

1 includes any packaging or repackaging of the substance or
2 labeling or relabeling of its container.

3 "Manufactured marijuana product" means any capsule,
4 lozenge, oil, or pill that has been manufactured using
5 marijuana.

6 "Marijuana" shall have the same meaning as in section 329-
7 121.

8 "Medical marijuana dispensary" or "dispensary" means an
9 entity that holds a dispensary license and operates one or more
10 cultivation sites, manufacture sites, and retail dispensing
11 locations.

12 "Person" means an individual, firm, corporation,
13 partnership, association, or any form of business or legal
14 entity.

15 "Primary caregiver" shall have the same meaning as in
16 section 329-121.

17 "Production" means the planting, cultivation, growing, or
18 harvesting of marijuana. "Production" includes the manufacture
19 of medical marijuana products pursuant to this chapter.

20 "Qualifying patient" shall have the same meaning as in
21 section 329-121.



1 § -2 **Medical marijuana dispensaries; licensure; fees;**

2 **inspection.** (a) This section applies to the dispensing of
3 marijuana for medical use, as defined in section 329-121.

4 (b) No person shall operate a dispensary unless the
5 person:

6 (1) Has obtained a license from the department pursuant to
7 this chapter; and

8 (2) Is a resident of the State.

9 (c) The department shall adopt rules, in accordance with
10 chapter 91, to provide for the licensure and standards for
11 dispensaries in this State and to implement this chapter.

12 (d) The director of health shall grant medical marijuana
13 dispensary licenses to allow dispensaries licensed under this
14 section to acquire, possess, cultivate, manufacture, deliver,
15 transfer, transport, supply, sell, or dispense marijuana, or
16 related supplies and educational materials, to registered
17 qualifying patients.

18 (e) Each license shall allow acquisition, possession,
19 cultivation, manufacture, transfer, transport, delivery, supply,
20 sale, and dispensing of medical marijuana only in the county for
21 which it is granted.



1 (f) There shall be up to one dispensary licenses granted
2 in each county of the State; provided that there shall not be a
3 dispensary license granted in the county of Kalawao. There
4 shall be up to one cultivation sites and two dispensing
5 locations allowed under each dispensary license.

6 (g) Each licensee granted a dispensary license pursuant to
7 this section shall:

8 (1) Be a licensed health care provider organized in the
9 State;

10 (2) Be a legal entity formed under the laws of the State;

11 (3) Not be a legal entity formed under the laws of any
12 other state;

13 (4) Not be an insurance company or mutual benefit society,
14 nor directly owned or controlled by an insurance
15 company or mutual benefit society;

16 (5) Have obtained a Hawaii general excise tax license
17 pursuant to section 237-9; and

18 (6) Be at least twenty-one years of age.

19 (h) The director of health shall approve an application
20 for a dispensary license if the application meets all dispensary
21 licensing requirements and criteria pursuant to this section



1 and, if approved, shall issue the license to the dispensary
2 within thirty days of receiving the application. The director
3 shall issue dispensary licenses to qualifying applicants in the
4 order in which applications are received.

5 (i) Dispensaries licensed pursuant to this section shall
6 be open for business and have medical marijuana for sale to
7 qualifying patients no later than one hundred eighty days from
8 the date of license approval.

9 (j) The department of health shall commence accepting
10 applications for the dispensary license that is applicable to
11 each county beginning on July 15, 2015.

12 (k) A single applicant may be granted a dispensary license
13 in more than one county if the dispensary meets all licensing
14 requirements.

15 (l) Each person seeking licensure as a dispensary shall
16 submit an application that includes the following:

17 (1) Documentation that demonstrates that the dispensary
18 controls at least \$2,000,000 for each license and at
19 least \$100,000 for each dispensing location allowed
20 under the license or licenses applied for in the form
21 of escrow accounts, letters of credit, surety bonds,



1 bank statements, lines of credit, or the equivalent,
2 to begin operating the dispensary; and that the
3 dispensary has controlled the required amount for at
4 least ninety days prior to the date the license
5 application was submitted;

6 (2) Documentation that demonstrates the capacity of the
7 dispensary to conduct chemical and pharmaceutical
8 analysis of medical marijuana to ensure quality,
9 consistency, purity, and potency of medication for at
10 least days prior to the date the license
11 application was submitted;

12 (3) A nonrefundable application fee of \$25,000 shall be
13 submitted to the department by check with the license
14 application for each license applied for. An
15 additional fee of \$75,000 for each license approved,
16 plus \$25,000 for each retail dispensing location
17 allowed under each approved license, shall be
18 submitted by check to the department within fourteen
19 days of approval;

20 (4) Documentation that demonstrates that the dispensary is
21 a legal entity formed under the laws of the State; and



1 (5) A general excise tax license number.

2 (m) All dispensary licenses shall expire on June 30, 2025,
3 and may be renewed by application submitted beginning on July 1,
4 2025.

