STAND. COM. REP. NO.

Honolulu, Hawaii

FEB 0 7 **2017**

RE: S.B. No. 305

Honorable Ronald D. Kouchi President of the Senate Twenty-Ninth State Legislature Regular Session of 2017 State of Hawaii

Sir:

Your Committee on Commerce, Consumer Protection, and Health, to which was referred S.B. No. 305 entitled:

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

begs leave to report as follows:

The purpose and intent of this measure is to specify in state statute that video monitoring and recording of medical marijuana production centers and retail dispensing premises shall be retained for forty-five days.

Your Committee received testimony in support of this measure from the Hawaii Educational Association for Licensed Therapeutic Healthcare, Mānoa Botanicals, Cure Oahu, The Drug Policy Forum of Hawai'i, and one individual. Your Committee received testimony in opposition to this measure from the Department of Health and Department of the Prosecuting Attorney of the City and County of Honolulu.

Your Committee finds that currently state law does not specifically address video surveillance data storage retention requirements. Instead, dispensary licensees must adhere to the Department of Health's administrative rules, which require dispensary licensees to retain video surveillance recordings for a minimum of 365 days. Your Committee heard testimony describing problems with the current requirement. Specifically, retaining video surveillance recordings for 365 days may require dispensary licensees to decrease the frame capture rate of the recordings, which reduces the quality and clarity of the footage and impedes



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security of the facility. If a dispensary licensee does not or cannot decrease quality in the surveillance footage, the licensee may not be able to retain 365 days' worth of footage and may need to shut down operations due to non-compliance with Department rules or may need to reduce the number of surveillance cameras at the facility or utilize other data storage services that are expensive and sometimes not compatible with existing video surveillance equipment.

Your Committee recognizes that the medical marijuana dispensaries in Hawaii are not in operation yet. However, your Committee finds that the existing rule on video surveillance data storage retention is excessive and overly burdensome for dispensary licensees. Your Committee notes that medical marijuana dispensaries have been operating in other states for years and that the industry standard for video surveillance retention is between thirty and forty-five days.

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. 305 and recommends that it pass Second Reading and be referred to your Committee on Judiciary and Labor.

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

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ROSALYN H. BAKER, Chair



The Senate Twenty-Ninth Legislature State of Hawaiʻi

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

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2312 Members					The Recommendation is:					
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BAKER, Rosalyn H. (C)		/								
NISHIHARA, Clarence K. (VC)		1								
CHANG, Stanley					/					
ESPERO, Will										
IHARA, Jr., Les		/			······································					
KIDANI, Michelle N.										
RUDERMAN, Russell E.		/								
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Chair's or Designee's Signature:										
Clarence K Mishikara										
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*Only one measure per Record of Votes