



UNIVERSITY OF HAWAII SYSTEM

‘ŌNAEHANA KULANUI O HAWAII

Legislative Testimony

Hō'ike Mana'o I Mua O Ka 'Aha'ōlelo

Testimony Presented Before the
Senate Committee on Ways and Means
and
Senate Committee on Judiciary
Wednesday, March 4, 2026 at 10:35 a.m.

By
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College of Tropical Agriculture and Human Resilience
and
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Interim Provost
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SB 2178 SD1 – RELATING TO INDUSTRIAL HEMP

Chairs Dela Cruz and Rhoads, Vice Chairs Moriwaki and Gabbard, and Members of the Committees:

Thank for the opportunity to submit testimony with comments on SB 2178 SD1. This measure establishes an Industrial Hemp Program in the Department of Agriculture and Biosecurity (DAB) that includes 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 Hawai'i College of Tropical Agriculture and Human Resilience (CTAHR) 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 'āina-based programs. Adopts state building codes for hemp-based materials, including hempcrete. Appropriates funds.

CTAHR has the expertise to conduct hemp research and development as called for in this bill. CTAHR faculty have on-going research on industrial hemp at the Center for Applied Research and Extension Services (CARES) at Waimānalo. The objectives of the ongoing research are to identify the optimal industrial hempseed varieties for producing and manufacturing hemp hurds for construction materials; to evaluate the phytoremediation potential of these varieties; to ensure the safety of the resulting biomass and by products; and to assess the potential of the varieties for producing sustainable aviation fuel. The appropriation in SB 2178 SD1 will support statewide community assets.

Thank you for the opportunity to submit testimony.

JOSH GREEN, M.D.
Governor

SYLVIA LUKE
Lt. Governor



State of Hawai'i
DEPARTMENT OF AGRICULTURE & BIOSECURITY
KA 'OIHANA MAHI'AI A KIA'I MEAOLA
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SHARON HURD
Chairperson
Board of Agriculture & Biosecurity

DEAN M. MATSUKAWA
Deputy to the Chairperson

**TESTIMONY OF SHARON HURD
CHAIRPERSON, BOARD OF AGRICULTURE AND BIOSECURITY**

**BEFORE THE SENATE COMMITTEE ON WAYS AND MEANS AND COMMITTEE ON
JUDICIARY**

**WEDNESDAY, MARCH 4, 2026
10:35 AM
CONFERENCE ROOM 211 & VIDEOCONFERENCE**

**SENATE BILL NO. 2178 SD1
RELATING TO INDUSTRIAL HEMP**

Chairs Dela Cruz and Rhoads, Vice Chairs Moriwaki and Gabbard, and Members of the Committees:

Thank you for the opportunity to testify on Senate Bill No. 2178 SD1. This bill establishes an Industrial Hemp Program in the Department of Agriculture and Biosecurity that includes education and support for non-cannabinoid industrial hemp cultivation and use. This bill 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.

The Department of Agriculture and Biosecurity (Department) supports the intent of this measure and offers the following comments to clarify the department's role and ongoing commitment to Hawai'i's industrial hemp industry.

Under Act 228 (2016), the Department was authorized to establish and administer the Industrial Hemp Pilot Program to allow the cultivation of hemp for research purposes and the distribution of hemp seeds within the State. In 2020, Act 14 ended the pilot program and legalized commercial hemp production, placing hemp growers under the licensing authority of the USDA Domestic Hemp Production Program. Testing, sampling, reporting and inspection are also under the authority of

USDA. That law also tasked the Department with enforcing hemp cultivation buffer zones and overseeing the transport of raw hemp materials.

SB 2178 SD1 assigns the Department responsibility for establishing and administering an industrial hemp program. These responsibilities include, but are not limited to, providing education and technical assistance to support cultivation and processing; establishing an advisory board to develop a strategic plan for the industry; and partnering with the University of Hawai'i College of Tropical Agriculture and Human Resilience (CTAHR), Native Hawaiian practitioners, cooperatives, aina-based programs, and building code council.

In addition, SB 2178 SD1 continues to assign responsibilities to the Department that duplicate the regulatory functions currently administered by the United States Department of Agriculture (USDA), including sampling, testing, reporting, and inspection for the cultivation of industrial hemp. To avoid duplication, the Department respectfully suggests amending the bill to state explicitly in statute that these functions will remain under USDA authority. SB 2178 SD1 also authorizes the Department to collect inspection and sampling fees, and assess penalties for non-compliance, whereas the USDA does not assess such fees and enforces compliance primarily through license revocation.

