THE SENATE TWENTY-SIXTH LEGISLATURE, 2011 STATE OF HAWAII

1458 **S.B. NO.** ¹⁴⁵⁸ S.D. 1

A BILL FOR AN ACT

RELATING TO HEALTH.

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

1 SECTION 1. On June 14, 2000, Act 228, Session Laws of Hawaii, was signed into law, making Hawaii one of the first 2 3 states to permit the medical use of marijuana by registered 4 patients. No changes have been made to Hawaii's medical 5 marijuana law since its inception, while registered patients 6 have increased and more states have enacted more comprehensive 7 medical marijuana laws. Basically, the law allows for the 8 growing, transporting, and possession of marijuana for medical 9 purposes by qualified patients and caregivers.

10 The medical cannabis working group was tasked with 11 completing the mission originally assigned to the medical 12 cannabis task force under Act 29, Special Session of Hawaii 13 2009, which was enacted over a veto by the governor. The 14 medical cannabis task force was never convened; therefore, the 15 medical cannabis working group examined current state statutes, 16 state administrative rules, and all county policies and 17 procedures relating to the medical marijuana program and issues 18 and obstacles encountered by qualifying patients, physicians, 2011-1412 SB1458 SD1 SMA.doc

1 caregivers, and law enforcement officials. The medical cannabis 2 working group also compared and contrasted Hawaii's medical 3 marijuana program with all other states' medical marijuana programs. According to the findings of the medical cannabis 4 5 working group in "Report to the Hawai'i State Legislature", 6 February 2010, immediate actions should be taken by the 7 legislature to improve Hawaii's medical cannabis program. 8 Foremost, the medical cannabis working group recommends the 9 creation of a state regulated medical marijuana distribution 10 system so that qualifying patients have safe and reliable access 11 to medical marijuana. Currently, fourteen states have enacted 12 laws allowing the use of marijuana for medical purposes. In 13 addition, Maine, Rhode Island, New Jersey, New Mexico, Colorado, 14 Washington, D.C., and California have laws regulating the 15 distribution of medical marijuana to qualified patients. The 16 medical cannabis working group found after compiling patient, 17 caregiver, and physician information that patients do not have 18 access to a safe and legal supply of medicine. Rather, patients 19 are often forced to find black market sources where risk of 20 violence and robbery exist. Many patients receive low quality 21 cannabis that is ineffective as medication. Patients' physical 22 limitations and illness prevent or inhibit them from growing 2011-1412 SB1458 SD1 SMA.doc

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1 medical cannabis. Further, it is almost impossible for most 2 patients and caregivers to acquire the expertise, time, and 3 intense cultivation skills to produce an adequate supply of 4 medical cannabis that is medically effective.

5 For purposes of health, public safety, and the social and 6 economic welfare of the State, a fully integrated cultivation 7 and distribution program would safely and more effectively 8 regulate access to medical marijuana and generate jobs and 9 revenue to provide resources for other state programs.

10 The purpose of this Act is to establish a licensing system
11 under the department of health for the distribution of medical
12 marijuana.

13 SECTION 2. Chapter 329, Hawaii Revised Statutes, is
14 amended by adding a new subpart to part IX to be appropriately
15 designated and to read as follows:

16 "B. Distribution Program for Medical Marijuana
17 §329-A Purpose. A program to regulate the distribution of
18 medical marijuana is in the interest of protecting the public's
19 health and safety and in the interest of promoting the economic
20 and social welfare of the State. The distribution program
21 shall:



1	(1)	Provide a safe and accessible distribution system for
2		qualifying patients by requiring qualifying patients
3		to designate a compassion center as their supplier of
4		medical marijuana;
5	(2)	Establish a class 1 medical marijuana compassion
6		center license for selling medical marijuana to
7		qualifying patients;
8	(3)	Establish a class 2 medical marijuana cultivation
9		license for cultivating and distributing medical
10		marijuana to class 1 licensees, and to sell medical
11		marijuana to class 3 licensees;
12	(4)	Establish a class 3 medical marijuana-infused products
13		manufacturing license for creating medical marijuana-
14		infused products to be distributed to class 1
15		licensees for sale to qualifying patients;
16	(5)	Collect from all licensees an initial licensing fee of
17		\$ for a class 1 medical marijuana compassion
18		center license; \$ for a class 2 medical
19		marijuana cultivation license; and \$ for a
20		class 3 medical marijuana-infused products
21		manufacturing license;
22	(6)	Establish compassion centers on each island;



