
A BILL FOR AN ACT

RELATING TO MEDICAL MARIJUANA.

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

1 SECTION 1. Section 329D-7, Hawaii Revised Statutes, is
2 amended to read as follows:

3 "§329D-7 Medical marijuana dispensary rules. The
4 department shall establish standards with respect to:

5 (1) The number of medical marijuana dispensaries that
6 shall be permitted to operate in the State;

7 (2) A fee structure for the submission of applications and
8 renewals of licenses to dispensaries; provided that
9 the department shall consider the market conditions in
10 each county in determining the license renewal fee
11 amounts;

12 (3) Criteria and procedures for the consideration and
13 selection, based on merit, of applications for
14 licensure of dispensaries; provided that the criteria
15 shall include but not be limited to an applicant's:

16 (A) Ability to operate a business;



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- 1 (B) Financial stability and access to financial
2 resources; provided that applicants for medical
3 marijuana dispensary licenses shall provide
4 documentation that demonstrates control of not
5 less than \$1,000,000 in the form of escrow
6 accounts, letters of credit, surety bonds, bank
7 statements, lines of credit or the equivalent to
8 begin operating the dispensary;
- 9 (C) Ability to comply with the security requirements
10 developed pursuant to paragraph (6);
- 11 (D) Capacity to meet the needs of qualifying
12 patients;
- 13 (E) Ability to comply with criminal background check
14 requirements developed pursuant to paragraph (8);
15 and
- 16 (F) Ability to comply with inventory controls
17 developed pursuant to paragraph (13);
- 18 (4) Specific requirements regarding annual audits and
19 reports required from each production center and
20 dispensary licensed pursuant to this chapter;



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- 1 (5) Procedures for announced and unannounced inspections
2 by the department or its agents of production centers
3 and dispensaries licensed pursuant to this chapter;
4 provided that inspections for license renewals shall
5 be unannounced;
- 6 (6) Security requirements for the operation of production
7 centers and retail dispensing locations; provided
8 that, at a minimum, the following shall be required:
- 9 (A) For production centers:
- 10 (i) Video monitoring and recording of the
11 premises;
- 12 (ii) Fencing that surrounds the premises and that
13 is sufficient to reasonably deter intruders
14 and prevent anyone outside the premises from
15 viewing any marijuana in any form;
- 16 (iii) An alarm system; and
- 17 (iv) Other reasonable security measures to deter
18 or prevent intruders, as deemed necessary by
19 the department;
- 20 (B) For retail dispensing locations:



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- 1 (i) Presentation of a valid government-issued
- 2 photo identification and a valid
- 3 identification as issued by the department
- 4 pursuant to section 329-123, by a qualifying
- 5 patient or caregiver, upon entering the
- 6 premises;
- 7 (ii) Video monitoring and recording of the
- 8 premises;
- 9 (iii) An alarm system;
- 10 (iv) Exterior lighting; and
- 11 (v) Other reasonable security measures as deemed
- 12 necessary by the department;
- 13 (7) Security requirements for the transportation of
- 14 marijuana and manufactured marijuana products between
- 15 production centers and retail dispensing locations;
- 16 (8) Standards and criminal background checks to ensure the
- 17 reputable and responsible character and fitness of all
- 18 license applicants, licensees, employees,
- 19 subcontractors and their employees, and prospective
- 20 employees of medical marijuana dispensaries to operate
- 21 a dispensary; provided that the standards, at a



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1 minimum, shall exclude from licensure or employment
2 any person convicted of any felony;

3 (9) The training and certification of operators and
4 employees of production centers and dispensaries;

5 (10) The types of manufactured marijuana products that
6 dispensaries shall be authorized to manufacture and
7 sell pursuant to sections 329D-9 and 329D-10; provided
8 that:

9 (A) The manufacture and sale of manufactured
10 marijuana products shaped to appeal to minors,
11 including but not limited to products that are in
12 the distinct shape of a human, animal, or fruit,
13 shall be prohibited; provided further that this
14 subparagraph shall not apply to products that
15 have geometric shapes or products that are simply
16 fruit flavored; and