The Department notes that hemp growers have previously expressed concern regarding duplicative state regulation and additional fees, which could create unnecessary burdens and adversely impact the economic viability of Hawai'i's industrial hemp industry.

Should this measure be approved, the Department would require the following to implement the program:

- Program Staffing:
 - 1 FTE Program Manager - \$120,000 (to oversee the entire hemp program)
 - 1 FTE Specialist - \$80,000 (to conduct workshops, trainings, and outreach events)
 - 1 FTE Administrative Staff - \$60,000 (to support the program)
- Operational and Implementation Costs - \$200,000
- Outreach, Education and Support to Advisory Board Costs - \$100,000

Thank you for the opportunity to provide testimony on this measure.

SB-2178-SD-1

Submitted on: 3/2/2026 6:53:48 PM

Testimony for WAM on 3/4/2026 10:35:00 AM

Submitted By	Organization	Testifier Position	Testify
Ted Bohlen	Testifying for Climate Protectors Hawaii	Support	Written Testimony Only

Comments:

SUPPORT! Industrial hemp has many uses, including as building materials, sequestering carbon and replacing traditional building materials that emit greenhouse gases.



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March 4, 2026

HEARING BEFORE THE
SENATE COMMITTEE ON WAYS AND MEANS
SENATE COMMITTEE ON JUDICIARY

TESTIMONY ON SB 2178, SD1
RELATING TO INDUSTRIAL HEMP

Conference Room 211 & Videoconference
10:35 AM

Aloha Chairs Dela Cruz and Rhoads, Vice-Chairs Moriwaki and Gabbard, and Members of the Committees:

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 2178, SD1, which establishes a state industrial hemp program within the Department of Agriculture and Biosecurity focused on non-cannabinoid hemp, including research, education, program coordination, and market development to support sustainable cultivation and use in Hawai'i.

Hemp presents potential opportunities for agricultural diversification and value-added production when regulatory frameworks are workable and markets are viable. HFB appreciates that the amendments align licensing with the USDA and avoid duplicative state-level licensing requirements. Coordination with federal standards is critical to maintaining economic viability and reducing unnecessary regulatory burdens on producers.

HFB encourages practical implementation that keeps licensing, inspection, and reporting requirements reasonable and clearly coordinated with existing federal oversight. Continued engagement with farmers during rulemaking will help ensure that the program supports on-the-ground agricultural operations and avoids unintended compliance challenges.

We also recognize the importance of appropriate oversight, particularly regarding THC compliance, and support reasonable safeguards that protect producers and the public while allowing legitimate agricultural activity to proceed.

HFB looks forward to working with the DAB, the University of Hawai'i, and industry stakeholders to ensure that industrial hemp development in Hawai'i is economically sound, farmer-focused, and responsibly implemented.

Thank you for the opportunity to provide testimony on this measure.



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Natalie Urminska
Kauai

Aloha Chairs Dela Cruz & Rhoads, Vice Chairs Moriwaki & Gabbard, and Committee Members,

The Hawai'i Farmers Union is a 501(c)(5) agricultural advocacy nonprofit representing a network of over 2,500 family farmers and their supporters across the Hawaiian Islands. **HFU supports and seeks to amend SB2178.**

SB2178 establishes an Industrial Hemp Program within the Department of Agriculture and Biosecurity, creates an advisory board, adopts state building codes for hempcrete, and directs UH CTAHR research into non-cannabinoid industrial hemp applications.

Hawaii Farmers Union supports SB 2178, SD1, and respectfully seeks amendments. Our members, including those who served on the Hawaii Hemp Task Force established under Act 263 (SLH 2023), have reviewed this measure and contributed to these comments. We support the bill's intent and many of its provisions, but certain provisions would add regulatory burden and cost to an already struggling industry, contrary to the Task Force's central recommendation. We propose specific amendments to address them.