5 (n) The department shall establish and collect an annual
6 renewal fee of \$50,000 from a medical marijuana dispensary
7 license.

8 (o) All fees collected pursuant to this section shall be
9 deposited in the medical marijuana registry and regulation
10 special fund pursuant to section 321-30.1.

11 (p) Notwithstanding any other law to the contrary, no
12 dispensary shall employ a person convicted of a felony anywhere
13 in the United States.

14 (q) At least fifty-one per cent of the interests in a
15 dispensary shall be held at all times by full-time Hawaii
16 residents or entities wholly controlled by Hawaii residents who
17 have documented Hawaii residency for at least five years
18 immediately preceding the date of the license application. No
19 more than per cent of the interests in a dispensary shall
20 be held at any time by individuals who do not have documented



1 Hawaii residency for at least years immediately preceding
2 the date of the license application.

3 (r) Each individual or entity who holds twenty-five per
4 cent or more interest in a dispensary shall:

5 (1) Be a principal officer or board member of the
6 dispensary;

7 (2) Have been a Hawaii resident for at least five years
8 immediately preceding the date of the license
9 application;

10 (3) Be a legal resident of the State; and

11 (4) Maintain a full-time residence in the State.

12 (s) Dispensaries licensed pursuant to this section shall
13 operate and maintain a real-time software system of accounting
14 for the total amount of medical marijuana, including the
15 equivalent physical weight of marijuana used to manufacture
16 manufactured marijuana products, that a qualifying patient and
17 primary caregiver purchase from all dispensing locations in the
18 State.

19 (t) No samples or consumption of marijuana products shall
20 be permitted on dispensary premises or within one thousand feet
21 of the premises.



1 § -3 **Qualifying patients; limits; other states.** (a) A
2 qualifying patient shall be allowed to purchase a total limit of
3 ounces of medical marijuana per month and a limit of
4 ounces in any two week period.

5 (b) A qualifying patient may purchase medical marijuana
6 from any dispensary location in the State.

7 (c) This section shall apply to qualifying patients from
8 other states; provided that the patient provides a written
9 certification, as defined in section 329-121, or similar
10 documentation.

11 § -4 **Public education.** (a) The department shall engage
12 in a continuing education and training program to explain and
13 clarify the purposes and requirements of this chapter. The
14 program shall target community partner agencies, physicians and
15 other health care providers, patients and caregivers, law
16 enforcement agencies, individuals under eighteen years of age,
17 law and policy makers, and the general public.

18 (b) The department shall employ at least one full time
19 staff member whose qualifications and duties include the
20 provision of medical marijuana health education.



1 **§ -5 Manufacturing of medical marijuana products.** (a)

2 Any medical marijuana dispensary licensed by the department
3 pursuant to this chapter shall be permitted to manufacture
4 medical marijuana; provided that the dispensary shall also
5 obtain any other state or county permits or licenses that may be
6 necessary for a particular manufacturing activity.

7 (b) The department shall establish standards regarding the
8 manufacture of medical marijuana products; provided that any
9 area within a dispensary where marijuana will be manufactured
10 into an ingestible form shall comply with the food safety code
11 under chapter 11-50, Hawaii Administrative Rules.

12 (c) A manufacturer of a manufactured marijuana product
13 shall calculate the equivalent physical weight of the marijuana
14 that is used to manufacture the product and shall make the
15 equivalency calculations available to the department and to a
16 consumer of the manufactured marijuana product.

17 **§ -6 Types of manufactured marijuana products.** (a) The
18 types of medical marijuana products that may be manufactured and
19 dispensed pursuant to this chapter shall be limited to:

- 20 (1) Capsules;
- 21 (2) Lozenges;



1 (3) Oils; and

2 (4) Pills.

3 (b) As used in this section, "lozenge" means a small
4 tablet manufactured in a manner to allow for the dissolving of
5 its medicinal or therapeutic component slowly in the mouth.

6 § -7 **Advertising; packaging.** (a) The department shall
7 establish standards regarding the advertising and packaging of
8 medical marijuana products; provided that the standards, at a
9 minimum, shall require the use of packaging that:

10 (1) Is child-resistant and opaque so that the product
11 cannot be seen from outside the packaging;

12 (2) Is clearly labeled with the phrase "For medical use
13 only";

14 (3) Contains information about the contents and potency of
15 the product; and

16 (4) In the case of manufactured marijuana products, lists
17 the equivalent physical weight of the marijuana used
18 to manufacture the amount of the product that is
19 within the packaging, pursuant to section -5.

20 (b) Any capsule, lozenge, oil, or pill containing medical
21 marijuana or its principal psychoactive constituent



1 tetrahydrocannabinol shall be packaged so that one dose,
2 serving, or single wrapped item contains no more than ten
3 milligrams of tetrahydrocannabinol; provided that no product
4 shall contain more than a total of milligrams of
5 tetrahydrocannabinol.