1	(7)	Ensure that all medical marijuana distributed through
2		the distribution program is produced by licensees;
3	(8)	Ensure that class 1 licensed centers provide medical
4	ý.	marijuana exclusively to qualifying patients and
5		primary caregivers, and to other non-Hawaii qualifying
6		patients holding a temporary registration certificate;
7	(9)	Establish a system whereby licensees may sell medical
8		marijuana to other licensees;
9	(10)	Prohibit any person who has had a felony drug
10		conviction or any person convicted of any felony in
11		the immediately preceding five years from obtaining or
12		renewing a license;
13	(11)	Prohibit individuals who are less than twenty-one
14		years of age from being an employee or director of a
15		licensed facility;
16	(12)	Establish inspection criteria for the business
17		premises of medical marijuana licensees;
18	(13)	Require licensees to submit annual reports of their
19		financial transactions to the department;
20	(14)	Ensure that class 1 licensees are permitted to possess
21		sufficient medical marijuana or marijuana plants to
22		reasonably guarantee an adequate supply;

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1 Establish security procedures to monitor medical (15) 2 marijuana; and 3 Allow out-of-state visitors who are qualifying (16) 4 patients or primary caregivers in their home state to 5 obtain a temporary registration certificate upon 6 payment of an administrative fee. **§329-B Definitions.** As used in this subpart: 7 8 "Compassion center" means a class 1 medical marijuana 9 compassion center licensee, other than the qualifying patient 10 and the qualifying patient's physician, who has agreed to be the primary caregiver of the qualifying patient. 11 12 "Department" means the department of health. 13 "Distribution program" means a licensing system under the 14 department of health for the distribution of medical marijuana. "Medical marijuana" means marijuana for medical use by a 15 qualified patient upon issuance of a written certification by a 16 17 licensed physician to the qualified patient pursuant to 18 subpart A. "Medical marijuana-infused product" means a product that

19 "Medical marijuana-infused product" means a product that 20 contains medical marijuana and is intended for medical use by 21 means other than smoking. The term includes edible products, 22 ointments, and tinctures.



\$329-C Distribution program for medical marijuana. No
 later than August 7, 2012, the department shall establish,
 administer, and implement a distribution program for medical
 marijuana.

5 329-D Licensure. (a) No business or non-profit entity 6 shall cultivate, distribute, manufacture, or sell marijuana for 7 medical use or manufacture a medical marijuana-infused product 8 without a license issued by the department. The department may 9 suspend or revoke any license that is not in substantial 10 compliance with this subpart. The medical use of marijuana 11 under subpart A shall not require a license.

12 (b) The department shall assess fees for medical marijuana13 licensure as follows:

14 (1) An annual fee of \$______ for the issuance of a 15 class 1 medical marijuana compassion center license 16 and a fee for annual renewal of a class 1 license in 17 the same amount;

18 (2) An annual fee of \$_____ for issuance of a class 2
19 medical marijuana cultivation license and a fee for
20 annual renewal of a class 2 license in the same
21 amount; and

