



**LATE**

STATE OF HAWAII  
DEPARTMENT OF HEALTH  
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**Testimony in SUPPORT of S.B. 2426  
RELATING TO MEDICAL CANNABIS.**

SENATOR ROSALYN H. BAKER, CHAIR  
SENATE COMMITTEE ON COMMERCE, CONSUMER PROTECTION AND HEALTH

Hearing Date: Friday, January 31, 2020

Room Number: 229

1 **Department Testimony:** The Department is in SUPPORT of this measure which: (1) Aligns the  
2 language in Chapter 329D, Hawaii Revised Statutes, with recent enactments that provide for the  
3 transfer of a dispensary license, removes the exclusion from dispensary employment for certain  
4 class C felony convictions, and repeals the public housing restriction on medical cannabis facility  
5 siting; (2) Corrects the omission of primary caregivers, qualifying out-of-state patients, and  
6 caregivers of a qualifying out-of-state patient as individuals allowed to access medical cannabis  
7 retail locations; (3) Defines “restricted access area” as that area in a retail location where medical  
8 cannabis and manufactured medical cannabis products are dispensed or made available for retail  
9 sale; and (4) Clarifies that each day of a violation of Chapter 329D, HRS is a separate offense  
10 subject to a fine. Defining “restricted access area” will better serve patients by allowing a family  
11 member, caregiver, or other assistant to help patients into retail dispensaries while preventing  
12 unauthorized access to medical cannabis and manufactured medical cannabis products.  
13 Clarifying that each day of a violation is a separate offense will better protect patient safety by  
14 facilitating oversight of dispensary compliance with Chapter 329D, HRS.  
15 Thank you for the opportunity to testify on this measure.

# HAWAI'I CANNABIS INDUSTRY ASSOCIATION

January 31, 2020

To: Senator Rosalyn Baker, Chair  
Senator Stanley Chang, Vice Chair  
Members of the Senate Committee on Commerce, Consumer Protection, and Health

Fr: Teri Freitas Gorman, 2020 Chair, Hawai'i Cannabis Industry Association (HICIA)

Re: Testimony in SUPPORT of Senate Bill (SB) 2426

RELATING TO MEDICAL CANNABIS.

Proposed HD1: Allows primary caregivers, qualifying out-of-state patients, and caregivers of a qualifying out-of-state patient to access the restricted access area within a medical cannabis retail dispensary. Clarifies violations related to medical cannabis dispensaries.

The Hawai'i Cannabis Industry Association, formerly known as the Hawai'i Educational Association for Licensed Therapeutic Health (HEALTH), represents all eight of the state's licensed medical cannabis dispensaries and associate members.

The association would like to provide clarification and additional information about the scope of access to dispensary areas restricted to the public. The law currently uses the broad term "premises" to describe prohibited areas but should be more specifically defined and delineated as the retail facility sales area, so that the security and access for caregivers, qualifying out-of-state patients and caregivers of out-of-state patients is clear.

We also support the other housekeeping provisions in the bill which align with recent enactments to the law so that there is consistency throughout the chapter to: (1) provide a process for the voluntary or involuntary sale or transfer of a dispensary license, (2) remove the exclusion from dispensary employment for certain class C felony convictions, and (3) repeal certain restrictions on medical cannabis dispensary siting.

Thank you for the opportunity to provide our testimony and for your consideration to move this bill forward.

Hawai'i Cannabis Industry Association (HICIA)  
220 S King St #1600, Honolulu, HI 96813  
[www.808hicia.com](http://www.808hicia.com)



## **Akamai Cannabis Clinic**

3615 Harding Ave, Suite 304  
Honolulu, HI 96816

### TESTIMONY ON SENATE BILL 2426 RELATING TO MEDICAL CANNABIS

By  
Clifton Otto, MD

Senate Committee on Commerce, Consumer Protection, and Health  
Senator Rosalyn H. Baker, Chair  
Senator Stanley Chang, Vice Chair

Friday, January 31, 2020; 9:30 AM  
State Capitol, Conference Room 229

Thank you for the opportunity to provide testimony on this measure. Please consider the following comments related to this bill:

Any changes to our Medical Cannabis Program require that we also address the misconception that our program is violating federal law in order to eliminate the injuries that the current situation is causing our patients and dispensaries.

