

JAN 19 2018

A BILL FOR AN ACT

RELATING TO MEDICAL CANNABIS.

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

1 SECTION 1. Section 329D-6, Hawaii Revised Statutes, is
2 amended to read as follows:

3 "**§329D-6 Dispensary operations.** (a) No person shall
4 operate a dispensary, nor engage in the production, manufacture,
5 or sale of cannabis or manufactured cannabis products, unless
6 the person has obtained a license from the department pursuant
7 to this chapter.

8 (b) No dispensary licensee, its officers, employees, or
9 agents shall provide written certification for the use of
10 medical cannabis or manufactured cannabis products for any
11 person.

12 (c) No person under the age of twenty-one shall be
13 employed by a dispensary licensee.

14 (d) Notwithstanding any other law to the contrary,
15 including but not limited to sections 378-2 and 378-2.5, no
16 dispensary shall employ a person convicted of a felony.
17 Employment under this chapter shall be exempt from section



1 378-2(a)(1), as it relates to arrest and court record
2 discrimination, and section 378-2.5.

3 (e) Retail dispensing locations shall not be open for
4 retail sales before 8:00 a.m. or after 8:00 p.m., Hawaii-
5 Aleutian Standard Time, Monday through Sunday. Retail
6 dispensing locations shall be closed on official state and
7 federal holidays.

8 (f) All dispensary facilities, including but not limited
9 to production centers and retail dispensing locations, shall be
10 enclosed indoor facilities and shall maintain twenty-four hour
11 security measures, including but not limited to an alarm system,
12 video monitoring and recording on the premises, and exterior
13 lighting. A dispensary licensee who intends to utilize, as a
14 production center, an enclosed indoor facility that includes a
15 roof that is partially or completely transparent or translucent,
16 as provided under section 329D-1, shall notify the department of
17 that intention prior to altering or constructing the facility.
18 Production centers shall remain locked at all times. Retail
19 dispensing locations shall remain locked at all times, other
20 than business hours as authorized by subsection (e), and shall
21 only be opened for authorized persons.



(g) In all dispensary facilities, only the licensee, if an individual, registered employees of the dispensary licensee, registered employees of a subcontracted production center or retail dispensing location, employees of a certified laboratory for testing purposes, state employees authorized by the director of health, and law enforcement and other government officials acting in their official capacity shall be permitted to touch or handle any cannabis or manufactured cannabis products, except that a qualifying patient or the primary caregiver of a qualifying patient may receive manufactured cannabis products at a retail dispensing location following completion of a sale.

(h) A dispensary shall provide the department with the address, tax map key number, and a copy of the premises lease, if applicable, of the proposed location of a production center allowed under a license for a county not later than thirty days prior to any medical cannabis or manufactured cannabis products being produced or manufactured at that production center.

(i) A dispensary shall provide the department with the address, tax map key number, and a copy of the premises lease, if applicable, of the proposed location of each retail



1 dispensing location allowed under a license not less than sixty
2 days prior to opening for business.

3 (j) The department shall establish, maintain, and control
4 a computer software tracking system that shall have real time,
5 twenty-four-hour access to the data of all dispensaries.

6 (1) The computer software tracking system shall collect
7 data relating to:

8 (A) The total amount of cannabis in possession of all
9 dispensaries from either seed or immature plant
10 state, including all plants that are derived from
11 cuttings or cloning, until the cannabis, cannabis
12 plants, or manufactured cannabis product is sold
13 or destroyed pursuant to section 329D-7;

14 (B) The total amount of manufactured cannabis product
15 inventory, including the equivalent physical
16 weight of cannabis that is used to manufacture
17 manufactured cannabis products, purchased by a
18 qualifying patient and primary caregiver from all
19 retail dispensing locations in the State in any
20 fifteen day period;



(C) The amount of waste produced by each plant at harvest; and

(D) The transport of cannabis and manufactured cannabis products between production centers and retail dispensing locations, including tracking identification issued by the tracking system, the identity of the person transporting the cannabis or manufactured cannabis products, and the make, model, and license number of the vehicle being used for the transport;

(2) The procurement of the computer software tracking system established pursuant to this subsection shall be exempt from chapter 103D; provided that:

(A) The department shall publicly solicit at least three proposals for the computer software tracking system; and

(B) The selection of the computer software tracking system shall be approved by the director of the department and the chief information officer; and

(3) Notwithstanding any other provision of this subsection to the contrary, once the department has authorized a



1 licensed dispensary to commence sales of cannabis or
2 manufactured cannabis products, if the department's
3 computer software tracking system is inoperable or is
4 not functioning properly, as an alternative to
5 requiring dispensaries to temporarily cease
6 operations, the department may implement an alternate
7 tracking system that will enable qualifying patients
8 to purchase cannabis or manufactured cannabis products
9 from a licensed dispensary on a temporary basis. The
10 department shall seek input regarding the alternate
11 tracking system from medical cannabis licensees. The
12 alternate tracking system may operate as follows:

13 (A) The department may immediately notify all
14 licensed dispensaries that the computer software
15 tracking system is inoperable; and

16 (B) Once the computer software tracking system is
17 operational and functioning to meet the
18 requirements of this subsection, the department
19 may notify all licensed dispensaries, and the
20 alternate tracking system in this subsection
21 shall be discontinued.