6 (c) Dispensaries licensed pursuant to this section shall
7 not:

- 8 (1) Do any commercial advertising; and
- 9 (2) Sell any products other than medical marijuana and
10 manufactured medical marijuana products.

11 § -8 **Medical marijuana dispensary rules.** The department
12 shall adopt interim rules, which shall be exempt from chapter 91
13 and chapter 201M and be effective upon the effective date of
14 this Act, that include but are not limited to the following:

- 15 (1) Any specific requirements regarding annual audits and
16 reports pertaining to each dispensary that is licensed
17 pursuant to this chapter;
- 18 (2) Security requirements for the operation of
19 dispensaries; provided that the requirements, at a
20 minimum, shall require for dispensaries:



- 1 (A) Presentation of valid identification as issued by
- 2 the department pursuant to section 329-123, by a
- 3 qualifying patient or caregiver, upon entering
- 4 the premises;
- 5 (B) Video monitoring and recording of the premises;
- 6 (C) An alarm system;
- 7 (D) Exterior lighting; and
- 8 (E) Other reasonable security measures as deemed
- 9 necessary by the department;
- 10 (3) Standards and criminal background checks for operators
- 11 and employees of dispensaries; provided that the
- 12 standards, at a minimum, shall exclude from licensure
- 13 or employment any person convicted of any felony;
- 14 (4) The training and certification of operators and
- 15 employees of dispensaries; provided that the
- 16 department shall establish a training or certification
- 17 program for dispensary employees;
- 18 (5) The types of medical marijuana products that
- 19 dispensaries shall be authorized to grow, manufacture,
- 20 sell, or provide pursuant to section -6;



- 1 (6) Standards and methodologies related to testing medical
2 marijuana products for content, contamination, and
3 consistency;
- 4 (7) The quantities of manufactured marijuana products that
5 a dispensary may dispense to a qualifying patient or
6 primary caregiver; provided that no dispensary shall
7 sell or provide to a qualifying patient or primary
8 caregiver any combination of marijuana and
9 manufactured marijuana products that:
- 10 (A) During a period of fifteen consecutive days,
11 exceeds the equivalent of four ounces of
12 marijuana; or
- 13 (B) During a period of thirty consecutive days,
14 exceeds the equivalent of eight ounces of
15 marijuana;
- 16 (8) Dispensary inventory controls to prevent the
17 unauthorized diversion of marijuana or the dispensing
18 of medical marijuana or manufactured marijuana
19 products to qualifying patients or primary caregivers
20 in quantities that exceed limits established by this



- 1 section; provided that the controls, at a minimum,
2 shall include:
- 3 (A) A computer software tracking system that will
4 allow the department to track all medical
5 marijuana and medical marijuana product inventory
6 from either seed or immature plant stage until
7 the marijuana or marijuana product is sold to a
8 customer or destroyed; and
- 9 (B) Product packaging standards sufficient to allow
10 law enforcement personnel to reasonably determine
11 the contents of an unopened package;
- 12 (9) The destruction or disposal of any marijuana products;
13 provided that the department shall have a record on
14 inventory that requires witness and reverse
15 distribution for final disposal; and
- 16 (10) Any limitations to the size or format of any signs
17 placed outside a dispensary; provided that no sign
18 shall include the image of a cartoon character or
19 other design intended to appeal to children;



1 provided that the interim rules shall apply up to the date of
2 the department's adoption of final rules in accordance with
3 chapter 91.

4 § -9 Prohibited acts; exceeding limits; fraud; unlawful
5 manufacturing of medical marijuana products. (a) It is
6 unlawful for any qualifying patient or primary caregiver who
7 visits more than one dispensary to knowingly or intentionally
8 withhold information regarding prior dispensary visits for the
9 purpose of obtaining quantities of medical marijuana or
10 manufactured marijuana products that exceed limits established
11 by this chapter.

12 (b) It is unlawful for any person to:

13 (1) Obtain or attempt to procure any medical marijuana or
14 marijuana product from a dispensary by:

15 (A) Fraud, deceit, misrepresentation, embezzlement,
16 or theft;

17 (B) The forgery or alteration of a medical marijuana
18 permit;

19 (C) Furnishing fraudulent medical information or the
20 concealment of a material fact;



- 1 (D) The use of a false name or patient identification
- 2 number, or the giving of a false address; or
- 3 (E) The alteration of a state issued medical use of
- 4 marijuana permit card;
- 5 (2) Furnish false or fraudulent material information in or
- 6 omit any material information from any application,
- 7 report, or other document required to be kept or filed
- 8 under this chapter;
- 9 (3) Misapply or divert to the person's own use or other
- 10 unauthorized or illegal use or to take, make away
- 11 with, or secrete, with intent to misapply or divert to
- 12 the person's own use or other unauthorized or illegal
- 13 use, any marijuana that shall have come into the
- 14 person's possession or under the person's care while
- 15 working in a dispensary by virtue of the person's
- 16 employment; or
- 17 (4) Make, distribute, possess, or sell any medical use of
- 18 marijuana permit form whether blank, faxed, computer
- 19 generated, photocopied, electronically transmitted, or
- 20 reproduced in any other manner without the



1 authorization of the department of health medical use
2 of marijuana program.

