

STAND. COM. REP. NO.

257

Honolulu, Hawaii

FEB 19 2015

RE: S.B. No. 375

S.D. 1

Honorable Donna Mercado Kim  
President of the Senate  
Twenty-Eighth State Legislature  
Regular Session of 2015  
State of Hawaii

Madam:

Your Committees on Agriculture and Judiciary and Labor, to which was referred S.B. No. 375 entitled:

"A BILL FOR AN ACT RELATING TO INDUSTRIAL HEMP,"

beg leave to report as follows:

The purpose and intent of this measure is to authorize industrial hemp to be grown for purposes of research conducted under an agricultural pilot program or other agricultural or academic research by an institution of higher education or by others acting under specific agreement with and under the authority of the Hawaii Department of Agriculture.

Your Committees received testimony in support of this measure from the University of Hawaii System, Hawaii Farm Bureau, Hawaii Farmers Union United HTFG, Maui Cattlemen's Association, Maui Farmers Union United, Green Futures, Hawaii Farmers Union United, CannaCure LLC, and eighty-one individuals. Your Committees received testimony in opposition to this measure from the Honolulu Police Department. Your Committees received comments on this measure from the Department of Agriculture.

Your Committees find that modern production methods have utilized hemp oilseed to make high-grade food and beauty products and the hemp stalk fiber and cellulose to make everything from automotive parts and fine clothing to building materials and fuel. According to estimates by the Hemp Industries Association, retail sales of industrial hemp products in the United States have grown steadily since 1990 to more than \$580,000,000 annually in 2013.

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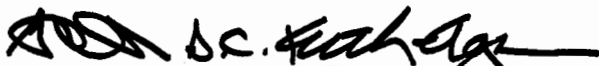
Additionally, the intermediate processing of hemp seed, oil, food ingredients, and fiber could create jobs in close proximity to the fields of cultivation. As raised in testimony, cultivation of hemp could lead to a renaissance of activity in Hawaii.

Your Committees further find that support for industrial hemp farming is occurring at the national level. California, Colorado, Delaware, Hawaii, Illinois, Indiana, Kentucky, Maine, Montana, Nebraska, North Dakota, Oregon, South Carolina, Tennessee, Utah, Vermont, Washington, and West Virginia have defined industrial hemp as a distinct agricultural crop and removed barriers to its production. Furthermore, President Obama signed the 2014 Farm Bill into law, which authorizes industrial hemp research and pilot programs in states that regulate hemp farming under the authority of the state department of agriculture. Farmers and universities in Colorado, Kentucky, and Vermont have already planted hemp crops to conduct pilot programs after registering with their state department of agriculture.

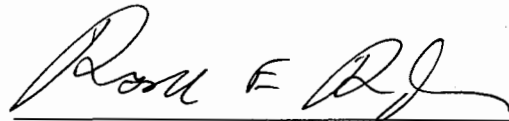
Your Committees have amended this measure by amending the definition of "industrial hemp".

As affirmed by the records of votes of the members of your Committees on Agriculture and Judiciary and Labor that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 375, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 375, S.D. 1, and be referred to the Committee on Ways and Means.

Respectfully submitted on  
behalf of the members of the  
Committees on Agriculture and  
Judiciary and Labor,



GILBERT S.C. KEITH-AGAPAN, Chair



RUSSELL E. RUDERMAN, Chair