1 (k) A dispensary licensed pursuant to this chapter shall
2 purchase, operate, and maintain a computer software tracking
3 system that shall:

4 (1) Interface with the department's computer software
5 tracking system established pursuant to subsection
6 (j);

7 (2) Allow each licensed dispensary's production center to
8 submit to the department in real time, by automatic
9 identification and data capture, all cannabis,
10 cannabis plants, and manufactured cannabis product
11 inventory in possession of that dispensary from either
12 seed or immature plant state, including all plants
13 that are derived from cuttings or cloning, until the
14 cannabis or manufactured cannabis product is sold or
15 destroyed pursuant to section 329D-7;

16 (3) Allow the licensed dispensary's retail dispensing
17 location to submit to the department in real time for
18 the total amount of cannabis and manufactured cannabis
19 product purchased by a qualifying patient and primary
20 caregiver from the dispensary's retail dispensing
21 locations in the State in any fifteen day period;



1 provided that the software tracking system shall
2 impose an automatic stopper in real time, which cannot
3 be overridden, on any further purchases of cannabis or
4 manufactured cannabis products, if the maximum
5 allowable amount of cannabis has already been
6 purchased for the applicable fifteen day period;
7 provided further that additional purchases shall not
8 be permitted until the next applicable period; and

9 (4) Allow the licensed dispensary to submit all data
10 required by this subsection to the department and
11 permit the department to access the data if the
12 department's computer software tracking system is not
13 functioning properly and sales are made pursuant to
14 the alternate tracking system under subsection (j).

15 (1) No free samples of cannabis or manufactured cannabis
16 products shall be provided at any time, and no consumption of
17 cannabis or manufactured cannabis products shall be permitted on
18 any dispensary premises.

19 (m) A dispensary shall not transport cannabis or
20 manufactured cannabis products to another county or another
21 island; provided that this subsection shall not apply to the



1 transportation of cannabis or any manufactured cannabis product
2 solely for the purposes of laboratory testing pursuant to
3 section 329D-8, and subject to subsection (j), if no certified
4 laboratory is located in the county or on the island where the
5 dispensary is located; provided further that a dispensary shall
6 only transport samples of cannabis and manufactured cannabis
7 products for laboratory testing for purposes of this subsection
8 in an amount and manner prescribed by the department, in rules
9 adopted pursuant to this chapter, and with the understanding
10 that state law and its protections do not apply outside of the
11 jurisdictional limits of the State.

12 (n) A dispensary shall be prohibited from off-premises
13 delivery of cannabis or manufactured cannabis products to
14 qualifying patients or to primary caregivers of qualifying
15 patients.

16 (o) A dispensary shall not:

17 (1) Display cannabis or manufactured cannabis products in
18 windows or in public view; or

19 (2) Post any signage other than a single sign no greater
20 than one thousand six hundred square inches bearing
21 only the business or trade name in text without any



1 pictures or illustrations; provided that if any
2 applicable law or ordinance restricting outdoor
3 signage is more restrictive, that law or ordinance
4 shall govern.

5 (p) No cannabis or manufactured cannabis products shall be
6 transported to, from, or within any federal fort or arsenal,
7 national park or forest, any other federal enclave, or any other
8 property possessed or occupied by the federal government.

9 (q) A dispensary licensed pursuant to this chapter shall
10 be prohibited from providing written certification pursuant to
11 section 329-122 for the use of medical cannabis for any person.

12 (r) A dispensary may provide cannabis or manufactured
13 cannabis products at no charge to qualifying patients whose
14 family income is at or below the federal poverty level or to
15 primary caregivers on behalf of qualifying patients whose family
16 income is at or below the federal poverty level; provided that
17 the qualifying patient's income shall be verified by the
18 dispensary; provided further that the qualifying patient shall
19 be a legal resident of Hawaii."

20 SECTION 2. New statutory material is underscored.
21



S.B. NO. 2631

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

2

INTRODUCED BY: Will Egan

Butler
Don E. Felt



S.B. NO. 2631

Report Title:

Medical Cannabis; Dispensaries; Qualifying Patients; Federal Poverty Level

Description:

Allows medical cannabis dispensaries to dispense without charge cannabis or manufactured cannabis products to qualifying patients who are at or below the federal poverty level or their primary caregivers.

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