1	
1	(3) An annual fee of \$ for issuance of a class 3
2	medical marijuana-infused products manufacturing
3	license and a fee for annual renewal of a class 3
4	license in the same amount;
5	provided that all fees collected shall be used to defray the
6	expenses of the department in administering this subpart.
7	(c) The amount of marijuana that may be sold for medical
8	use or in a medical marijuana-infused product at any one time to
9	a qualifying patient or primary caregiver for use by a
10	qualifying patient shall not exceed an adequate supply, as
11	defined in section 329-121.
12	(d) Medical marijuana and medical marijuana-infused
13	products shall not be used or consumed on any business premises
14	of a licensee.
15	(e) No licensee shall be subject to criminal prosecution
16	for activities conducted in compliance with this subpart.
17	(f) The number of class 1 licensees under subsection (g)
18	shall be apportioned among the islands as follows:
19	(1) Island of Hawaii: 6;
20	(2) Island of Kauai: 2;
21	(3) Island of Maui: 3;
22	(4) Island of Molokai: 1; and
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1	(5)	Isla	nd of Oahu: 10.
2	(g)	Ther	e is established the following classes of licenses
3	and requi	remen	ts for each class of license:
4	(1)	Clas	s 1 medical marijuana compassion center license.
5		(A)	A class 1 license may be issued to a business or
6			nonprofit entity to sell marijuana for medical
7		J	use by a registered qualifying patient; provided
8			that the sale occurs on the licensee's business
9			premises;
10		(B)	A class 1 licensee may sell medical marijuana
11			obtained from a class 2 licensee; provided that
12			the marijuana is cultivated on the premises of
13			the class 2 licensee;
14		(C)	A class 1 licensee may sell marijuana purchased
15			from another class 1 licensee whose marijuana was
16			cultivated by a class 2 licensee; provided that
17			the marijuana is cultivated on the premises of
18			the class 2 licensee;
19		(D)	A class 1 licensee may contract with a class 3
20			licensee to sell medical marijuana-infused
21			products that are prepackaged and labeled so as
22			to clearly indicate all of the following:

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1			(i)	That the product contains marijuana for
2				medical use;
3			(ii)	That the product is manufactured without any
4				regulatory oversight for health, safety, or
5				efficacy; and
6		(:	iii)	That there may be health risks associated
7				with the consumption or use of the product;
8		(E)	Prio	r to initiating a sale to a qualified
9			patie	ent, a trained employee of a class 1 licensee
10			maki	ng the sale shall verify that the purchaser
11			is a	qualified patient who has a valid written
12			cert	ification under section 329-123 and presents
13			a va	lid picture identification card that matches
14			the 1	name on the written certification;
15		(F)	All r	marijuana sold by a class 1 licensee shall be
16			labe	led with a list of all chemical additives,
17			incl	uding nonorganic pesticides, herbicides, and
18	-		fert	ilizers, that were used in the cultivation
19			and t	the production of the marijuana; and
20		(G)	Qual	ifying patients shall designate a class 1
21			lice	nsee as their supplier of medical marijuana.
22	(2)	Clas	s 2 me	edical marijuana cultivation license.

1	(A)	A class 2 license may be issued to a business or
2		nonprofit entity to cultivate medical marijuana;
3	(B)	The medical marijuana shall be cultivated on the
4		class 2 licensees' business premises;
5	(C)	An application for a license under this paragraph
6		shall include plans and specifications for the
7		land and any buildings used to cultivate medical
8		marijuana;
9	(D)	The business premises of a class 2 licensee may
10		not be contiguous to a licensed class 1 medical
11		marijuana compassion center;
12	(E)	A class 2 licensee shall designate a class 1
13		licensee or a class 3 licensee as the business or
14		nonprofit entity to which the class 2 licensee
15		provides medical marijuana;
16	(F)	A class 2 licensee shall be limited to
17		cultivating marijuana in quantities not greater
18		than an adequate supply, as defined in section
19		329-121, for qualifying patients for the sole
20		purpose of selling medical marijuana for lawful
21		use to qualifying patients that have designated a