3 (c) It is unlawful for any dispensary to use flammable
4 solvents to extract tetrahydrocannabinol from marijuana for the
5 purposes of manufacturing medical marijuana products.

6 (d) Any person who violates subsection (a) is guilty of a
7 misdemeanor and subject to a fine of \$500. Any person who
8 violates subsection (b) is guilty of a class C felony. Any
9 dispensary who violates subsection (c) is guilty of a class B
10 felony.

11 § -10 **Revocation and suspension of license.** (a) In
12 addition to any other actions authorized by law, the department
13 shall have the power to deny, revoke, or suspend any license
14 applied for or issued by the department in accordance with this
15 chapter, and to fine or otherwise discipline a licensee for any
16 cause authorized by law, including but not limited to the
17 following:

18 (1) Procuring a license through fraud, misrepresentation,
19 or deceit;

20 (2) Professional misconduct, gross carelessness, or
21 manifest incapacity;



- 1 (3) Violation of any of the provisions of this chapter or
- 2 the rules adopted pursuant thereto;
- 3 (4) False, fraudulent, or deceptive advertising;
- 4 (5) Any other conduct constituting fraudulent or dishonest
- 5 dealings;
- 6 (6) Failure to comply with a department order; and
- 7 (7) Making a false statement on any document submitted or
- 8 required to be filed by this chapter, including
- 9 furnishing false or fraudulent material information in
- 10 any application.

- 11 (b) Any person who violates any of the provisions of this
- 12 chapter or the rules adopted pursuant thereto shall be fined not
- 13 less than \$ nor more than \$ for each
- 14 violation.

- 15 (c) If the department revokes or suspends a license, the
- 16 licensee shall not:
- 17 (1) Dispense, sell, transfer, or otherwise dispose of any
- 18 marijuana or manufactured marijuana products owned by
- 19 or in the possession of the licensee; or
- 20 (2) Manufacture marijuana products,

1 until the time for taking an appeal has elapsed or until all
2 appeals have been concluded. Upon a revocation order becoming
3 final, all marijuana and manufactured marijuana products shall
4 be forfeited to the State.

5 (d) All proceedings for denial, suspension, fine, or
6 revocation of a license on any grounds specified in subsection
7 (a) shall be conducted pursuant to chapter 91, including the
8 right of judicial review.

9 § -11 **Medical marijuana zoning.** (a) Medical marijuana
10 dispensaries shall comply with all county zoning ordinances,
11 rules, or regulations; provided that:

12 (1) A medical marijuana dispensary shall be permitted in
13 any area in which agricultural production is
14 permitted, except as provided within this chapter; and

15 (2) No medical marijuana dispensary shall be permitted
16 within seven hundred fifty feet of the real property
17 comprising a playground, public housing project or
18 complex, or school.

19 (b) As used in this section:

20 "Playground" means any public outdoor facility, including
21 any parking lot appurtenant thereto, that is intended for



1 recreation, with any portion thereof containing three or more
2 separate apparatus intended for the recreation of children,
3 including but not limited to sliding boards, swing sets, and
4 teeterboards.

5 "Public housing project or complex" means a housing project
6 directly controlled, owned, developed, or managed by the Hawaii
7 public housing authority pursuant to the federal or state low-
8 rent public housing program.

9 "School" means any public or private preschool,
10 kindergarten, elementary, intermediate, middle, secondary, high
11 school, or university.

12 § -12 Annual inspections, audits, and reports. (a)

13 Each medical marijuana dispensary licensed pursuant to this
14 chapter shall:

15 (1) Be subject to an annual announced inspection and
16 unannounced inspections of its operations by the
17 department; and

18 (2) Annually cause an independent financial audit, at the
19 dispensary operator's own expense, to be conducted of
20 the dispensary and shall submit the audit's findings
21 to the department.



1 (b) The department shall report annually to the governor
2 and the legislature on the establishment and regulation of
3 medical marijuana dispensaries, including but not limited to the
4 number and location of dispensaries licensed, the total
5 licensing fees collected, and any licensing violations
6 determined by the department.

7 § -13 **Cultivation of medical marijuana by qualifying**
8 **patients and primary caregivers.** Nothing in this chapter shall
9 be construed as prohibiting a qualifying patient or primary
10 caregiver from producing or manufacturing an adequate supply of
11 medical marijuana pursuant to part IX of chapter 329.

