

STAND. COM. REP. NO.

2505

Honolulu, Hawaii

MAR 03 2016

RE: S.B. No. 2523
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Twenty-Eighth State Legislature
Regular Session of 2016
State of Hawaii

Sir:

Your Committee on Commerce, Consumer Protection, and Health,
to which was referred S.B. No. 2523 entitled:

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

begs leave to report as follows:

The purpose and intent of this measure is to allow medical marijuana production centers to be greenhouses, shade houses, and open-air growing operations; provided that they are always secured and not visible from any thoroughfare.

Your Committee received testimony in support of this measure from the Community Alliance on Prisons, The Drug Policy Forum of Hawai'i, Hawai'i Dispensary Alliance, and eighteen individuals. Your Committee received testimony in opposition to this measure from the Department of Public Safety. Your Committee received comments on this measure from the Department of Health, Department of the Attorney General, and one individual.

Your Committee finds that chapter 329D, Hawaii Revised Statutes, establishes a medical marijuana dispensary program in the State. In order to grow and manufacture medical marijuana for patients, licensees permitted to operate dispensaries will be allowed up to two production centers.

Your Committee further finds that the Department of Health established interim rules that exclude greenhouses and shade houses as acceptable indoor growing facilities, even though existing state law does allow a greenhouse to be utilized to grow

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medical marijuana if the greenhouse fits the criteria described in chapter 329D, Hawaii Revised Statutes. There are also concerns related to the high electricity costs associated with an enclosed indoor facility as defined by the Department's administrative rules. Medical marijuana growing operations that exclusively utilize artificial light are incredibly energy intensive, which drives up the costs for patients and creates a significant carbon footprint. Greenhouse growing takes advantage of the sun's energy during the daytime, which cuts energy consumption dramatically for production centers. Furthermore, there is a national movement toward secured, solid-wall greenhouses rather than warehouse facilities for the growing of medical marijuana to reduce production costs and carbon footprint impact.

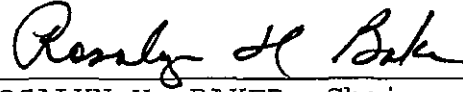
Your Committee has amended this measure by:

- (1) Deleting language that would have allowed production centers to be open-air growing operations;
- (2) Specifying that the contents of greenhouses or shade houses serving as production centers shall not be visible from any street or road used by the public nor visible to adjoining landowners;
- (3) Inserting language to specify that this measure does not affect the medical marijuana dispensary selection process pursuant to section 329D-5, Hawaii Revised Statutes;
- (4) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2523, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2523, S.D. 1, and be placed on the calendar for Third Reading.



Respectfully submitted on
behalf of the members of the
Committee on Commerce, Consumer
Protection, and Health,



ROSALYN H. BAKER, Chair



The Senate
Twenty-Eighth Legislature
State of Hawai'i

Record of Votes
Committee on Commerce, Consumer Protection, and Health
CPH

Bill / Resolution No.:* SB 2523	Committee Referral: CPH	Date: 2-18-16		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <div style="display: flex; justify-content: space-around; align-items: flex-end;"> <div><input type="checkbox"/> Pass, unamended 2312</div> <div><input checked="" type="checkbox"/> Pass, with amendments 2311</div> <div><input type="checkbox"/> Hold 2310</div> <div><input type="checkbox"/> Recommit 2313</div> </div>				
Members	Aye	Aye (WR)	Nay	Excused
BAKER, Rosalyn H. (C)	/			
KIDANI, Michelle N. (VC)	/			
ESPERO, Will	/			
IHARA, Jr., Les				/
NISHIHARA, Clarence K.	/			
RUDERMAN, Russell E.	/			
SLOM, Sam	/			
TOTAL	6			1
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
<div style="display: flex; justify-content: space-between; font-size: small;"> <div>Distribution:</div> <div>Original</div> <div>Yellow</div> <div>Pink</div> <div>Goldenrod</div> </div> <div style="display: flex; justify-content: space-between; font-size: x-small;"> <div>File with Committee Report</div> <div>Clerk's Office</div> <div>Drafting Agency</div> <div>Committee File Copy</div> </div>				

*Only one measure per Record of Votes