A BILL FOR AN ACT

RELATING TO MEDICAL CANNABIS.

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

- 1 SECTION 1. The legislature finds that chapter 329D, Hawaii
- 2 Revised Statutes, codified in 2015, established a licensing
- 3 scheme for a statewide system of medical cannabis dispensaries
- 4 to ensure access to medical cannabis for qualifying patients,
- 5 with further amendments made by Act 230, Session Laws of Hawaii
- 6 2016; Act 41, Session Laws of Hawaii 2017; Act 116, Session Laws
- 7 of Hawaii 2018; and Act 240, Session Laws of Hawaii 2019.
- 8 The legislature further finds that some qualifying patients
- 9 and primary caregivers continue to have difficulty physically
- 10 getting to a retail dispensing location due to transportation
- 11 issues, their physical disability and pain, or geographic
- 12 distance. The legislature notes that states such as Arizona,
- 13 Colorado, New Mexico, and Oregon have established cannabis
- 14 delivery systems.
- 15 The purpose of this Act is to provide for a safe, secure,
- 16 and transparent system for qualifying patients and primary

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- 1 caregivers to have medical cannabis and manufactured cannabis
- 2 products delivered to their homes.
- 3 SECTION 2. Chapter 329D, Hawaii Revised Statutes, is
- 4 amended by adding two new sections to be appropriately
- 5 designated and to read as follows:
- 6 "§329D-A Medical cannabis delivery permit; delivery to
- 7 qualifying patient or primary caregiver. (a) Notwithstanding
- 8 subsection 329D-6(n) to the contrary, the department may issue a
- 9 medical cannabis delivery permit to a medical cannabis
- 10 dispensary for the safe and secure transport of medical cannabis
- 11 or manufactured cannabis products to a qualifying patient or
- 12 primary caregiver.
- 13 (b) A medical cannabis delivery permit issued pursuant to
- 14 this section shall be valid for one year and may be renewed
- 15 annually upon renewal of the medical cannabis dispensary
- 16 license.
- 17 (c) A medical cannabis delivery permit issued pursuant to
- 18 this section shall apply to only one dispensary; provided that a
- 19 single medical cannabis delivery permit may apply to multiple
- 20 retail dispensing locations if the retail dispensing locations

1	are covered under the same dispensary's license, as specified in
2	this chapter and rules adopted by the department.
3	(d) At the time of an order for delivery of medical
4	cannabis or manufactured cannabis products, the dispensary shall
5	require the qualifying patient or primary caregiver to verify
6	that the qualifying patient is qualified to purchase and receive
7	a delivery of medical cannabis or manufactured cannabis products
8	pursuant to this section, including:
9	(1) The qualifying patient's name and date of birth;
10	(2) The medical cannabis registration certificate number
11	reflected on the qualifying patient's or primary
12	caregiver's registration with the department;
13	(3) The address of the residence where the order will be
14	delivered; and
15	(4) Any other information required by the department.
16	(e) A dispensary with a valid medical cannabis delivery
17	permit may receive an order by electronic means from a
18	qualifying patient or primary caregiver for the purchase and
19	delivery of medical cannabis or manufactured cannabis products
20	using an online platform for medical cannabis or manufactured

cannabis product delivery; provided that the online platform

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1	shall req	uire the qualifying patient or primary caregiver to
2	choose a	retail dispensing location before viewing the price of
3	the medic	al cannabis or manufactured cannabis product.
4	(f)	A dispensary may deliver medical cannabis and
5	manufactu	red cannabis products only to the qualifying patient or
6	primary c	aregiver who placed the order and who:
7	(1)	Provides valid photographic identification in the form
8		of a state identification card, driver's license, or
9		passport;
10	(2)	Has a photographic image taken of the qualifying
11		patient or primary caregiver and a photographic image
12		taken of the photographic identification at the time
13		of delivery; and
14	(3)	Provides a signature acknowledging the delivery of the
15		medical cannabis or manufactured cannabis product.
16	(g)	Any person delivering medical cannabis or manufactured
17	cannabis	products shall:
18	(1)	Be a current employee of the dispensary;
19	(2)	Have completed training on proof of identification and
20		verification, including all forms of identification
21		deemed acceptable by the department; and