REQUESTED AMENDMENTS

1. **Remove duplicate state inspection and testing.** Remove or substantially narrow the state inspection, sampling, and fee provisions in Sections 141-C(c), 141-E, and 141-H to avoid duplicating USDA requirements. This is consistent with the committees' own decision to remove state licensing from the SD1, and with the bill proponents' stated intent.
2. **Direct the Department to pursue Performance-Based Sampling.** Add a provision directing the Department of Agriculture and Biosecurity to pursue a Performance-Based Sampling protocol with the USDA for certified hemp cultivars, as recommended by the Hemp Task Force. This would reduce testing costs for farmers growing fiber, grain, and building material crops.
3. **Require accountability before expanding staff.** Require performance metrics and reporting for the Hemp Program Coordinator position before authorizing additional staff. The legislature should see demonstrated outcomes from existing capacity before expanding it.
4. **Ensure the advisory board reflects farming experience.** Amend the advisory board composition to require that a majority of farmer seats be held by individuals with demonstrated experience growing hemp in Hawaii under USDA licensure, including members of the 2024 Hemp Task Force.
5. **Consolidate with SB 2712.** While potentially out of scope of this measure,

consider consolidating the positive elements of this measure, building codes, research agenda, and advisory board, with SB 2712, which provides direct grant support to farmers through the hemp special fund. The industry needs investment in farmer capacity, not duplicative layers of state oversight.

HFU recognizes several positive elements in SB 2178, SD1:

1. **Hempcrete Building Codes (Section 7):** Adopting the 2024 International Residential Code Appendix BL for hempcrete construction is practical and timely.
2. **UH CTAHR Research Agenda (Section 8):** Directing research into carbon sequestration, seed development for Hawaii's unique microclimates, hempcrete materials performance, and circular economy applications is well-aligned with the Task Force's recommendations.
3. **Approved Cultivar List (Section 141-D):** Establishing a list of approved non-cannabinoid cultivars could meaningfully support farmers if paired with reduced testing for those varieties rather than additional state testing on top of federal requirements.
4. **Advisory Board (Section 141-J):** An advisory board can provide valuable industry guidance. However, we strongly recommend that the board composition be amended to require that a majority of the farmer seats be filled by individuals with demonstrated experience successfully growing hemp in Hawaii under USDA licensure. The Task Force experienced firsthand the difficulties of having advisors without practical farming experience in Hawaii's unique conditions. Members of the 2024 Hemp Task Force should be considered for these seats.

The following concerns provide the detailed basis for our requested amendments above.

CONCERN 1: DUPLICATE STATE TESTING AND INSPECTION

This is our primary concern. The Hawaii Hemp Task Force's first and most emphatic recommendation was to "align Hawaii regulations with Federal law, and never exceed it." The Task Force found that regulatory flux and excessive regulations "have rendered Hawaii farmers and hemp businesses non-competitive and resulted in large financial losses" (Hemp Task Force Report, August 2024, p. 7).

Current law reflects this principle. HRS Section 141-42(g) explicitly states:

"A hemp producer licensed by the United States Department of Agriculture to grow hemp shall follow all inspection and sampling rules and protocols established by the United States Department of Agriculture. The State shall not require other inspections or sampling."

SB 2178 SD1 creates parallel state inspection and testing authority that conflicts with this provision:

- Section 141-C(c) authorizes the department to "prescribe annual sampling, inspection, and reporting requirements"
- Section 141-E subjects licensees to annual inspection and sampling and authorizes the department to set fees
- Section 141-H mandates rules for annual inspection, fee collection, and civil

penalties

Hawaii's USDA-licensed hemp producers already pay for a sampling agent and laboratory testing for every crop, typically \$500 or more per test. These costs are among the most significant barriers to profitability for the small-scale farmers who make up the majority of Hawaii's hemp industry.

Notably, even the bill's primary advocate has confirmed that the testing and inspection provisions were not part of the original bill concept and were added during the drafting process. We have spoken with the bill's proponents, and they agree that duplicating existing federal testing requirements was never the intent. During the February 3 hearing, the Department of Agriculture and Biosecurity itself flagged duplication as "a bit of concern for the department," noting that "USDA is doing the licensing, they are doing the testing, monitoring, and all this."

During the February 3 hearing, the AEN/EDU/HWN committees recognized this problem with respect to licensing and removed state licensing provisions from the SD1. We appreciate that step. However, the committees left the inspection, sampling, and fee provisions entirely unchanged; the SD1 carries them over verbatim from the original bill. The duplication problem the committees identified in licensing applies equally to these provisions, but they were not addressed. We respectfully request that the same logic be applied to the inspection, sampling, and fee provisions in Sections 141-C(c), 141-E, and 141-H.

