



GOV. MSG. NO. 1438

EXECUTIVE CHAMBERS
HONOLULU

DAVID Y. IGE
GOVERNOR

July 12, 2022

The Honorable Ronald D. Kouchi,
President
and Members of the Senate
Thirty-First State Legislature
State Capitol, Room 409
Honolulu, Hawai'i 96813

The Honorable Scott K. Saiki,
Speaker and Members of the
House of Representatives
Thirty-First State Legislature
State Capitol, Room 431
Honolulu, Hawai'i 96813

Dear President Kouchi, Speaker Saiki, and Members of the Legislature:

This is to inform you that on July 12, 2022, the following bill was signed into law:

HB2260 HD1 SD2 CD1

RELATING TO CANNABIS.
ACT 309

Sincerely,

DAVID Y. IGE
Governor, State of Hawai'i

Approved by the Governor
on JUL 12 2022

HOUSE OF REPRESENTATIVES
THIRTY-FIRST LEGISLATURE, 2022
STATE OF HAWAII

H.B. NO. 2260
H.D. 1
S.D. 2
C.D. 1

A BILL FOR AN ACT

RELATING TO CANNABIS.

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

1 SECTION 1. The legislature finds that amendments to the
2 State's medical use of cannabis law and medical cannabis
3 dispensary program law are necessary to facilitate the
4 administration of the laws, ensure qualifying patients' access
5 to cannabis, resolve issues that have arisen under existing law,
6 and clarify legislative intent.

7 The purpose of this Act is to:

- 8 (1) Amend the circumstances under which medical cannabis
9 may be transported by and between dispensaries;
- 10 (2) Extend the date after which primary caregivers will no
11 longer be authorized to cultivate cannabis for a
12 qualifying patient;
- 13 (3) Redefine the term "medical cannabis production center"
14 to include any series of structures located within the
15 same secured perimeter fence-line;
- 16 (4) Increase the number of production centers that may be
17 allowed under a dispensary license;



- 1 (5) Increase the allowable number of plants for production
- 2 centers;
- 3 (6) Require the department of health to establish the fee
- 4 structure for the submission of applications for
- 5 additional production centers and for dispensary-to-
- 6 dispensary sales; and
- 7 (7) Appropriate funds for an assessment of the medical
- 8 cannabis dispensary licensing framework.

9 SECTION 2. Section 329-122, Hawaii Revised Statutes, is
10 amended by amending subsection (f) to read as follows:

11 "(f) For the purposes of this section, "transport" means
12 the transportation of cannabis, usable cannabis, or any
13 manufactured cannabis product between:

- 14 (1) A qualifying patient and the qualifying patient's
- 15 primary caregiver;
- 16 (2) A qualifying out-of-state patient under eighteen years
- 17 of age and the caregiver of a qualifying out-of-state
- 18 patient;
- 19 (3) The production centers and the retail dispensing
- 20 locations under a dispensary licensee's license; [øx]



1 (4) Dispensaries, to the extent authorized by section
2 329D-6(r); or
3 [~~(4)~~] (5) A production center, retail dispensing location,
4 qualifying patient, primary caregiver, qualifying
5 out-of-state patient, or caregiver of a qualifying
6 out-of-state patient and a certified laboratory for
7 the purpose of laboratory testing; provided that a
8 qualifying patient, primary caregiver, qualifying
9 out-of-state patient, or caregiver of a qualifying
10 out-of-state patient may only transport up to one gram
11 of cannabis per test to a certified laboratory for
12 laboratory testing and may only transport the product
13 if the qualifying patient, primary caregiver,
14 qualifying out-of-state patient, or caregiver of a
15 qualifying out-of-state patient:
16 (A) Secures an appointment for testing at a certified
17 laboratory;
18 (B) Obtains confirmation, which may be electronic,
19 that includes the specific time and date of the
20 appointment and a detailed description of the

1 product and amount to be transported to the
2 certified laboratory for the appointment; and
3 (C) Has the confirmation, which may be electronic,
4 available during transport.

5 For purposes of interisland transportation, "transport" of
6 cannabis, usable cannabis, or any manufactured cannabis product,
7 by any means is allowable only between dispensaries to the
8 extent authorized by section 329D-6(r) and between a production
9 center or retail dispensing location and a certified laboratory
10 for the sole purpose of laboratory testing pursuant to section
11 329D-8, as permitted under section 329D-6(m) and subject to
12 section 329D-6(j), and with the understanding that state law and
13 its protections do not apply outside of the jurisdictional
14 limits of the State. Allowable transport pursuant to this
15 section does not include interisland transportation by any means
16 or for any purpose between a [~~qualified~~] qualifying patient,
17 primary caregiver, qualifying out-of-state patient, or caregiver
18 of a qualifying out-of-state patient and any other entity or
19 individual, including an individual who is a [~~qualified~~]
20 qualifying patient, primary caregiver, qualifying out-of-state
21 patient, or caregiver of a qualifying out-of-state patient."