These injuries include **patients** not being able to obtain employment because of a positive cannabis screening drug test, being terminated from employment because of failing a cannabis urine drug test that does not test for impairment in the workplace, being evicted from federally subsidized housing, not being able to obtain life insurance, not being able to enjoy the protections of the Americans with Disabilities Act, being discriminated against in child custody hearings, not being able to travel to other islands with their medicine, not being able to obtain firearms for home protection and hunting. In addition, our **dispensaries** are suffering from not being able to carry on normal banking activity, having to conduct a majority of their transactions in cash, not being able to enjoy standard business expense deductions which is creating a 70%+ tax burden that only raises product costs for patients, and not being able to conduct medical research with the University of Hawaii System.

Our patients and dispensaries should not be required to operate under the false assumption that they are violating federal law in order to engage in the medical use of cannabis in Hawaii.

“An Accepted Medical Use Supporter”

The State of Hawaii created this situation when it lawfully decided that cannabis has medical use in Hawaii, which means that the State cannot simply wait for Congress to fix a situation that it created. We can no longer stand for the federal regulation that has the non-medical use of cannabis on the Schedule I list being unconstitutionally applied to our medical cannabis program.

There is a simple solution to this problem, which is presented in Senator Ruderman's federal exemption bill, [SB2462](#), which was recently introduced into the Senate.

In order to increase the chances that this important change will be made to our Medical Use of Cannabis Act this session, I ask that you please adopt the following language from SB2462 into the bill before you:

**"329D-25 Coordination among state and federal agencies.** The department shall initiate ongoing dialogue among relevant state and federal agencies to identify processes and policies that ensure the privacy of qualifying patients and qualifying out-of-state patients and the compliance of qualifying patients, primary caregivers, qualifying out-of-state patients, and caregivers of qualifying out-of-state patients and medical cannabis dispensaries with state laws and regulations related to medical cannabis. The department shall submit a written request, in accordance with title 21 C.F.R. section 1307.03, to the Office of Diversion Control, Drug Enforcement Administration by September 1, 2020, stating that part IX of chapter 329 and this chapter do not create any positive conflict with state or federal drug laws and regulations and are consistent with title 21 U.S.C. section 903, and requesting formal written acknowledgement that the listing of marijuana as a controlled substance in federal schedule I does not apply to the nonprescription use of cannabis under the medical cannabis registry and dispensary programs established pursuant to chapters 329 and 329D."

Thank you for considering this very necessary amendment.

Aloha.

"An Accepted Medical Use Supporter"

**LATE**

**SB-2426**

Submitted on: 1/30/2020 9:37:35 AM

Testimony for CPH on 1/31/2020 9:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Brian Murphy	Testifying for PATIENTS WITHOUT TIME	Oppose	No

Comments:

Aloha Lawmakers,

PATIENTS WITHOUT TIME strongly OPPOSE THIS BILL, SB2426. Hawaii State rejected the federal marijuana prohibition in 2000, by landmark, first in the nation, legislative action, based on compassion.

However, for the last two decades, Hawaii has been enforcing laws UNEQUALLY upon cannabis consumers, sending some to jail for cannabis crimes, while selling other citizens, (and visiting tourists), a "stay out of jail" card, from the "criminal activity" of consuming cannabis!

**THIS VIOLATES HAWAII'S CITIZENS RIGHT TO EQUAL JUSTICE!**

Cannabis consumers have been persecuted and prosecuted for generations, now Hawaii's cannabis patients are being abused for profits. Meanwhile, the opioid crisis and alcohol crisis in Hawaii continues to worsen, while citizens die.

Hawaii's PAY-TO-PAY, vertically-integrated, seed-to-sale, medical cannabis monopoly, is operated like a mafia "protection from prosecution" racket, instead of a compassionate health care program.