1			class 1 center licensee as the primary compassion
2			center for the qualifying patient;
3		(G)	Medical marijuana cultivation by a class 2
4			licensee shall be limited to an area of the
5			licensee's business premises that is restricted
6			solely for the purpose of cultivation of medical
7			marijuana and excludes entrance by the general
8			public. The restricted area shall be demarcated
9			from the rest of the premises and clearly
10	ł		identified as having restricted access by
11			conspicuous signage; and
12		(H)	No class 2 licensee shall sell directly to a
13			qualifying patient.
14	(3)	Clas	s 3 medical marijuana-infused products
15		manu	facturing license.
16		(A)	A class 3 license may be issued to a business or
17			nonprofit entity to manufacture marijuana-infused
18			products, including hashish, consumable products,
19			and tinctures for sale that contain any amount of
20			medical marijuana;
21		(B)	Medical marijuana-infused products shall be
22			prepared on the business premises that are used
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1		exclusively for the manufacture and preparation
2		of medical marijuana-infused products;
3	(C)	A class 3 licensee shall have a written contract
4		with a class 2 licensee to obtain medical
5		marijuana to manufacture and prepare medical
6		marijuana-infused products. The contract shall
7		at a minimum set forth the total amount of
8		medical marijuana obtained from the class 2
9		licensee for use in the manufacturing and
10		preparation process;
11	(D)	A class 3 licensee shall have a written contract
12	Ì	with a class 1 licensee;
13	(E)	All premises on which medical marijuana-infused
14		products are manufactured shall meet applicable
15		state and county sanitation standards applicable
16		to the production of food products;
17	(F)	All medical marijuana-infused products shall be
18		sealed and conspicuously labeled to indicate that
19		the product contains marijuana and list all other
20		ingredients and the number of grams of medical
21		marijuana infused in the product; and



1		(G) All class 3 licensees shall be limited to
2		production in a properly licensed industrial or
3		commercial warehouse or a properly licensed
4		commercial kitchen.
5	(h)	A licensee under any class shall not be permitted to
6	transfer	a license.
7	(i)	No applicant for a license shall be eligible for
8	issuance	or renewal of a license under this section if:
9	(1)	The issuance or renewal fee for the license has not
10		been paid within thirty days of the payment due date;
11	(2)	The applicant's criminal history check indicates that
12	, 1	the applicant has been convicted of any felony drug
13		offense or any felony in the immediately preceding
14		five years from obtaining a license;
15	(3)	The applicant is under twenty-one years of age;
16	(4)	The applicant failed to pay any taxes, interest, or
17		penalties due to a government agency or failed to pay
18		any amount due to a government agency pursuant to a
19		judgment or order; or
20	(5)	The applicant is a law enforcement officer or an
21		employee of the department of public safety or the
22		department.



(j) The department shall conduct a criminal history record
 check under chapter 846 on each applicant for a license or
 renewal of a license and on other persons associated with the
 applicant as specified in this section.

5 (k) Any medical marijuana shall be labeled at all times
6 with at least a listing of the type of strain and the non7 organic ingredients used to grow the marijuana.

8 329-E Recordkeeping requirements. Every licensee shall 9 keep a complete set of all records of the business transactions 10 of the licensee regarding medical marijuana, including 11 dispensing records and patients' registry information. The 12 records shall be subject to inspection by the department at any 13 time during normal business hours. The department may conduct 14 an audit of the licensee's business records.

All records relating to a transaction shall be kept by the licensee for a period of not less than five years following that transaction; provided that all records shall be kept

18 confidential.

19 §329-F Inspection. The business premises of any class 1
20 and class 2 licensee shall be subject to unannounced inspections
21 by the department. The department may review the licensees'
22 confidential records, including dispensing records identified by 2011-1412 SB1458 SD1 SMA.doc

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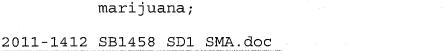
a qualifying patient's registry number to protect 1 2 confidentiality. \$329-G Taxation of medical marijuana sales. (a) All 3 sales of medical marijuana between licensees of any class shall 4 be subject to state income tax under chapter 235 and state 5 general excise tax under chapter 237. 6 (b) For purposes of this section, a licensee shall 7 maintain required records of sales and income for purposes of 8 9 chapters 235 and 237. §329-H Security of licensed premises for public safety 10 concerns. (a) All licensees shall implement appropriate 11 security and safety measures to deter and prevent the theft of 12 marijuana and the unauthorized entrance onto the licensee's 13 14 business premises. 15 (b) All licensees shall: (1) Install video surveillance cameras that operate 24 $^{\circ}$ 16 hours per day, seven days per week, and are accessible 17 to law enforcement agencies. Each camera shall have 18 seventy-two hours of storage capacity; 19 Install an alarm system for break-ins that is 20 (2) connected to an alarm company to alert law enforcement 21 22 of break-ins; and

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1 (3) Store marijuana in a locked area on the premises. 2 **§329-I Miscellaneous security measures**. No class 1 3 medical marijuana compassion center licensee, class 2 medical 4 marijuana cultivation licensee, or class 3 medical marijuana-5 infused products manufacturing licensee shall be located within 6 five hundred feet of any day care facility, public or private 7 school, or another class 1, class 2, or class 3 licensee facility. No licensee of any class shall be located within two 8 9 miles of any other licensee of any class.