17 (B) The use of additives in manufactured marijuana
18 products, including but not limited to those that
19 are toxic, shall be prohibited if the use of the
20 additive is designed to achieve any of the
21 following purposes:



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- 1 (i) Making the product more addictive;
- 2 (ii) Making the product more appealing to minors;
- 3 or
- 4 (iii) Misleading consumers;
- 5 provided further that this subparagraph shall not
- 6 apply to the use of common baking and cooking
- 7 items;
- 8 (11) Laboratory standards related to testing marijuana and
- 9 manufactured marijuana products for content,
- 10 contamination, and consistency;
- 11 (12) The quantities of marijuana and manufactured marijuana
- 12 products that a dispensary may sell or provide to a
- 13 qualifying patient or primary caregiver; provided that
- 14 no dispensary shall sell or provide to a qualifying
- 15 patient or primary caregiver any combination of
- 16 marijuana and manufactured products that:
- 17 (A) During a period of fifteen consecutive days,
- 18 exceeds the equivalent of four ounces of
- 19 marijuana; or



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1 (B) During a period of thirty consecutive days,
2 exceeds the equivalent of eight ounces of
3 marijuana;

4 (13) Dispensary and production center inventory controls to
5 prevent the unauthorized diversion of marijuana or
6 manufactured marijuana products or the distribution of
7 marijuana or manufactured marijuana products to
8 qualifying patients or primary caregivers in
9 quantities that exceed limits established by this
10 chapter; provided that the controls, at a minimum,
11 shall include:

12 (A) A computer software tracking system as specified
13 in section 329D-6(j) and (k); and

14 (B) Product packaging standards sufficient to allow
15 law enforcement personnel to reasonably determine
16 the contents of an unopened package;

17 (14) Limitation to the size or format of signs placed
18 outside a retail dispensing location or production
19 center; provided that the signage limitations, at a
20 minimum, shall comply with section 329D-6(o)(2) and



1 shall not include the image of a cartoon character or
2 other design intended to appeal to children;

3 (15) The disposal or destruction of unwanted or unused
4 marijuana and manufactured marijuana products;

5 (16) The enforcement of the following prohibitions against:

6 (A) The sale or provision of marijuana or
7 manufactured marijuana products to unauthorized
8 persons;

9 (B) The sale or provision of marijuana or
10 manufactured marijuana products to qualifying
11 patients or primary caregivers in quantities that
12 exceed limits established by this chapter;

13 (C) Any use or consumption of marijuana or
14 manufactured marijuana products on the premises
15 of a retail dispensing location or production
16 center; and

17 (D) The distribution of marijuana or manufactured
18 marijuana products, for free, on the premises of
19 a retail dispensing location or production
20 center;



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1 (17) The establishment of a range of penalties for
 2 violations of this chapter or rule adopted thereto;
 3 and

4 (18) A process to recognize and register patients who are
 5 authorized to purchase, possess, and use medical
 6 marijuana in another state, United States territory,
 7 or the District of Columbia as qualifying patients in
 8 this State; provided that this registration process
 9 may commence no sooner than January 1, 2018."

10 SECTION 2. New statutory material is underscored.

11 SECTION 3. This Act shall take effect upon its approval.

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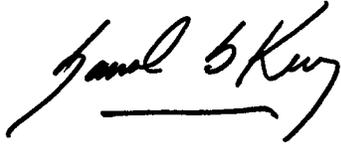
INTRODUCED BY

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Richard L. ... *[Signature]*
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John M. ... *[Signature]*
Richard ... *[Signature]*
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Joan ... *[Signature]*



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A handwritten signature in black ink that reads "Paul B. King". The signature is written in a cursive style with a horizontal line underneath the name.

JAN 18 2017



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Report Title:

Medical Marijuana; Manufactured Marijuana Products

Description:

Requires the department of health to adopt rules to prohibit: (1) the manufacture and sale of manufactured marijuana products that are shaped to appeal to children; and (2) the use of additives in manufactured marijuana products designed to make the product more addictive or more appealing to minors.

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