1	(3)	Have completed any other training required by the
2		department.
3	(h)	A dispensary with a valid medical cannabis delivery
4	permit is	sued pursuant to this section shall:
5	(1)	Charge a \$1 surcharge on each delivery made pursuant
6		to this section, which shall be collected and remitted
7		to the department on a monthly basis;
8	(2)	Track the medical cannabis and manufactured cannabis
9		products delivered to a qualifying patient or a
10		primary caregiver using its computer software tracking
11		system pursuant to section 329D-6(j);
12	(3)	Deliver only to a qualifying patient or a primary
13		caregiver at the address provided in the order for
14		medical cannabis or manufactured cannabis products;
15		and
16	(4)	Deliver only to private residences.
17	<u>(i)</u>	A dispensary with a valid medical cannabis delivery
18	permit is	sued pursuant to this section shall not:
19	(1)	Deliver medical cannabis or manufactured cannabis
20		products to any qualifying patient or primary
21		caregiver while also transporting medical cannabis or

1		manufactured cannabis products between the		
2		dispensary's production centers and retail dispensing		
3		locations in the same vehicle;		
4	(2)	Deliver medical cannabis and manufactured cannabis		
5		products in excess of the amounts established under		
6		section 329D-13; or		
7	(3)	Deliver more than once per day to the same qualifying		
8		patient, primary caregiver, or private residence.		
9	<u>(j)</u>	It shall not be a violation of any state or county		
10	civil or criminal law for a dispensary with a medical cannabis			
11	delivery permit, or a person who has made timely and sufficient			
12	application for the renewal of the permit, or a dispensary's			
13	licensees as authorized by the department to possess, transport			
14	and deliver medical cannabis or manufactured cannabis products			
15	pursuant	to this section in amounts that do not exceed the		
16	amounts established by the department.			
17	<u>(k)</u>	The department shall disclose any reports, including		
18	complaint	s, investigative actions, and final agency action		
19	orders, u	pon request, to any state or county agency engaged in		
20	the crimi	nal investigation or prosecution of violations of		
21	applicabl	e state or county law or regulations related to		

1	criminal activity that is materially related to medical cannabis
2	delivery.
3	(1) Notwithstanding any provision of this section to the
4	contrary, delivery of medical cannabis or manufactured cannabis
5	products shall not be permitted at any school or on the campus
6	of any institution of higher education.
7	(m) For purposes of this section, "private residence"
8	means the private premises where a person lives, such as a
9	private dwelling place or place of habitation. "Private
10	residence" specifically excludes any premises located at a
11	school or on the campus of any institution of higher education,
12	or any other public property.
13	§329D-B Medical cannabis transporter license. The
14	department may issue a medical cannabis transporter license to a
15	person instead of a dispensary; provided that any licensed
16	medical cannabis transporter shall:
17	(1) Follow the requirements for delivery of medical
18	cannabis or manufactured cannabis product from a
19	designated dispensary to a qualifying patient as
20	required under section 329D-A, including the tracking
21	requirements pursuant to section 329-A(h)(2);

1	(2)	Meet the same requirements for delivery of medical
2		cannabis or manufactured cannabis products from a
3		designated dispensary to a qualifying patient
4		applicable to medical cannabis delivery permits as
5		specified under section 329D-A;
6	(3)	Be authorized to transport medical cannabis or
7		manufactured cannabis products for more than one
8		dispensary under the terms and conditions set by the
9		department; provided that a retail medical cannabis
10		transporter shall not be allowed to deliver to more
11		than qualifying patients in one trip from a
12		dispensary;
13	(4)	Meet all requirements of this chapter applicable to
14		subcontractors; and
15	(5)	Have a revocable, but valid driver's license for a
16		duration of one year that may be renewed annually."
17	SECT	ION 3. Section 329D-6, Hawaii Revised Statutes, is
18	amended a	s follows:
19	1.	By amending subsection (j) to read:

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1	"(J) The	department shall establish, maintain, and control
2	a computer sof	tware tracking system that shall have real time,
3	twenty-four-ho	ur access to the data of all dispensaries.
4	(1) The	computer software tracking system shall collect
5	data	relating to:
6	(A)	The total amount of cannabis in possession of all
7		dispensaries from either seed or immature plant
8		state, including all plants that are derived from
9		cuttings or cloning, until the cannabis, cannabis
10		plants, or manufactured cannabis product is sold
11		or destroyed pursuant to section 329D-7;
12	(B)	The total amount of manufactured cannabis product
13		inventory, including the equivalent physical
14		weight of cannabis that is used to manufacture
15		manufactured cannabis products, purchased by a
16		qualifying patient, primary caregiver, qualifying
17		out-of-state patient, and caregiver of a
18		qualifying out-of-state patient from all retail
19		dispensing locations in the State in any fifteen-
20		day period;