CONCERN 2: PROGRAM STAFFING AND ACCOUNTABILITY

During the February 3 hearing, the Hemp Program Specialist requested three additional positions at approximately \$80,000 each. Senator Kim appropriately pressed for a detailed breakdown of duties and costs, directing the department to provide that information before Ways and Means consideration. No such information was provided in the first release of WAM-JDC testimony for this hearing.

HFU members, including those who served on the Hemp Task Force, have expressed concern that the existing Hemp Program Coordinator position has not delivered meaningful outcomes for farmers. The position was created under Act 263 (SLH 2023) with the expectation that it would provide technical assistance and advocate for the industry. Instead, farmers report that basic functions such as filing an alternative sampling protocol with the USDA, pursuing federal grant opportunities, or communicating Task Force recommendations to the legislature have not been carried out.

As a result of ongoing recognized issues with hemp regulation by the state, the combined gross revenue of Hawaii's USDA-licensed hemp farmers likely does not approach the cost of a single program coordinator position. Before authorizing additional staffing, we urge the committees to require clear performance metrics and accountability standards for existing positions. Adding staff to an underperforming program without addressing root causes risks compounding waste.

If new positions are to be funded, their duties should be focused on reducing farmers' costs of production and addressing regulatory hurdles, not on enforcement and inspection activities that duplicate existing federal functions. For example, a program coordinator who secured free or subsidized testing and sampling for licensed farmers

would do more to grow the industry than one who administers additional inspections. Farmers have told us directly that if the state covered the cost of federally required testing, it would immediately increase the number of producers willing to grow hemp.

CONCERN 3: MISSED OPPORTUNITY ON PERFORMANCE-BASED SAMPLING

Rather than adding state testing requirements, this bill could meaningfully help farmers by directing the Department to pursue a Performance-Based Sampling (PBS) protocol with the USDA. The USDA's PBS framework allows states to design alternative sampling metrics that can exempt certain hemp crops, such as certified non-cannabinoid cultivars grown for fiber, grain, or building materials, from per-lot testing requirements, provided the state can demonstrate at a 95% confidence level that no more than 1% of plants would exceed THC limits.

The Hemp Task Force specifically recommended that "the Department of Agriculture should develop and approve Performance Based Sampling Protocols with hemp farmers" (Task Force Report, p. 10, Recommendation i). This was identified as a key mechanism to reduce costs for industrial hemp that, by definition, poses minimal THC risk. The opportunity to submit an alternative sampling protocol to the USDA was not acted upon by existing staff.

If the approved cultivar list in Section 141-D were paired with a PBS protocol rather than additional state testing it could substantially reduce costs for farmers growing certified non-cannabinoid varieties. This is the kind of practical support that would actually move the industry forward.

CONCLUSION

Hawaii's hemp industry has enormous potential -- in sustainable construction, soil restoration, renewable energy, and food security. The Hemp Task Force's 49-page report, produced by farmers and industry members from across the islands, provides a clear roadmap. That roadmap calls for less state regulation, not more.

We appreciate the intent behind SB 2178, SD1, and we share its goals. The non-cannabinoid focus, hempcrete building codes, and research agenda are steps in the right direction. But the inspection, sampling, and fee provisions undermine those goals by adding cost and bureaucracy to an industry that cannot bear it -- and that even the bill's proponents did not intend.

We urge the committees to pass this measure with amendments that remove the duplicate testing provisions, direct the department to pursue Performance-Based Sampling, and ensure the advisory board reflects the expertise of Hawaii's experienced hemp farmers.

Mahalo for the opportunity to testify.