12 § -14 **Coordination among state and federal agencies.**
13 The department shall initiate ongoing dialogue among relevant
14 state and federal agencies to identify processes and policies
15 that ensure the privacy of medical marijuana patients and the
16 compliance of patients, caregivers, producers, and dispensaries
17 with state laws and regulations related to medical marijuana.

18 § -15 **Criminal offenses; dispensary premises; penalties.**

19 (a) No person shall intentionally or knowingly enter or remain
20 upon licensed dispensary premises unless the person is:



1 (1) An authorized operator or employee of the dispensary
2 and is registered with the department's dispensary
3 program;

4 (2) An adult patient or caregiver registered with the
5 department's medical marijuana program;

6 (3) A government employee or official acting in the
7 person's official capacity; or

8 (4) A person who has obtained written authorization from
9 the department to be upon the premises.

10 (b) No operator or employee of a licensed dispensary shall
11 intentionally, knowingly, or recklessly allow a person to enter
12 or remain upon the licensed dispensary's premises unless that
13 person is permitted pursuant to subsection (a).

14 (c) Any person in violation of this section shall be
15 guilty of a class C felony.

16 **§ -16 Prohibition of distribution of marijuana and**
17 **marijuana products to minors; storage; penalties.** (a) A person
18 commits the offense of promoting marijuana to a minor if the
19 person intentionally, knowingly, or recklessly distributes any
20 amount of marijuana to a minor who is not a registered



1 qualifying patient. Any person in violation of this subsection
2 shall be guilty of a class B felony.

3 (b) A person commits the offense of failure to store
4 marijuana if the person intentionally, knowingly, or recklessly
5 leaves any amount of marijuana, marijuana product, or marijuana
6 concentrate unattended by that person in premises occupied by a
7 minor who is not a registered qualifying patient, unless the
8 marijuana, marijuana product, or marijuana concentrate is
9 securely locked in a container or location that a reasonable
10 person would believe to be secure and inaccessible to a minor.
11 Any person in violation of this subsection shall be guilty of a
12 class C felony.

13 § -17 **Diversion from a dispensary; penalties.** (a) A
14 person commits diversion from a dispensary if the person is an
15 operator or employee of a licensed medical marijuana dispensary
16 and intentionally or knowingly diverts to the person's own use
17 or other unauthorized or illegal use, or takes, makes away with,
18 or secretes, with intent to divert to the person's own use or
19 other unauthorized or illegal use, any marijuana, marijuana
20 product, or marijuana concentrate under the person's possession,
21 care, or custody.



1 (b) Any person in violation of this section shall be
2 guilty of a class B felony.

3 § -18 Prohibition against alteration or falsification of
4 medical marijuana dispensary records. (a) A person commits the
5 offense of falsification of medical marijuana records if the
6 person intentionally, knowingly, or recklessly:

7 (1) Makes or causes a false entry in medical marijuana
8 dispensary records;

9 (2) Alters, erases, obliterates, deletes, removes, or
10 destroys a true entry in medical marijuana dispensary
11 records;

12 (3) Omits a true entry in medical marijuana dispensary
13 records in violation of a duty that the person knows
14 to be imposed upon the person by law or by the nature
15 of the person's position; or

16 (4) Prevents the making of a true entry or causes the
17 omission thereof in medical marijuana dispensary
18 records.

19 (b) Any person in violation of this section shall be
20 guilty of a class C felony.

21 (c) For the purposes of this section:



1 "Electronic" means relating to technology having
2 electrical, digital, magnetic, wireless, optical,
3 electromagnetic, or other similar capabilities.

4 "Information" means data, text, images, sounds, codes,
5 computer programs, software, or databases.

6 "Medical marijuana dispensary records" means any inventory
7 tracking records and other records of a licensed medical
8 marijuana dispensary.

9 "Record" means information that is written, printed, or
10 stored in an electronic or other medium and is retrievable in a
11 perceivable form.

12 **§ -19 Law enforcement; access to dispensary records.**

13 The department shall disclose information, documents, and other
14 records regarding medical marijuana dispensaries to police
15 departments, prosecutors' offices, the attorney general's
16 office, and any other state, county, or federal agency engaged
17 in the detection, investigation, or prosecution of violations of
18 applicable state, county, and federal laws or regulations
19 related to the operations or activities of a medical marijuana
20 dispensary."

21 **PART III**



1 SECTION 3. Section 46-4, Hawaii Revised Statutes, is
2 amended to read as follows:

3 "§46-4 County zoning. (a) This section and any
4 ordinance, rule, or regulation adopted in accordance with this
5 section shall apply to lands not contained within the forest
6 reserve boundaries as established on January 31, 1957, or as
7 subsequently amended.