10 §329-J Protections afforded licensees of program. All 11 class 1, class 2, and class 3 licensees, including their 12 directors, agents, and employees shall be exempt from state criminal prosecution for possession, production, delivery, and 13 14 transportation of marijuana; aiding and abetting another in the 15 possession, production, delivery, and transportation of 16 marijuana; or any other criminal offense in which possession, 17 production, delivery, or transportation of marijuana is an 18 element, if the activities are in substantial compliance with 19 this subpart; provided that the following activities shall be 20 subject to criminal prosecution:

21 (1) Driving a motor vehicle while under the influence of
22 marijuana;



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1	(2)	Engaging in the production, possession, or
2		distribution of marijuana in public view;
3	(3)	Delivering marijuana to any individual whom the
4		deliverer knows or should have known does not possess
5		a written certification;
6	(4)	Manufacturing or distributing marijuana at an address
7		not registered with the department; and
8	(5)	Failing to report otherwise legal sales of medical
9		marijuana to the department.
10	§329	-K Criminal history record check. (a) No person who
11	has had a	felony drug conviction or who has been convicted of
12	any felon	y in the immediately preceding ten years shall be
13	eligible	to obtain or renew any license under this subpart.
14	(b)	Every applicant for a license or renewal of a license,
15	including	the applicant's employees, directors, owners,
16	principal	s, partners, and stockholders shall undergo a criminal
17	history r	ecord check under section 846-2.7.
18	§329	-L Rules. The department may adopt rules pursuant to
19	chapter 9	1 necessary to carry out the purposes of this subpart."
20	SECT	ION 3. Section 328-14, Hawaii Revised Statutes, is
21	amended to	o read as follows:



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1	"§328-14	Drugs or devices deemed adulterated when. (a) A
2	drug or device	shall be deemed to be adulterated:
3	(1) (A)	If it consists in whole or in part of any filthy,
4		putrid, or decomposed substance; or
5	(B)	(i) If it has been produced, prepared, packed,
6		or held under insanitary conditions whereby
7		it may have been contaminated with filth, or
8		whereby it may have been rendered injurious
9		to health; or
10		(ii) If the methods used in, or the facilities or
11		controls used for, its manufacture,
12		processing, packing, or holding do not
13		conform to or are not operated or
14	N.4	administered in conformity with current good
15		manufacturing practice to assure that the
16		drug or device meets the requirements of
17		this part as to safety and has the identity
18		and strength, and meets the quality and
19		purity characteristics which it purports or
20		is represented to possess; or
21	(C)	If its container is composed, in whole or in
22		part, of any poisonous or deleterious substance
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1		which may render the contents injurious to
2		health; or
3		(D) If:
4		(i) It bears or contains, for purposes of
5		coloring only, a color additive which is
6		unsafe within the meaning of the Federal
7	•	Act; or
8		(ii) It is a color additive, the intended use of
9		which is for purposes of coloring only, and
10		is unsafe within the meaning of the Federal
11		Act;
12	(2)	If it purports to be or is represented as a drug the
13		name of which is recognized in an official compendium,
14		and its strength differs from, or its quality or
15		purity falls below, the standard set forth in the
16		compendium. Such a determination as to strength,
17		quality, or purity shall be made in accordance with
18		the tests or methods of assay set forth in the
19		compendium, or in the absence of or inadequacy of
20		these tests or methods of assay, those prescribed
21		under authority of the Federal Act. No drug defined
22		in an official compendium shall be deemed to be
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1		adulterated under this paragraph because it differs
2		from the standard of strength, quality, or purity
3		therefor set forth in the compendium, if its
4		difference in strength, quality, or purity from that
5		standard is plainly stated on its label. Whenever a
6		drug is recognized in both the United States
7		Pharmacopoeia and the Homeopathic Pharmacopoeia of the
8		United States it shall be subject to the requirements
9		of the United States Pharmacopoeia unless it is
10	ν.	labeled and offered for sale as a homeopathic drug, in
11		which case it shall be subject to the Homeopathic
12		Pharmacopoeia of the United States and not $[\frac{those of}{}]$
13		the United States Pharmacopoeia;
14	(3)	If it is not subject to paragraph (2) and its strength
15		differs from, or its purity or quality falls below,
16		that which it purports or is represented to possess;
17		or
18	(4)	If it is a drug and any substance has been $[-(A)]$ mixed
19		or packed therewith so as to reduce its quality or
20		strength; or $[(B)]$ substituted wholly or in part
21		therefor.



