follows:

**"§107-25 Hawaii state building codes; requirements.** There is established the Hawaii state building codes applicable to all construction in the State of Hawaii. The Hawaii state building codes shall be based upon:

- (1) The state fire code as adopted by the state fire council;
- (2) The Uniform Plumbing Code, as copyrighted and published by the International Association of Plumbing and Mechanical Officials, including its appendices;
- (3) The International Building Code, the International Residential Code, and the International Energy Conservation Code, as published by the International Code Council;
- (4) The National Electrical Code, as published by the National Fire Protection Association;
- (5) Hawaii design standards implementing the criteria pursuant to Act 5, Special Session Laws of Hawaii, 2005, as applicable to:





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(A) Emergency shelters built to comply with hurricane resistant criteria, including enhanced hurricane protection areas capable of withstanding a five hundred-year hurricane event as well as other storms and natural hazards; and

(B) Essential government facilities requiring continuity of operations; ~~and~~

(6) Code provisions based on nationally published codes or standards that include but are not limited to residential and hurricane resistant standards related to loss mitigation standards in accordance with section 431P-12, elevator, mechanical, flood and tsunami, existing buildings, and onsite sewage disposal~~[.]~~; and

(7) The 2024 International Residential Code Appendix BL for hemp-line (hempcrete) construction and code provisions for load-bearing criteria for hemp-based insulation."

## PART IV

SECTION 8. By April 1, 2027, the university of Hawaii college of tropical agriculture and human resilience, in



1 partnership with the department of agriculture and biosecurity,  
2 shall lead a coordinated research agenda focused exclusively on  
3 non-cannabinoid industrial hemp applications. Research shall  
4 support adaptation, sustainability, and economic development  
5 goals. Priority areas shall include but not be limited to:

6 (1) Carbon sequestration and soil health, including the  
7 ability of hemp to restore degraded or fallow  
8 agricultural lands;

9 (2) Seed development and agronomic performance, including  
10 conducting trials to optimize fiber, hurd, and grain  
11 yield under varying conditions;

12 (3) Industrial material research that analyzes the  
13 structural performance, moisture regulation, and  
14 insulation capacity of hempcrete and other hemp-  
15 derived construction materials; and

16 (4) Circular economy and lifecycle assessment by  
17 evaluating industrial hemp's role in closed-loop  
18 production systems, local supply chains, and waste to  
19 resource models.

20 SECTION 9. There is appropriated out of the general  
21 revenues of the State of Hawaii the sum of \$400,000 or so much



1 thereof as may be necessary for fiscal year 2026-2027 for the  
2 purposes of this part.

3 The sum appropriated shall be expended by the university of  
4 Hawaii for the purposes of this Act.

5 PART V

6 SECTION 10. (a) The department of agriculture and  
7 biosecurity shall invite Native Hawaiian traditional and  
8 customary practitioners and community members to actively  
9 participate in stewardship initiatives relating to industrial  
10 hemp innovation. Areas of collaboration may include:

11 (1) Supporting aina-based learning and land restoration  
12 projects led by Native Hawaiian communities;

13 (2) Integrating cultural stewardship practices, including  
14 traditional ecological knowledge, into cultivation,  
15 processing, and education frameworks; and

16 (3) Engaging in participatory planning and decision-making  
17 processes to ensure culturally aligned program  
18 development.

19 (b) The department of agriculture and biosecurity may  
20 adopt rules to provide exemptions for Native Hawaiian  
21 agricultural cooperatives or organizations from licensing fees



1 under the industrial hemp program established under  
2 section 141-B, Hawaii Revised Statutes, in recognition of their  
3 cultural, environmental, and community contributions.

4 SECTION 11. There is appropriated out of the general  
5 revenues of the State of Hawaii the sum of \$800,000 or so much  
6 thereof as may be necessary for fiscal year 2026-2027 for farmer  
7 incentives pursuant to this part.

8 The sum appropriated shall be expended by the department of  
9 agriculture and biosecurity for the purposes of this Act.

10 PART VI

11 SECTION 12. In codifying the new sections added by  
12 section 3 and referenced in section 10 of this Act, the revisor  
13 of statutes shall substitute appropriate section numbers for the  
14 letters used in designating the new sections in this Act.

15 SECTION 13. This Act does not affect rights and duties  
16 that matured, penalties that were incurred, and proceedings that  
17 were begun before its effective date.

18 SECTION 14. Statutory material to be repealed is bracketed  
19 and stricken. New statutory material is underscored.



# S.B. NO. 2178

1 SECTION 15. This Act shall take effect on July 1, 2026.

2

INTRODUCED BY: *Hunt W. Perkins*



# S.B. NO. 2178

**Report Title:**

DAB; UH CTAHR; Industrial Hemp Program; Industrial Hemp Advisory Board; Native Hawaiian Practices; Non-Cannabinoid Industrial Hemp Infrastructure and Innovation; State Building Code; Hempcrete; Appropriations

**Description:**

Establishes an Industrial Hemp Program in the Department of Agriculture and Biosecurity that includes comprehensive licensing, education, and support for non-cannabinoid industrial hemp cultivation and use. Establishes the Industrial Hemp Program Advisory Board to develop a strategic plan to establish and expand the processing infrastructure and commercialization of industrial hemp. Requires the University of Hawaii College of Tropical Agriculture and Human Resilience to support research and development focused on local adaptation, sustainability, and economic development goals. Requires DAB to promote partnerships with Native Hawaiian practitioners, cooperatives, and aina-based programs. Adopts state building codes for hemp-based materials, including hempcrete. Appropriates funds.

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