1 SECTION 3. Section 329-130, Hawaii Revised Statutes, is
2 amended by amending subsection (a) to read as follows:

3 "(a) After December 31, [~~2023,~~] 2024, a qualifying patient
4 shall obtain medical cannabis or manufactured cannabis products
5 only:

6 (1) From a dispensary licensed pursuant to chapter 329D;
7 provided that the cannabis shall be purchased and paid
8 for at the time of purchase; or

9 (2) By cultivating cannabis in an amount that does not
10 exceed an adequate supply for the qualifying patient,
11 pursuant to section 329-122; provided that each
12 location used to cultivate cannabis shall be used by
13 no more than five qualifying patients.

14 After December 31, [~~2023,~~] 2024, no primary caregiver shall be
15 authorized to cultivate cannabis for any qualifying patient."

16 SECTION 4. Section 329D-1, Hawaii Revised Statutes, is
17 amended as follows:

18 1. By amending the definition of "medical cannabis
19 dispensary" to read:

20 ""Medical cannabis dispensary" or "dispensary" means a
21 person licensed by the State pursuant to this chapter to own,



1 operate, or subcontract [~~up to two~~] no more than three
2 production centers and up to two retail dispensing locations."

3 2. By amending the definition of "medical cannabis
4 production center" to read:

5 ""Medical cannabis production center" or "production
6 center" means a farm or [~~facility~~] series of structures located
7 within the same secured perimeter fence-line wholly owned,
8 operated, or subcontracted by a person licensed by the State
9 pursuant to this chapter as a medical cannabis dispensary that
10 produces cannabis and manufactured cannabis products [~~solely~~] to
11 supply cannabis and manufactured cannabis products to one or
12 more of the retail dispensing locations of [~~the~~] any licensed
13 medical cannabis dispensary."

14 SECTION 5. Section 329D-2, Hawaii Revised Statutes, is
15 amended as follows:

16 1. By amending subsection (f) to read:

17 "(f) [~~Up to two~~] No more than three production centers
18 shall be allowed under each dispensary license; provided that,
19 except as otherwise specified in subsection (k), each production
20 center shall be limited to no more than [~~three~~] five thousand
21 cannabis plants. For purposes of this subsection, "plant" means



1 a cannabis plant that is greater than twelve vertical inches in
2 height from where the base of the stalk emerges from the growth
3 medium to the tallest point of the plant, or greater than twelve
4 horizontal inches in width from the end of one branch to the end
5 of another branch; provided that multiple stalks emanating from
6 the same root ball or root system shall be considered part of
7 the same single plant."

8 2. By amending subsections (k) and (l) to read:

9 "(k) Notwithstanding any provision of subsection (f) to
10 the contrary, the department may [~~determine whether~~] allow any
11 dispensary [~~licensees shall be allowed~~] licensee an additional
12 two thousand five hundred cannabis plants at each of the
13 licensee's production centers[~~. In~~]; provided that the licensee
14 shall be allowed no more than fifteen thousand cannabis plants
15 in total across all of the licensee's production centers;
16 provided further that in no case shall a licensee be allowed
17 more than [~~five~~] seven thousand five hundred plants at a single
18 production center.

19 (l) Notwithstanding any provision of subsection (g) to the
20 contrary, the department may determine whether dispensary
21 licensees shall be allowed [~~one~~] no more than two additional



1 retail dispensing [~~location~~] locations per licensee. In
 2 considering whether to allow additional retail dispensing
 3 locations, the department shall consider the licensee's
 4 capability to serve and supply medical cannabis to [~~qualified~~]
 5 qualifying patients in a rural or underserved geographical area
 6 of a county. For purposes of this subsection, a "rural or
 7 underserved geographical area" shall be determined by
 8 considering the number of registered medical cannabis patients
 9 [~~that~~] who reside within a certain zip code compared to the
 10 quantity of medical cannabis that the closest production center
 11 and retail dispensing location have the capability to provide."

12 SECTION 6. Section 329D-4, Hawaii Revised Statutes, is
 13 amended as follows:

14 1. By amending subsection (c) to read:

15 "(c) [A] Pursuant to section 329D-7(2), a nonrefundable
 16 application fee [~~of \$5,000~~] for each license application shall
 17 be submitted to the department by certified or cashier's check.
 18 Within seven days of approval, a dispensary license fee [~~of~~
 19 ~~\$75,000~~] for each license approved shall be submitted to the
 20 department by certified or cashier's check or the department
 21 shall issue a license to the next qualified applicant."