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1	(b) A medical marijuana-infused product, as defined in
2	section 329-B, shall be exempt from this section if the food is
3	labeled as containing marijuana for medical use and specifies
4	the potency and quantity of the grams of the active
5	ingredients."
6	SECTION 4. Part IX of chapter 329, Hawaii Revised
7	Statutes, is amended by designating sections 329-121 to 329-128
8	as subpart A, entitled "General Provisions".
9	SECTION 5. Section 329-121, Hawaii Revised Statutes, is
10	amended by amending the definition of "adequate supply" to read
11	as follows:
12	""Adequate supply" means an amount of marijuana jointly
13	possessed between the qualifying patient and the primary
14	caregiver or jointly possessed by the qualifying patient and a
15	compassion center as defined in section 329-B, that is not more
16	than is reasonably necessary to assure the uninterrupted
17	availability of marijuana for the purpose of alleviating the
18	symptoms or effects of a qualifying patient's debilitating
19	medical condition; provided that an "adequate supply" shall not
20	exceed [three mature]:
21	<u>(1)</u> Seven marijuana plants[, four immature marijuana

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plants,] and [one ounce] six ounces of usable



1 marijuana per [each mature plant.] compassion center 2 per registered patient per fourteen day period; and 3 Seven marijuana plants and two ounces of usable (2) 4 marijuana per plant per qualifying patient." SECTION 6. Section 329-123, Hawaii Revised Statutes, is 5 6 amended to read as follows: 7 "[+]§329-123[+] Registration requirements. (a) 8 Physicians who issue written certifications shall register the 9 names, addresses, patient identification numbers, and other 10 identifying information of the patients issued written 11 certifications with the department of public safety. 12 Qualifying patients shall register with the department (b) of public safety. Such registration shall be effective until 13 14 the expiration of the certificate issued by the physician. 15 Every qualifying patient shall provide sufficient identifying 16 information to establish personal identity of the qualifying patient and the primary caregiver [-] or the qualifying patient 17 18 and the compassion center as defined in section 329-B. 19 Qualifying patients shall report changes in information within 20 five working days. Every qualifying patient shall have only one 21 primary carequiver or compassion center at any given time. The 22 department shall then issue to the qualifying patient a 2011-1412 SB1458 SD1 SMA.doc



registration certificate, and may charge a reasonable fee not to
 exceed \$25.

3 (c) Primary caregivers shall register with the department
4 of public safety. Every primary caregiver shall be responsible
5 for the care of only one qualifying patient at any given time.

6 (d) Upon an inquiry by a law enforcement agent, the
7 department of public safety shall verify whether the particular
8 qualifying patient has registered with the department and may
9 provide reasonable access to the registry information for
10 official law enforcement purposes.

11 (e) For purposes of subpart B, the department shall allow 12 <u>out-of-state visitors who are qualifying patients or primary</u> 13 caregivers in their home state to obtain a temporary

14 registration certificate; provided that there shall be assessed 15 and collected an administrative fee of \$100 for the length of

16 time of the visit."