8 Zoning in all counties shall be accomplished within the
9 framework of a long-range, comprehensive general plan prepared
10 or being prepared to guide the overall future development of the
11 county. Zoning shall be one of the tools available to the
12 county to put the general plan into effect in an orderly manner.
13 Zoning in the counties of Hawaii, Maui, and Kauai means the
14 establishment of districts of such number, shape, and area, and
15 the adoption of regulations for each district to carry out the
16 purposes of this section. In establishing or regulating the
17 districts, full consideration shall be given to all available
18 data as to soil classification and physical use capabilities of
19 the land to allow and encourage the most beneficial use of the
20 land consonant with good zoning practices. The zoning power



1 granted herein shall be exercised by ordinance which may relate
2 to:

- 3 (1) The areas within which agriculture, forestry,
4 industry, trade, and business may be conducted;
- 5 (2) The areas in which residential uses may be regulated
6 or prohibited;
- 7 (3) The areas bordering natural watercourses, channels,
8 and streams, in which trades or industries, filling or
9 dumping, erection of structures, and the location of
10 buildings may be prohibited or restricted;
- 11 (4) The areas in which particular uses may be subjected to
12 special restrictions;
- 13 (5) The location of buildings and structures designed for
14 specific uses and designation of uses for which
15 buildings and structures may not be used or altered;
- 16 (6) The location, height, bulk, number of stories, and
17 size of buildings and other structures;
- 18 (7) The location of roads, schools, and recreation areas;
- 19 (8) Building setback lines and future street lines;
- 20 (9) The density and distribution of population;



- 1 (10) The percentage of a lot that may be occupied, size of
- 2 yards, courts, and other open spaces;
- 3 (11) Minimum and maximum lot sizes; and
- 4 (12) Other regulations the boards or city council find
- 5 necessary and proper to permit and encourage the
- 6 orderly development of land resources within their
- 7 jurisdictions.

8 The council of any county shall prescribe rules,
9 regulations, and administrative procedures and provide personnel
10 it finds necessary to enforce this section and any ordinance
11 enacted in accordance with this section. The ordinances may be
12 enforced by appropriate fines and penalties, civil or criminal,
13 or by court order at the suit of the county or the owner or
14 owners of real estate directly affected by the ordinances.

15 Any civil fine or penalty provided by ordinance under this
16 section may be imposed by the district court, or by the zoning
17 agency after an opportunity for a hearing pursuant to chapter
18 91. The proceeding shall not be a prerequisite for any
19 injunctive relief ordered by the circuit court.

20 Nothing in this section shall invalidate any zoning
21 ordinance or regulation adopted by any county or other agency of



1 government pursuant to the statutes in effect prior to July 1,
2 1957.

3 The powers granted herein shall be liberally construed in
4 favor of the county exercising them, and in such a manner as to
5 promote the orderly development of each county or city and
6 county in accordance with a long-range, comprehensive general
7 plan to ensure the greatest benefit for the State as a whole.
8 This section shall not be construed to limit or repeal any
9 powers of any county to achieve these ends through zoning and
10 building regulations, except insofar as forest and water reserve
11 zones are concerned and as provided in subsections (c) and (d).

12 Neither this section nor any ordinance enacted pursuant to
13 this section shall prohibit the continued lawful use of any
14 building or premises for any trade, industrial, residential,
15 agricultural, or other purpose for which the building or
16 premises is used at the time this section or the ordinance takes
17 effect; provided that a zoning ordinance may provide for
18 elimination of nonconforming uses as the uses are discontinued,
19 or for the amortization or phasing out of nonconforming uses or
20 signs over a reasonable period of time in commercial,
21 industrial, resort, and apartment zoned areas only. In no event



1 shall such amortization or phasing out of nonconforming uses
2 apply to any existing building or premises used for residential
3 (single-family or duplex) or agricultural uses. Nothing in this
4 section shall affect or impair the powers and duties of the
5 director of transportation as set forth in chapter 262.

6 (b) Any final order of a zoning agency established under
7 this section may be appealed to the circuit court of the circuit
8 in which the land in question is found. The appeal shall be in
9 accordance with the Hawaii rules of civil procedure.

10 (c) Each county may adopt reasonable standards to allow
11 the construction of two single-family dwelling units on any lot
12 where a residential dwelling unit is permitted.

13 (d) Neither this section nor any other law, county
14 ordinance, or rule shall prohibit group living in facilities
15 with eight or fewer residents for purposes or functions that are
16 licensed, certified, registered, or monitored by the State;
17 provided that a resident manager or a resident supervisor and
18 the resident manager's or resident supervisor's family shall not
19 be included in this resident count. These group living
20 facilities shall meet all applicable county requirements not
21 inconsistent with the intent of this subsection, including but



1 not limited to building height, setback, maximum lot coverage,
2 parking, and floor area requirements.

3 (e) Neither this section nor any other law, county
4 ordinance, or rule shall prohibit the use of land for employee
5 housing and community buildings in plantation community
6 subdivisions as defined in section 205-4.5(a)(12); in addition,
7 no zoning ordinance shall provide for the elimination,
8 amortization, or phasing out of plantation community
9 subdivisions as a nonconforming use.