1 2. By amending subsection (n) to read:

2 "(n) [A] Pursuant to section 239D-7(2), a dispensary
3 license may be renewed annually by payment of an annual renewal
4 fee [~~of \$50,000~~] and subject to verification by the department
5 through an unannounced inspection that the individual licensee
6 and entity licensee continue to meet all licensing requirements
7 from the date the initial licenses were issued."

8 SECTION 7. Section 329D-6, Hawaii Revised Statutes, is
9 amended to read as follows:

10 "**§329D-6 Dispensary operations.** (a) No person shall
11 operate a dispensary, [~~nor~~] or engage in the production,
12 manufacture, or sale of cannabis or manufactured cannabis
13 products, unless the person has obtained a license from the
14 department pursuant to this chapter.

15 (b) No dispensary licensee, its officers, employees, or
16 agents shall provide written certification for the use of
17 medical cannabis or manufactured cannabis products for any
18 person.

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



1 (d) Notwithstanding any other law to the contrary,
2 including [~~but not limited to~~] sections 378-2 and 378-2.5,
3 dispensaries:

4 (1) Shall deny employment to any individual who has been:

5 (A) Convicted of murder in any degree;

6 (B) Convicted of a class A or class B felony; or

7 (C) Convicted of a class C felony involving

8 trafficking, distributing, or promoting a

9 schedule I or II controlled substance other than

10 cannabis within the last ten years; and

11 (2) May deny employment to any individual who has been
12 convicted of a class C felony involving:

13 (A) Fraud, deceit, misrepresentation, embezzlement,
14 or theft; or

15 (B) Endangering the welfare of a minor.

16 Employment under this chapter shall be exempt from section
17 378-2(a)(1), as it relates to arrest and court record
18 discrimination, and section 378-2.5.

19 (e) Retail dispensing locations shall not be open for
20 retail sales before 8:00 a.m. or after 8:00 p.m.,
21 Hawaii-Aleutian Standard Time, Monday through Sunday.



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

15 (g) In all dispensary facilities, only the licensee, if an
16 individual, registered employees of the dispensary licensee,
17 registered employees of a subcontracted production center or
18 retail dispensing location, employees of a certified laboratory
19 for testing purposes, state employees authorized by the director
20 of health, and law enforcement and other government officials
21 acting in their official capacity shall be permitted to touch or



1 handle any cannabis or manufactured cannabis products, except
2 that a qualifying patient, primary caregiver, qualifying
3 out-of-state patient, or caregiver of a qualifying out-of-state
4 patient may receive manufactured cannabis products at a retail
5 dispensing location following completion of a sale.

6 (h) A dispensary shall provide the department with the
7 address, tax map key number, and a copy of the premises lease,
8 if applicable, of the proposed location of a production center
9 allowed under a license for a county [~~not~~] no later than thirty
10 days [~~prior to~~] before any medical cannabis or manufactured
11 cannabis products being produced or manufactured at that
12 production center.

13 (i) A dispensary shall provide the department with the
14 address, tax map key number, and a copy of the premises lease,
15 if applicable, of the proposed location of each retail
16 dispensing location allowed under a license [~~not~~] no less than
17 sixty days [~~prior to~~] before opening for business.

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



- 1 (1) The computer software tracking system shall collect
2 data relating to:
- 3 (A) The total amount of cannabis in possession of all
4 dispensaries from either seed or immature plant
5 state, including all plants that are derived from
6 cuttings or cloning, until the cannabis, cannabis
7 plants, or manufactured cannabis product is sold
8 or destroyed pursuant to section 329D-7;
- 9 (B) The total amount of manufactured cannabis product
10 inventory, including the equivalent physical
11 weight of cannabis that is used to manufacture
12 manufactured cannabis products, purchased by a
13 qualifying patient, primary caregiver, qualifying
14 out-of-state patient, and caregiver of a
15 qualifying out-of-state patient from all retail
16 dispensing locations in the State in any
17 fifteen-day period;
- 18 (C) The amount of waste produced by each plant at
19 harvest; and
- 20 (D) The transport of cannabis and manufactured
21 cannabis products between production centers and



1 retail dispensing locations[7] and as authorized
2 by subsection (r), including tracking
3 identification issued by the tracking system, the
4 identity of the person transporting the cannabis
5 or manufactured cannabis products, and the make,
6 model, and license number of the vehicle being
7 used for the transport;

