

Honolulu, Hawaii

MAR 15, 2024

RE: S.B. No. 2461  
S.D. 2  
H.D. 1

Honorable Scott K. Saiki  
Speaker, House of Representatives  
Thirty-Second State Legislature  
Regular Session of 2024  
State of Hawaii

Sir:

Your Committees on Judiciary & Hawaiian Affairs and  
Agriculture & Food Systems, to which was referred S.B. No. 2461,  
S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO MEDICAL CANNABIS,"

beg leave to report as follows:

The purpose of this measure is to:

- (1) Provide that medical cannabis dispensaries may purchase cannabis and manufactured cannabis products from other dispensaries without any showing that the purchase is:
  - (A) Necessary for a qualifying patient's continuous access for medical use; or
  - (B) For medical, scientific, or other legitimate purposes; and
- (2) Require the Department of Health to adopt rules no later than nine months after a medical cannabis product is statutorily permitted to be manufactured and distributed.



Your Committees received testimony in support of this measure from the Hawaii Cannabis Industry Association and Cure Oahu. Your Committees received testimony in opposition to this measure from the Department of Health Office of Medical Cannabis Control and Regulation. Your Committees received comments on this measure from Akamai Cannabis Consulting.

Your Committees find that, despite recent legislative attempts to allow the wholesale of medical cannabis between medical cannabis dispensaries, wholesale currently occurs on an emergency basis with an under thirty days request and approval process, or on a proof of need basis requiring over thirty days request and approval process. Your Committees further find that the existing rules also provide the Department of Health with full discretion to reject requests with no specific timeline to respond. This limited approach impairs dispensaries' ability to do future planning, share manufacturing capabilities, or specialize in equipment or products without facing significant risk of potential wholesale request rejections. Wholesale expands patient access to a variety of formulations, products, and strains without sacrificing safety and consistency, and should be more widely supported. This measure provides greater flexibility to dispensaries to purchase cannabis and medical cannabis products from other dispensaries to ensure patient access and mitigate the effects of business fluctuations.

Your Committees have amended this measure by:

- (1) Changing the effective date to July 1, 3000, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Judiciary & Hawaiian Affairs and Agriculture & Food Systems that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2461, S.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2461, S.D. 2, H.D. 1, and be referred to your Committee on Health & Homelessness.



Respectfully submitted on  
behalf of the members of the  
Committees on Judiciary &  
Hawaiian Affairs and  
Agriculture & Food Systems,



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CEDRIC ASUEGA GATES, Chair



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DAVID A. TARNAS, Chair