Hunter Heavilin
Advocacy Director
Hawai'i Farmers Union



LATE

Kula, Hawai'i 96790
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808-298-9228

To: Senate Committee on Ways and Means Chair Dela Cruz, Vice Chair Moriwaki and Chair Moriwaki, Vice Chair Gabbard and Committee Members

From: Robert Bence, Certified Organic Hawai'i Hemp Farmer, Hawai'i Sustainable Farms, Hawai'i Hemp Farmers Association, Hemp Feed Coalition, Keki O ka 'Āina Farms Inc. and as a Hawai'i Hemp Task Force Member

Date: 3/03/2026

Subject: SB2178 SD1 – Please Defer or at least **Please adopt the included amendments** in line with the Hawai'i Hemp Task Force Priorities

Aloha Chair Dela Cruz, Chair Rhodes, Vice Chair Moriwaki, and Vice Chair Gabbard,

I am submitting testimony regarding SB2178 SD1 and its impact on Hawai'i's hemp industry.

Amendments offered to better align with Hawai'i State Hemp Task Force Recommendations

Page 3 strike lines 5-12 Replace with the UDSA Definition of Industrial Hemp

SB2178 SD1

- Redefines “industrial hemp” to **exclude cannabidiol (CBD)**
- Creates a separate program exclusively for “non-cannabinoid industrial hemp”
- Requires growers to seek **USDA licensure we already follow USDA and this bill has a definition of Industrial Hemp that is Different from USDA this will add to regulatory mismatch and burden farmers**
- Establishes a new advisory board solely for fiber/grain/building materials. Any **hemp advisory board should include a majority of Hemp Farmers who have successfully grown a USDA approved hemp crop in the state prior to 2025 to ensure the advisory board has people experienced with the many challenges of growing hemp in Hawai'i.** We already had a hemp task force and the DAB failed to enact any of our suggestions! It is already legal to build a house with hemp, a fellow task force member up the road in Kula built the second hemp home permitted on Maui. We already have to do testing for UDSA this bill would add more testing. These things can all be avoided if experienced hemp farmers are involved in the advocacy group and in the hemp office of the DAB. **All hemp positions should have experience farming hemp in Hawai'i especially the head of the DAB program.**

Task Force Recommendation

The Task Force recommended:

- Maintaining a **unified hemp program**
- Developing **both fiber/grain and cannabinoid markets**
- Strengthening the existing state program rather than fragmenting it
- Supporting value-added processing across *all* hemp sectors

Conflict

SB2178:

- Creates a **regulatory bifurcation** not recommended by the Task Force.

- Excludes cannabinoids from the “industrial hemp” definition **likely causing issue as conflicts with USDA definition.**
- Undermines integrated market development the Task Force envisioned.

Cultivar Restrictions and Genetic Limitation

SB2178 §141-D

Only allows:

- OECD-certified cultivars
- Board-approved Hawaii varieties
- Genetics from federally approved programs using similar testing

Task Force Recommendation

The Task Force recommended:

- Expanded seed trials
- Local breeding development
- Encouraging Hawaii-adapted cultivars
- Reducing barriers to innovation

⚠ Conflict

The OECD requirement and pre-approval system:

- Limits genetic innovation.
- Restricts farmer experimentation.
- Potentially blocks equatorial or tropical genetics not yet OECD-certified.
- Centralizes approval power in the Board without Chapter 91 rulemaking safeguards.

This directly conflicts with the Task Force’s call for **expanded research, breeding, and adaptation flexibility**.

Increased Enforcement and Penalty Structure

SB2178 §141-G

- Civil penalties up to \$500
- Three negligent violations → 5-year disqualification
- Broad discretion for crop destruction
- Disqualification for “material violation of any other state or federal law”
- **We already face an Enforcement and Penalty structure under USDA**

Task Force Recommendation

The Task Force recommended:

- Risk-based compliance
- Clear THC remediation pathways
- Farmer education over punishment
- Reducing regulatory burdens

⚠ Conflict

SB2178:

- Expands enforcement authority.
- Adds strict disqualification triggers.
- Does not clearly prioritize remediation before destruction.
- Broad “material violation” language may allow unrelated infractions to disqualify farmers.

This contradicts the Task Force emphasis on **supportive compliance rather than punitive exclusion**.

Random Inspections & Sampling Fees

SB2178 §141-H

- Annual random inspections
- Sampling and testing fees
- Disposal procedures for violations
- **The USDA already has all of this so it's another duplication that will further discourage farmers**

Task Force Recommendation

The Task Force recommended:

- Cost reduction for farmers
- Streamlined testing
- Reduced financial burden
- Clear THC buffer reforms

⚠ Conflict

SB2178:

- Codifies inspection fees.
- Maintains THC testing structure without reform.
- Does not implement expanded remediation flexibility.