10 (f) Neither this section nor any other law, county
11 ordinance, or rule shall prohibit the use of land for medical
12 marijuana dispensaries established and licensed pursuant to
13 section -2; provided that the land is otherwise zoned for
14 agriculture, manufacturing, or retail purposes."

15 **PART IV**

16 SECTION 4. Section 321-30.1, Hawaii Revised Statutes, is
17 amended to read as follows:

18 "~~§~~321-30.1~~§~~ **Medical marijuana registry and regulation**
19 **special fund; established.** (a) There is established within the
20 state treasury the medical marijuana registry and regulation



1 special fund. The fund shall be expended at the discretion of
2 the director of health:

3 (1) To establish and regulate a system of medical
4 marijuana dispensaries in the State;

5 [~~+1~~] (2) To offset the cost of the processing and issuance
6 of patient registry identification certificates and
7 primary caregiver registration certificates;

8 [~~+2~~] (3) To fund positions authorized by the legislature;

9 [~~+3~~] (4) To establish and manage a secure and confidential
10 database; and

11 [~~+4~~] (5) For any other expenditure necessary, as
12 authorized by the legislature, to implement [a]
13 medical marijuana registry [~~program.~~] and regulation
14 programs.

15 (b) The fund shall consist of all moneys derived from fees
16 collected pursuant to subsection (c) [~~.-All~~] and section -2.

17 There is established within the medical marijuana registry and
18 regulation special fund:

19 (1) A medical marijuana registry program subaccount, into
20 which shall be deposited all fees collected pursuant



1 to subsection (c) [~~shall be deposited into the medical~~
2 ~~marijuana registry special fund.~~]; and

3 (2) A medical marijuana dispensary program subaccount,
4 into which shall be deposited all fees collected
5 pursuant to section -2.

6 (c) The department, upon completion of the transfer of the
7 medical use of marijuana program, shall charge a medical
8 marijuana registration fee of no more than \$35."

9 **PART V**

10 SECTION 5. Chapter 329, Hawaii Revised Statutes, is
11 amended by adding two new sections to part IX to be
12 appropriately designated and to read as follows:

13 **"§329- Protections afforded to an owner or qualified**
14 **employee of a licensed dispensary.** (a) An owner or employee of
15 a medical marijuana dispensary that is licensed under section
16 -2 may assert the production or dispensing of medical
17 marijuana as an affirmative defense to any prosecution involving
18 marijuana under this part, chapter , or chapter 712; provided
19 that the owner or employee strictly complied with the
20 requirements of chapter .



1 (b) An owner or employee of a licensed medical marijuana
2 dispensary not complying with the permitted scope of the
3 production or dispensing of medical marijuana under chapter
4 shall not be afforded the protections provided by subsection
5 (a).

6 (c) No person shall be subject to arrest or prosecution
7 for merely being in the presence or vicinity of a medical
8 marijuana dispensary licensed and operating under chapter .

9 **§329- Prohibited acts; flammable solvents.** (a) No
10 qualifying patient or primary caregiver shall use flammable
11 solvents to extract tetrahydrocannabinol from marijuana plants.

12 (b) Any person who violates this section shall be guilty
13 of a class B felony."

14 SECTION 6. Section 329-121, Hawaii Revised Statutes, is
15 amended by amending the definition of "adequate supply" to read
16 as follows:

17 "'Adequate supply" means an amount of marijuana jointly
18 possessed between the qualifying patient and the primary
19 caregiver that is not more than is reasonably necessary to
20 [assure] ensure the uninterrupted availability of marijuana for
21 the purpose of alleviating the symptoms or effects of a



1 qualifying patient's debilitating medical condition; provided
2 that an "adequate supply" shall not exceed: seven marijuana
3 plants, whether immature or mature, and four ounces of usable
4 marijuana at any given time~~[-]~~; or any combination of usable
5 marijuana and marijuana products manufactured pursuant to
6 chapter _____ that exceeds four ounces of usable marijuana or
7 the equivalent of four ounces of usable marijuana, as calculated
8 using information provided pursuant to section _____ -7(a)(4)."

9 SECTION 7. Section 329-122, Hawaii Revised Statutes, is
10 amended by amending subsection (c) to read as follows:

11 "(c) The authorization for the medical use of marijuana in
12 this section shall not apply to:

13 (1) The medical use of marijuana that endangers the health
14 or well-being of another person;

15 (2) The medical use of marijuana:

16 (A) In a school bus, public bus, or any moving
17 vehicle;

18 (B) In the workplace of one's employment;

19 (C) On any school grounds;

20 (D) At any public park, public beach, public
21 recreation center, recreation or youth center; or



1 (E) [~~Other~~] At any other place open to the public;
 2 provided that a qualifying patient, parent,
 3 primary caregiver, or an owner or employee of a
 4 medical marijuana dispensary licensed under
 5 section -2 shall not be prohibited from
 6 transporting medical marijuana in any public
 7 place; and

8 (3) The use of marijuana by a qualifying patient, parent,
 9 or primary caregiver for purposes other than medical
 10 use permitted by this part."