1		(C)	The amount of waste produced by each plant at
2			harvest; [and]
3		(D)	The transport of cannabis and manufactured
4			cannabis products between production centers and
5			retail dispensing locations, including tracking
6			identification issued by the tracking system, the
7			identity of the person transporting the cannabis
8			or manufactured cannabis products, and the make,
9			model, and license number of the vehicle being
10			used for the transport; and
11		<u>(E)</u>	The delivery of cannabis and manufactured
12			cannabis products pursuant to sections 329D-A and
13			329D-B;
14	(2)	The	procurement of the computer software tracking
15		syst	em established pursuant to this subsection shall
16		be e	exempt from chapter 103D; provided that:
17		(A)	The department shall publicly solicit at least
18			three proposals for the computer software
10			tracking system, and

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1		(B) The selection of the computer software tracking
2		system shall be approved by the director of the
3		department and the chief information officer; and
4	(3)	Notwithstanding any other provision of this subsection
5		to the contrary, once the department has authorized a
6		licensed dispensary to commence sales of cannabis or
7		manufactured cannabis products, if the department's
8		computer software tracking system is inoperable or is
9		not functioning properly, as an alternative to
10		requiring dispensaries to temporarily cease
11		operations, the department may implement an alternate
12		tracking system that will enable a qualifying patient,
13		primary caregiver, qualifying out-of-state patient,
14		and caregiver of a qualifying out-of-state patient to
15		purchase cannabis or manufactured cannabis products
16		from a licensed dispensary on a temporary basis. The
17		department shall seek input regarding the alternate
18		tracking system from medical cannabis licensees. The
19		alternate tracking system may operate as follows:

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1	(A)	The department may immediately notify all
2		licensed dispensaries that the computer software
3		tracking system is inoperable; and
4	(B)	Once the computer software tracking system is
5		operational and functioning to meet the
6		requirements of this subsection, the department
7		may notify all licensed dispensaries, and the
8		alternate tracking system in this subsection
9		shall be discontinued."
10	2. By am	ending subsection (n) to read:
11	"(n) [A]	Except as otherwise provided in section 329D-A, a
12	dispensary sha	ll be prohibited from off-premises delivery of
13	cannabis or ma	nufactured cannabis products to a qualifying
14	patient, prima	ry caregiver, qualifying out-of-state patient, or
15	caregiver of a	qualifying out-of-state patient."
16	SECTION 4	. Section 329D-12, Hawaii Revised Statutes, is
17	amended by ame	ending subsection (a) to read as follows:
18	"(a) The	following shall be subject to background checks
19	conducted by t	he department or its designee, including but not
20	limited to cri	minal history record checks in accordance with



section 846-2.7:

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1	(1)	Each applicant and licensee for a medical cannabis
2		dispensary license, including the individual applicant
3		and all officers, directors, members of a limited
4		liability corporation; shareholders with at least
5		twenty-five per cent or more ownership interest in a
6		corporation; and managers of an entity applicant;
7	(2)	Each employee of a medical cannabis dispensary;
8	(3)	Each employee of a subcontracted production center or
9		retail dispensing location;
10	(4)	All officers, directors, members of a limited
11		liability corporation; and shareholders with at least
12		twenty-five per cent or more ownership interest in a
13		corporate owner of a subcontracted production center
14		or retail dispensing location; [and]
15	(5)	Any person permitted to enter and remain in a
16		dispensary facility pursuant to section 329D-15(a)(4)
17		or 329D-16(a)(3)[-]; and
18	<u>(6)</u>	A licensed medical cannabis transporter pursuant to
19		section 329D-B.

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- 1 The person undergoing the background check shall provide written
- 2 consent and all applicable processing fees to the department or
- 3 its designee to conduct the background checks."
- 4 SECTION 5. This Act does not affect rights and duties that
- 5 matured, penalties that were incurred, and proceedings that were
- 6 begun before its effective date.
- 7 SECTION 6. In codifying the new sections added by section
- 8 2 of this Act, the revisor of statutes shall substitute
- 9 appropriate section numbers for the letters used in designating
- 10 the new sections in this Act.
- 11 SECTION 7. Statutory material to be repealed is bracketed
- 12 and stricken. New statutory material is underscored.
- 13 SECTION 8. This Act shall take effect on July 1, 2050.

Report Title:

Medical Cannabis; Dispensaries; Delivery

Description:

Authorizes the department of health to issue permits to medical cannabis dispensaries for the delivery of medical cannabis and manufactured cannabis products to qualifying patients or primary caregivers if certain conditions are met. Authorizes the department of health to issue medical cannabis transporter licenses in specific situations. Effective 7/1/2050. (HD1)

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