Poor patients are priced out of the system. While anyone with money can buy a certification, no matter what their actual physical condition, rendering any medical research completely unreliable

Hawaii needs a real medical cannabis program, AND an adult use program; two separate programs, not the "DUAL-Use" closed-program, as discussed in legislative meetings, and outlined in SB 686 SD1, which would give the entire adult-use market to the dispensary monopoly.

Hawaii's adult-use market should be legalized just as it has been operating for generations; which is thousands of small cannabis entrepreneurs, growing, processing, packaging and delivering world-famous brands of Hawaiian cannabis, and should be regulated like any other Hawaii businesses.

Hawaii's cannabis industry should not be ripped from the hands of the thousands of local growers that support their families, and communities by growing cannabis.

Brian Murphy, Director  
PATIENTS WITHOUT TIME



January 30, 2020

To: Senator Rosalyn Baker, Chair  
Senator Stanley Chang, Vice Chair  
Members of the Senate Committee on Commerce, Consumer Protection, and Health

Fr: Kalani Ho-Nikaido, Maui Wellness Group, dba Maui Grown Therapies

Re: TESTIMONY IN SUPPORT OF SB 2426 WITH MODIFICATION

RELATING TO MEDICAL CANNABIS.

Maui Wellness Group was awarded Hawai'i's first medical cannabis license in April of 2016 and conducted the state's first legal sale of cannabis in August of 2017. We are now well into our third year of operations, so we welcome the provisions proposed by SB2426.

In our operating experience, we have found it exceedingly difficult to entice prospective employees, contractors and others to bid, or offer essential skills and services *only after submitting to a background check*. We therefore propose an amendment to §329-12 (b) to expand background check exemptions for a period not to exceed 24 hours for parties requiring limited, temporary access to licensed facilities, when escorted by a company employee.

**§329-12 Background checks.** (a) The following shall be subject to background checks conducted by the department or its designee, including but not limited to criminal history record checks in accordance with section 846-2.7:

(1) Each applicant and licensee for a medical cannabis dispensary license, including the individual applicant and all officers, directors, members of a limited liability corporation; shareholders with at least twenty-five per cent or more ownership interest in a corporation; and managers of an entity applicant;

(2) Each employee of a medical cannabis dispensary;

(3) Each employee of a subcontracted production center or retail dispensing location;

(4) All officers, directors, members of a limited liability corporation; and shareholders with at least twenty-five per cent or more ownership interest in a corporate owner of a subcontracted production center or retail dispensing location; and

(5) Any person permitted to enter and remain in a dispensary facility pursuant to section 329D-15(a)(4) or 329D-16(a)(3). The person undergoing the background check shall provide written consent and all applicable processing fees to the department or its designee to conduct the background checks.

(b) This section shall not apply to:

(1) A qualifying patient, primary caregiver, qualifying out-of-state patient, or caregiver of a qualifying out-of-state patient who enters or remains on the premises of a retail dispensing location for the purpose of a transaction conducted pursuant to sections 329D-6 and 329D-13; or

(2) Government officials and employees acting in an official capacity and employees of a certified laboratory who enter or remain on the premises of a retail dispensing location or production center for any purpose authorized by this chapter.

(3) Contractors, vendors, investors and others the department may authorize, subject to terms the department may require, to enter licensee's premises for up to 24 hours for the purpose of bidding or providing personal or professional services.

We also support the other provisions in the bill for consistency throughout the chapter to: (1) provide a process for the voluntary or involuntary sale or transfer of a dispensary license, (2) remove the exclusion from dispensary employment for certain class C felony convictions, and (3) repeal certain restrictions on medical cannabis dispensary locations.

Mahalo!