17 SECTION 7. Section 846-2.7, Hawaii Revised Statutes, is18 amended by amending subsection (b) to read as follows:

19 "(b) Criminal history record checks may be conducted by:
20 (1) The department of health on operators of adult foster
21 homes or developmental disabilities domiciliary homes
22 and their employees, as provided by section 333F-22;



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1 (2) The department of health on prospective employees, 2 persons seeking to serve as providers, or 3 subcontractors in positions that place them in direct 4 contact with clients when providing non-witnessed 5 direct mental health services as provided by section 6 321-171.5; 7 The department of health on all applicants for (3) licensure for, operators for, and prospective 8 9 employees, and volunteers at one or more of the 10 following: skilled nursing facility, intermediate 11 care facility, adult residential care home, expanded 12 adult residential care home, assisted living facility, 13 home health agent, hospice, adult day health center, 14 special treatment facility, therapeutic living 15 program, intermediate care facility for the mentally 16 retarded, hospital, rural health center and 17 rehabilitation agent, and, in the case of any of the 18 above-related facilities operating in a private 19 residence, on any adult living in the facility other 20 than the client as provided by section 321-15.2; 21 (4)The department of education on employees, prospective 22 employees, and teacher trainees in any public school



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1		in positions that necessitate close proximity to
2		children as provided by section 302A-601.5;
3	(5)	The counties on employees and prospective employees
4		who may be in positions that place them in close
5		proximity to children in recreation or child care
6		programs and services;
7	(6)	The county liquor commissions on applicants for liquor
8		licenses as provided by section 281-53.5;
9	(7)	The department of human services on operators and
10		employees of child caring institutions, child placing
11		organizations, and foster boarding homes as provided
12		by section 346-17;
13	(8)	The department of human services on prospective
14		adoptive parents as established under section
15		346-19.7;
16	(9)	The department of human services on applicants to
17		operate child care facilities, prospective employees
18		of the applicant, and new employees of the provider
19		after registration or licensure as provided by section
20		346-154;
21	(10)	The department of human services on persons exempt

pursuant to section 346-152 to be eligible to provide

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1		child care and receive child care subsidies as
2		provided by section 346-152.5;
3	(11)	The department of human services on operators and
4		employees of home and community-based case management
5		agencies and operators and other adults, except for
6		adults in care, residing in foster family homes as
7		provided by section 346-335;
8	(12)	The department of human services on staff members of
9		the Hawaii youth correctional facility as provided by
10		section 352-5.5;
11	(13)	The department of human services on employees,
12		prospective employees, and volunteers of contracted
13		providers and subcontractors in positions that place
14		them in close proximity to youth when providing
15		services on behalf of the office or the Hawaii youth
16		correctional facility as provided by section 352D-4.3;
17	(14)	The judiciary on employees and applicants at detention
18		and shelter facilities as provided by section 571-34;
19	(15)	The department of public safety on employees and
20		prospective employees who are directly involved with
21		the treatment and care of persons committed to a
22		correctional facility or who possess police powers
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1		including the power of arrest as provided by section
2		353C-5;
3	(16)	The department of health on each applicant for a
4		license or renewal of a license under section 329-K,
5		and on the applicant's employees, directors, owners,
6		principals, partners, and stockholders;
7	[(16)]	(17) The department of commerce and consumer affairs
8		on applicants for private detective or private guard
9		licensure as provided by section 463-9;
10	[(17)]	(18) Private schools and designated organizations on
11		employees and prospective employees who may be in
12		positions that necessitate close proximity to
13		children; provided that private schools and designated
14		organizations receive only indications of the states
15		from which the national criminal history record
16		information was provided pursuant to section 302C-1;
17	[(18)]	(19) The public library system on employees and
18		prospective employees whose positions place them in
19		close proximity to children as provided by section
20		302A-601.5;
21	[(19)]	(20) The State or any of its branches, political
22		subdivisions, or agencies on applicants and employees