This runs counter to Task Force cost-reduction goals.

Advisory Board Structure

SB2178 §141-J

Board members:

- 3 farmers **amend to include 5 Hemp farmers who have grown USDA approved hemp in Hawai'i prior to 2025**
- 1 materials scientist
- 1 environmental economist
- 2 UH CTAHR representatives

No guaranteed hemp industry representation please ensure hemp farmers are the majority.

Task Force Recommendation

The Task Force itself included:

- Diverse industry participants
- All sector voices
- Processors
- Policy stakeholders with experience farming hemp in Hawai'i

⚠ Conflict

SB2178:

- Creates a narrower board focused on fiber/building which are byproducts of the flower for seed or non-psychoactive cannabinoids as not financially feasible on own.
- Excludes experienced hemp producers.
- Replaces broad industry representation with academic/technical weighting.

This narrows governance in contradiction to Task Force inclusive structure.

Failure to Address Core Task Force Industry Concerns

The Task Force highlighted:

- Overregulation
- Market access issues
- Retail clarity
- Testing inconsistencies
- Enforcement confusion between agencies
- Barriers to value-added processing

SB2178 focuses heavily on:

- Hempcrete
- Construction codes *also addressed by hemp task force we already have two homes built with hempcrete permitted on Maui*
- Fiber processing infrastructure *these issues have been addressed by the hemp task force, hempcrete is a byproduct of a profitable plant it cannot be profitable in Hawai'i as a single use*

Conflict

It does **not** address:

- Problem of Current DAB Hemp Program has no experience growing hemp in Hawai'i
- **If new positions including a DAB hemp program head position is funded please require they have grown hemp in Hawai'i approved by USDA prior to 2025**
- Testing threshold modernization or free testing by the state lab at UH Hilo
- **Grants to fund the needed infrastructure like SB2712 is a better vehicle to support hemp**
- Micro-producer access

This selectively implements infrastructure while ignoring regulatory reform the Task Force prioritized.

Structural Policy Shift Without Addressing Existing Program Failures

Current DAB hemp administration:

- Has underperformed
- Has hindered market development
- Has created barriers to local sales

Unfortunately SB2178:

- Expands that same department’s authority
- Adds new enforcement powers
- Adds new funding streams at the expense of the states struggling, unprofitable farmers
- Restructures oversight accountability from effective USDA to an unprepared DAB office

That contradicts the Task Force’s implied recommendation for improved administrative function and transparency.

Summary of Major Conflicts

Issue	Task Force	SB2178 SD1	Conflict
Unified Hemp Program	Yes	No (splits cannabinoid sector)	✓
Breeding & Innovation Flexibility	Yes	No Restrictive cultivar list	✓
Reduce Farmer Costs	Yes	No it Adds inspection fees	✓
Supportive Compliance	Yes	No it adds Strict penalty & exclusion regime	✓
Broad Industry Representation	Yes	No Narrow fiber not profitable	✓

Current Bill Limitation

AMENDMENT 1 — Remove Program Split / Restore Unified Hemp Framework

SECTION 1 (Purpose Clause)

Current

“Establishing an industrial hemp program that includes education and support for **non-cannabinoid industrial hemp cultivation and use;**”

Amendment

Strike:

~~non-cannabinoid~~

Replace with:

industrial hemp cultivation, including fiber, grain, and cannabinoid-derived products consistent with federal law;

Current

“Industrial hemp excludes hemp grown for the extraction of cannabidiol.”

Amendment (in §141-A Definitions)

Strike:

~~"Industrial hemp" excludes hemp grown for the extraction of cannabidiol.~~

Replace with:

"Industrial hemp" includes hemp cultivated for fiber, grain, cannabinoids, or other lawful derivatives consistent with 7 U.S.C. §1639o or current federal hemp law.

Why

The Task Force recommended **market diversification and unified regulation**, not separation of fiber and cannabinoid sectors.

AMENDMENT 2 — Restore USDA Only Licensing Authority

§141-C Licensing

Current

~~“Beginning July 1, 2027, a person who intends to grow non-cannabinoid industrial hemp... shall apply to the United States Department of Agriculture for a license...”~~

Amendment

“Beginning July 1, 2027, a person who intends to grow non-cannabinoid industrial hemp... shall apply to the United States Department of Agriculture for a license...”