**LATE**

**SB-2426**

Submitted on: 1/30/2020 8:54:31 PM

Testimony for CPH on 1/31/2020 9:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Nikos Leverenz	Testifying for Drug Policy Forum of Hawai'i	Support	No

Comments:



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**SB-2426**

Submitted on: 1/30/2020 11:24:31 AM  
Testimony for CPH on 1/31/2020 9:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Tai Cheng	Testifying for Aloha Green Holdings Inc.	Support	No

Comments:

**SB-2426**

Submitted on: 1/30/2020 7:27:21 AM

Testimony for CPH on 1/31/2020 9:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Miles W. Tuttle	Testifying for Kush Hawaii	Support	No

Comments:

**SB-2426**

Submitted on: 1/29/2020 4:30:47 PM

Testimony for CPH on 1/31/2020 9:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Anne Wheelock	Individual	Support	No

Comments:

Honorable Senators Rosalyn Baker, Chair and Stanley Chang, Vice Chair,

Please support SB 2426 relating to medical cannabis.

Thank you,

Anne Wheelock

**SB-2426**

Submitted on: 1/29/2020 4:26:02 PM

Testimony for CPH on 1/31/2020 9:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Boris Sztorch	Individual	Support	No

Comments:

I have had chronic neck and lower back pain for over 10 years. I had neck surgery in Hawaii in 2017 and have used medical marijuana edibles for several years. In California I was able to select edibles from many options including gummy bears, flavored sour belts, to name a few. These edibles have been very helpful in relieving my pain. Since moving to Hawaii in Decemeber 2016 my choices of edibles have been very limited (i.e., mints). Please support SB2426 and allow adults with 329 cards to have many more edible choices. My doctors have advised me to avoid smoking plants since I had stents inserted into my heart. Smoking is more dangerous and has many negative impacts. In California safeguards are taken so candies and other edibles are properly marked and securely sealed to ensure children cannot open packages containing CBD. Hawaii can use California's example on how to do it right. Thank you, Boris Sztorch

**SB-2426**

Submitted on: 1/29/2020 5:34:34 PM

Testimony for CPH on 1/31/2020 9:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Elizabeth Winternitz	Individual	Support	No

Comments:

As a senior citizen and lifelong Hawai'i resident-- and a medical cannabis user -- I support this bill.

**SB-2426**

Submitted on: 1/28/2020 4:40:38 PM

Testimony for CPH on 1/31/2020 9:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Rodney Evans	Individual	Support	No

Comments:

I support the continued Deregulation and TOTAL legalization of cannabis so we can all go back to using natural medicines instead of govt imposed middle-men in the pharmaceutical industry. Legalize entirely, please!

**SB-2426**

Submitted on: 1/29/2020 11:36:19 AM

Testimony for CPH on 1/31/2020 9:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Troy Abraham	Individual	Support	No

Comments:

**SB-2426**

Submitted on: 1/29/2020 4:57:04 PM

Testimony for CPH on 1/31/2020 9:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
William Caron	Individual	Support	No

Comments:

Dear Senators,

Hawai'i's medical cannabis program is currently too restrictive to be properly effective for a significant portion of the population that benefits from the medicinal uses of cannabis. While safety precautions and a slow rollout are not imprudent, the program has been around for years, and it is clear that there are many areas in which the system could be improved. One low-hanging branch for improvement is to make it possible for groups of people with legitimate need of medical cannabis, who are nevertheless currently prohibited from accessing the service, able to do so. People with legitimate medical need of cannabis who are visiting from out-of-state, as well as the caregivers who look after patients who need medical cannabis but are too ill to make it to the dispensaries, are currently prohibited from accessing the service, causing undue hardship. Please pass this bill and rectify that situation.

Mahalo!



**SB-2426**

Submitted on: 1/30/2020 9:26:24 AM

Testimony for CPH on 1/31/2020 9:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Mary Whispering Wind	Individual	Oppose	No

Comments:

I strongly OPPOSE this bill, SB2426, because Hawaii's PAY-TO-PAY, vertically-integrated, seed-to-sale, medical cannabis monopoly, is operated like a mafia "protection from prosecution" racket, instead of a compassionate health care program.

For the last two decades, Hawaii has been enforcing laws UNEQUALLY upon cannabis consumers, sending some to jail for cannabis crimes, while selling other citizens, and visiting tourists, a "stay out of jail" card, from the "criminal activity" of consuming cannabis!

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