11 SECTION 8. Section 329-123, Hawaii Revised Statutes, is
 12 amended by amending subsection (a) to read as follows:

13 "(a) Physicians who issue written certifications shall
 14 provide, in each written certification, the name, address,
 15 patient identification number, and other identifying information
 16 of the qualifying patient. The department of health shall
 17 require, in rules adopted pursuant to chapter 91, that all
 18 written certifications comply with a designated form completed
 19 by or on behalf of a qualifying patient. The form shall require
 20 information from the applicant, primary caregiver, and [~~primary~~
 21 ~~care~~] physician as specifically required or permitted by this



1 chapter. The form shall require the address of the location
2 where the marijuana is grown and shall appear on the registry
3 card issued by the department of health. [~~The certifying~~
4 ~~physician shall be required to be the qualifying patient's~~
5 ~~primary care physician.~~] The certifying physician shall be
6 required to have a bona fide physician-patient relationship with
7 the qualifying patient. All current active medical marijuana
8 permits shall be honored through their expiration date."

9 **PART VI**

10 SECTION 9. Chapter 237, Hawaii Revised Statutes, is
11 amended by adding two new sections to be appropriately
12 designated and to read as follows:

13 **"§237-A Special general excise tax on marijuana sales by**
14 **dispensaries.** (a) There shall be levied, assessed, and
15 collected on a marijuana dispensary that is licensed under
16 chapter _____ a general excise tax on marijuana sales in the
17 State measured by the application of a rate of fifteen per cent
18 against the gross proceeds of sale of marijuana.

19 (b) The tax imposed under this section shall be in
20 addition to the retail marijuana special sales tax on marijuana
21 sales under section 237-B.



1 medical marijuana dispensary program established pursuant to
2 this Act.

3 The sums appropriated shall be expended by the department
4 of health for the purposes of this Act.

5 SECTION 12. Not later than July 1, 2016, the department of
6 health shall establish and commence a repayment plan and
7 schedule to repay to the general fund, the sums deposited into
8 the medical marijuana registry and regulation special fund
9 established pursuant to section 321-30.1, Hawaii Revised
10 Statutes. The department of health shall only use moneys from
11 the medical marijuana registry and regulation special fund to
12 repay the general fund. The repayment schedule shall not extend
13 beyond June 30, .

14 **PART VIII**

15 SECTION 13. Not later than March 15, 2016, the director of
16 health shall submit a report and provide an informational
17 briefing to the legislature concerning the progress of
18 implementing the provisions of part II of this Act, including
19 the status of rulemaking by the department of health pertaining
20 to the licensure of medical marijuana dispensaries.

21 **PART IX**



1 SECTION 14. In codifying the new sections added by part VI
2 of this Act, the revisor of statutes shall substitute
3 appropriate section numbers for the letters used in designating
4 the new sections in this Act.

5 SECTION 15. If any provision of this Act, or the
6 application thereof to any person or circumstance, is held
7 invalid, the invalidity does not affect other provisions or
8 applications of the Act that can be given effect without the
9 invalid provision or application, and to this end the provisions
10 of this Act are severable.

11 SECTION 16. Statutory material to be repealed is bracketed
12 and stricken. New statutory material is underscored.

13 SECTION 17. This Act shall take effect on January 7, 2059;
14 provided that:

- 15 (1) Part VII shall take effect on July 1, 2050; and
- 16 (2) This Act shall be repealed on _____, and sections
17 46-4, 321-30.1, 329-122(c), and 329-123(a), and the
18 definition of "adequate supply" in section 329-121,
19 Hawaii Revised Statutes, shall be reenacted in the
20 form in which they read on the day prior to the
21 effective date of this Act.



Report Title:

Medical Marijuana; Dispensaries; Special Sales Tax;
Appropriation

Description:

Establishes a new chapter for medical marijuana dispensaries and limits on amounts that can be purchased. Prohibits counties from enacting zoning regulations that prohibit the use of land for licensed dispensaries. Clarifies the right of qualifying patients and primary caregivers to transport medical marijuana. Establishes various criminal offenses to protect against unauthorized access to dispensary premises, distribution of marijuana to minors, diversion of marijuana, and alteration or falsification of dispensary records. Repeals the requirement that a certifying physician be the qualifying patient's primary care physician. Requires a certifying physician to have a bona fide physician-patient relationships with a qualifying patient. Establishes a special general excise tax and a retail marijuana special sales tax. Appropriates funds. Effective January 7, 2059. Repeals on an unspecified date. (SD2)

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

