

JAN 24 2019

A BILL FOR AN ACT

RELATING TO INDUSTRIAL HEMP.

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

1 SECTION 1. The legislature finds that the federal
2 Agriculture Improvement Act of 2018 became law on December 20,
3 2018, and legalized the production of industrial hemp, a variety
4 of the cannabis sativa plant species that produces food, oil,
5 and durable fiber that can be refined for use in commercial
6 products, such as paper, textiles, clothing, insulation,
7 biofuel, and animal feed. Industrial hemp is an agricultural
8 commodity that differs greatly from cannabis, also known as
9 marijuana, that is used for medicinal and nonmedicinal purposes
10 and is federally regulated as a controlled substance.

11 Industrial hemp, by contrast, was removed from the federal
12 Controlled Substances Act by the Agriculture Improvement Act of
13 2018.

14 Accordingly, the purpose of this Act is to clarify that
15 financial institutions in the State are authorized to conduct
16 business with persons and entities that lawfully grow, produce,



1 sell, market, advocate for, or otherwise deal with industrial
2 hemp.

3 SECTION 2. Chapter 412, Hawaii Revised Statutes, is
4 amended by adding a new section to part VI of article 2, to be
5 appropriately designated and to read as follows:

6 "§412:2- Industrial hemp; financial institutions;
7 business authorized. (a) Any law to the contrary
8 notwithstanding, financial institutions are authorized to accept
9 deposits, provide loans, and conduct other business with persons
10 and entities that lawfully grow, produce, sell, market, advocate
11 for, or otherwise deal with industrial hemp.

12 (b) As used in this section, "industrial hemp" has the
13 same meaning as in section 141-31."

14 SECTION 3. New statutory material is underscored.

15 SECTION 4. This Act shall take effect upon its approval.

16

INTRODUCED BY:

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S.B. NO. 1352

Report Title:

Industrial Hemp; Financial Institutions; Conducting Business

Description:

Clarifies that financial institutions are authorized to conduct business with persons and entities that lawfully deal with industrial hemp.

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