Why

The Task Force recommended maintaining USDA direct licensure.

AMENDMENT 3 — Broaden Cultivar Eligibility / Protect Innovation

§141-D Approved Cultivars

Current

“Only non-cannabinoid industrial hemp on the list of approved cultivars...”

Amendment

Strike:

~~Only non-cannabinoid industrial hemp on the list of approved cultivars grown for fiber, grain, or building materials shall be grown.~~

Replace with:

Industrial hemp cultivars grown in the State shall comply with federal hemp definitions and may include fiber, grain, and cannabinoid-producing varieties.

Current

OECD-certified cultivars required

Amendment

Strike:

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

Replace with:

Industrial hemp cultivars that meet federal hemp compliance standards, including those developed through Hawaii-based research and breeding programs;

Add New Subsection:

(d) The department shall establish a research and development pathway allowing limited acreage seed trials and breeding projects to encourage Hawaii-adapted genetics.

Why

The Task Force emphasized:

- Local adaptation
- Expanded breeding trials
- Reduced genetic barriers

OECD-only language restricts tropical innovation.

AMENDMENT 4 — Replace Punitive Structure with Remediation Pathway

§141-G Violations

Current

Three negligent violations → 5-year ineligibility

Amendment

Strike:

~~An individual licensee that negligently violates this part three times in a five-year period shall be ineligible... for five years~~

Replace with:

The USDA will handle any violation through the federal program.

Add Clarification:

(c) Negligent violations resulting solely from exceeding allowable THC limits shall be eligible for remediation, reconditioning, or alternative market diversion where permissible under federal law.

Why

The Task Force emphasized:

- Risk-based enforcement
- Remediation over crop destruction
- Education over exclusion

AMENDMENT 5 — Limit Fee Burdens

§141-E Inspections; Fees

Current

“The department may set reasonable inspection and sampling fees.”

Amendment

Replace with:

Inspection and sampling fees shall be limited to those charged by the USDA.

Why

The Task Force called for reducing cost burdens on small farmers.

AMENDMENT 6 — Expand Advisory Board Representation

§141-J Advisory Board

Current Composition:

- 3 farmers
- 1 materials scientist
- 1 environmental economist
- 2 UH CTAHR reps

Amendment

Strike entire membership list and replace with:

The advisory board shall consist of nine members:

(1) Five hemp farmers, including at least one small-scale producer; all with at least one hemp crop approved by the USDA prior to 2025, One farmer also as a Native Hawaiian practitioner

(2) One environmental economist;

(4) One representative from the University of Hawaii CTAHR;

(6) One representative with expertise in hemp marketing, architecture, hempcrete, retail or interstate commerce; and

(7) One member representing a material scientist

Why

The Task Force was broad-based. This board is currently fiber-weighted and excludes experienced farmer voices.

AMENDMENT 7 — Add Retail & Market Access Reform

Add new section:

§141-K Retail and Interstate Commerce Clarity

(a) The department shall adopt rules clarifying the lawful sale of hemp-derived products is consistent with federal law.

(b) No hemp product lawfully produced under this chapter shall be prohibited from retail sale unless expressly restricted by statute.

Why

The Task Force identified market access and retail clarity as core problems not addressed in SB2178.

AMENDMENT 8 — Accountability & Reporting

Add new section:

Annual Legislative Report

The department shall submit an annual report detailing:

- Number of licensees
- Market growth data
- Administrative expenditures
- Hemp Farmer Stakeholders views of the hemp program and the Performance of DAB Hemp Program

Why

The Task Force recommended transparency and measurable progress.

Strategic Impact

These amendments would:

- Reunify Hawaii’s hemp industry.
- Protect breeding innovation.
- Reduce punitive barriers.
- Expand representation.
- Address market failures.
- Improve accountability.

REDLINE – SB2178 SD1 PROPOSED AMENDMENTS

SECTION 1 – PURPOSE

Page 1, Lines 8–11

Current:

Establishing an industrial hemp program that includes education and support for ~~non-cannabinoid~~ industrial hemp cultivation and use;

Amend to:

Establishing an industrial hemp program that includes education and support for **industrial hemp cultivation, including fiber, grain, and cannabinoid-derived products consistent with federal law;**

Page 3 – Definition of “Industrial Hemp”

Current:

"Industrial hemp" means the plant *Cannabis sativa* L. and any part of that plant, except cannabidiol...