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1		holding a position that has the same type of contact
2		with children, vulnerable adults, or persons committed
3		to a correctional facility as other public employees
4		who hold positions that are authorized by law to
5		require criminal history record checks as a condition
6		of employment as provided by section 78-2.7;
7	[(20)]	(21) The department of human services on licensed
8		adult day care center operators, employees, new
9		employees, subcontracted service providers and their
10		employees, and adult volunteers as provided by section
11	•	346-97;
12	[(21)]	(22) The department of human services on purchase of
13		service contracted and subcontracted service providers
14		and their employees serving clients of the adult and
15		community care services branch, as provided by section
16		346-97;
17	[-(22) -]	(23) The department of human services on foster
18		grandparent program, retired and senior volunteer
19		program, senior companion program, and respite
20		companion program participants as provided by section
21		346-97;



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[-(23) -]	(24) The department of human services on contracted
	and subcontracted service providers and their current
	and prospective employees that provide home and
	community-based services under Section 1915(c) of the
	Social Security Act (Title 42 United States Code
	Section 1396n(c)), or under any other applicable
	section or sections of the Social Security Act for the
	purposes of providing home and community-based
	services, as provided by section 346-97;
[-(24)-]	(25) The department of commerce and consumer affairs
	on proposed directors and executive officers of a
	bank, savings bank, savings and loan association,
	trust company, and depository financial services loan
	company as provided by section 412:3-201;
[-(25)]	(26) The department of commerce and consumer affairs
	on proposed directors and executive officers of a
	nondepository financial services loan company as
	provided by section 412:3-301;
[(26)]	(27) The department of commerce and consumer affairs
	on the original chartering applicants and proposed
1	executive officers of a credit union as provided by
	section 412:10-103;
	[-(24) -]

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1	[(27)]	(28) The department of commerce and consumer affairs
2		on:
3		(A) Each principal of every non-corporate applicant
4		for a money transmitter license; and
5		(B) The executive officers, key shareholders, and
6		managers in charge of a money transmitter's
7		activities of every corporate applicant for a
8		money transmitter license,
9		as provided by section 489D-9;
10	[(28)]	(29) The department of commerce and consumer affairs
11		on applicants for licensure and persons licensed under
12		title 24;
13	[(29)]	(30) The Hawaii health systems corporation on:
14		(A) Employees;
15		(B) Applicants seeking employment;
16	Y	(C) Current or prospective members of the corporation
17		board or regional system board; or
18		(D) Current or prospective volunteers, providers, or
19		contractors,
20		in any of the corporation's health facilities as
21		provided by section 323F-5.5;



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1	$\left[\frac{(30)}{(31)}\right]$ The department of commerce and consumer affairs		
2	on an applicant for a mortgage loan originator's		
3	license as provided by chapter 454F; and		
4	[(31)] <u>(32)</u> Any other organization, entity, or the State,		
5	its branches, political subdivisions, or agencies as		
6	may be authorized by state law."		
7	SECTION 8. Chapter 329, part IX, subpart A, Hawaii Revised		
8	Statutes, is amended by substituting the term "subpart" wherever		
9	the term "part" appears, as the context requires.		
10	SECTION 9. If any provision of this Act, or the		
11	application thereof to any person or circumstance is held		
12	invalid, the invalidity does not affect other provisions or		
13	applications of the Act, which can be given effect without the		
14	invalid provision or application, and to this end the provisions		
15	of this Act are severable.		
16	SECTION 10. This Act does not affect rights and duties		
17	that matured, penalties that were incurred, and proceedings that		
18	were begun before its effective date.		
19	SECTION 11. In codifying the new sections added by		
20	section 2 of this Act, the revisor of statutes shall substitute		
21	appropriate section numbers for the letters used in designating		
22	the new sections in this Act.		
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SECTION 12. Statutory material to be repealed is bracketed
 and stricken. New statutory material is underscored.
 SECTION 13. This Act shall take effect on July 1, 2050.



Report Title:

Health; Medical Marijuana

Description:

Creates three classes of medical marijuana licenses: class 1 medical marijuana compassion center license for the sale of medical marijuana to qualified patients; class 2 medical marijuana cultivation license; class 3 medical marijuana-infused products manufacturing license. Specifies requirements for each class. Makes medical marijuana sales subject to income and excise taxes. Establishes a fee for issuance and renewal of a license and a special marijuana sales tax. Takes effect 7/1/2050. (SD1)

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