Amend to USDA Definition:

"Industrial hemp" means the plant *Cannabis sativa* L. and any part of that plant, **including cannabinoids and other derivatives**, with a delta-9 tetrahydrocannabinol concentration of not more than 0.3 per cent on a dry weight basis.

Delete entirely:

~~"Industrial hemp" excludes hemp grown for the extraction of cannabidiol.~~

§141-C LICENSING

Page 4

Current:

(a) Beginning July 1, 2027, a person who intends to grow non-cannabinoid industrial hemp... shall apply to the United States Department of Agriculture for a license...

Strike Entire Subsection (a) and Replace With:

(a) Beginning July 1, 2027, a person who intends to grow ~~non-cannabinoid~~ industrial hemp... shall apply to the United States Department of Agriculture for a license...

§141-D APPROVED CULTIVARS

Page 5

Current:

~~Only non-cannabinoid industrial hemp on the list of approved cultivars grown for fiber, grain, or building materials shall be grown.~~

Amend to:

Industrial hemp cultivars grown in the State shall comply with federal hemp definitions.

Page 5–6 OECD Limitation

Current:

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

Amend to:

(1) Industrial hemp cultivars that meet federal hemp compliance standards, including those developed through Hawaii-based research and breeding programs;

Add New Subsection (d):

(d) The department shall establish a research and development pathway allowing limited acreage seed trials and breeding projects to encourage Hawaii-adapted genetics and innovation.

§141-E INSPECTIONS; FEES

Page 6

Current:

~~(e) The department may set reasonable inspection and sampling fees.~~

Amend to:

(c) Inspection and sampling fees shall be limited to any charged by the USDA.

§141-G VIOLATIONS

Page 8–9

Current:

~~(2) An individual licensee that negligently violates this part three times in a five-year period shall be ineligible... for five years~~

Amend to:

(2) The department shall prioritize corrective action plans, remediation, or alternative harvest pathways to support hemp farmers if the state is allowed by USDA to have less tests under a state alternative sampling protocol to have certain varieties of seeds be tested less often the lowest testing available will be pursued. If the UH Hilo School of Pharmacy is able to test hemp for free this will be offered to state farmers as an option.

Add New Subsection (c):

(c) Negligent violations resulting solely from exceeding allowable tetrahydrocannabinol limits shall be eligible for remediation, reconditioning, or alternative market diversion consistent with federal law.

§141-J ADVISORY BOARD

Page 10–11

Strike Entire Membership List and Replace With:

The advisory board shall consist of nine members, appointed by the Chair of DAB, as follows:

(1) Five hemp farmers, including at least one small-scale producer; all with at least one hemp crop approved by the USDA prior to 2025, One farmer also as a Native Hawaiian practitioner

(2) One environmental economist;

(4) One representative from the University of Hawaii CTAHR;

(6) One representative with expertise in hemp marketing, architecture, hempcrete, retail or interstate commerce; and

(7) One member representing a material scientist

ADD NEW SECTION – RETAIL & MARKET ACCESS

Insert New Section After §141-J:

§141-K Retail and Interstate Commerce.

(a) The department shall adopt rules clarifying the lawful manufacture, distribution, and retail sale of hemp-derived products consistent with federal law.

(b) No hemp product lawfully produced under this chapter shall be prohibited from retail sale unless expressly restricted by statute.

Summary of Redline Goals

These amendments:

- Restore unified hemp regulation
- Preserve USDA plan authority
- Protect local breeding innovation
- Reduce punitive enforcement
- Lower small farmer costs
- Expand advisory board representation
- Add clarity that we are already regulated by the USDA

Mahalo



Robert Bence
Hawai'i Sustainable Farms

Hawai'i Hemp Farmers Association

Hemp Feed Coalition
Keki O ka 'Āina Farms Inc.

Hawai'i Hemp Task Force Member

SB-2178-SD-1

Submitted on: 3/2/2026 7:25:08 PM

Testimony for WAM on 3/4/2026 10:35:00 AM

Submitted By	Organization	Testifier Position	Testify
Glen Kagamida	Individual	Support	Written Testimony Only

Comments:

STRONG SUPPORT!!!

Mahalo!