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

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

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

17 (3) Notwithstanding any other provision of this subsection
18 to the contrary, once the department has authorized a
19 licensed dispensary to commence sales of cannabis or
20 manufactured cannabis products, if the department's
21 computer software tracking system is inoperable or is

1 not functioning properly, as an alternative to
2 requiring dispensaries to temporarily cease
3 operations, the department may implement an alternate
4 tracking system that will enable a qualifying patient,
5 primary caregiver, qualifying out-of-state patient,
6 and caregiver of a qualifying out-of-state patient to
7 purchase cannabis or manufactured cannabis products
8 from a licensed dispensary on a temporary basis. The
9 department shall seek input regarding the alternate
10 tracking system from medical cannabis licensees. The
11 alternate tracking system may operate as follows:
12 (A) The department may immediately notify all
13 licensed dispensaries that the computer software
14 tracking system is inoperable; and
15 (B) Once the computer software tracking system is
16 operational and functioning to meet the
17 requirements of this subsection, the department
18 may notify all licensed dispensaries, and the
19 alternate tracking system in this subsection
20 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, primary
20 caregiver, qualifying out-of-state patient, and
21 caregiver of a qualifying out-of-state patient from



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

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

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



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

16 (n) A dispensary shall be prohibited from off-premises
17 delivery of cannabis or manufactured cannabis products to a
18 qualifying patient, primary caregiver, qualifying out-of-state
19 patient, or caregiver of a qualifying out-of-state patient.

20 (o) A dispensary shall not:



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

3 (2) Post any signage other than a single sign no greater
4 than one thousand six hundred square inches bearing
5 only the business or trade name in text without any
6 pictures or illustrations; provided that if any
7 applicable law or ordinance restricting outdoor
8 signage is more restrictive, that law or ordinance
9 shall govern.

10 (p) No cannabis or manufactured cannabis products shall be
11 transported to, from, or within any federal fort or arsenal,
12 national park or forest, any other federal enclave, or any other
13 property possessed or occupied by the federal government.

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

17 (r) The department may authorize a dispensary to purchase
18 cannabis and manufactured cannabis products from another
19 dispensary in a manner prescribed by the department by rules
20 adopted pursuant to this chapter and chapter 91; provided that:



- 1 (1) The purchasing dispensary establishes to the
2 department's satisfaction that:
 - 3 (A) The purchase is necessary to ensure that
4 qualifying patients have continuous access to
5 cannabis for medical use; or
 - 6 (B) The cannabis and manufactured cannabis products
7 are for medical, scientific, or other legitimate
8 purposes approved by the State;
- 9 (2) The selling dispensary may transport no more than
10 eight hundred ounces of cannabis or manufactured
11 cannabis products to the purchasing dispensary within
12 a thirty-day period;
- 13 (3) The cannabis and manufactured cannabis products are
14 transported between the dispensaries for medical,
15 scientific, or other legitimate purposes approved by
16 the State; and
- 17 (4) Nothing in this subsection shall relieve any
18 dispensary of its responsibilities and obligations
19 under this chapter and chapter 329."

20 SECTION 8. Section 329D-7, Hawaii Revised Statutes, is
21 amended to read as follows:

1 "§329D-7 Medical cannabis dispensary rules. The
2 department shall establish standards with respect to:

3 (1) The number of medical cannabis dispensaries that shall
4 be permitted to operate in the State;

5 (2) A fee structure for ~~the~~ the:

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

11 (B) The submission of applications for each
12 additional production center; and

13 (C) Dispensary-to-dispensary sales authorized by
14 section 329D-6(r);

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

19 (A) Ability to operate a business;

20 (B) Financial stability and access to financial
21 resources; provided that applicants for medical

1 cannabis dispensary licenses shall provide
2 documentation that demonstrates control of not
3 less than \$1,000,000 in the form of escrow
4 accounts, letters of credit, surety bonds, bank
5 statements, lines of credit or the equivalent to
6 begin operating the dispensary;
7 (C) Ability to comply with the security requirements
8 developed pursuant to paragraph (6);
9 (D) Capacity to meet the needs of qualifying patients
10 and qualifying out-of-state patients;
11 (E) Ability to comply with criminal background check
12 requirements developed pursuant to paragraph (8);
13 and
14 (F) Ability to comply with inventory controls
15 developed pursuant to paragraph (13);
16 (4) Specific requirements regarding annual audits and
17 reports required from each production center and
18 dispensary licensed pursuant to this chapter;
19 (5) Procedures for announced and unannounced inspections
20 by the department or its agents of production centers
21 and dispensaries licensed pursuant to this chapter;



1 provided that inspections for license renewals shall
2 be unannounced;

3 (6) Security requirements for the operation of production
4 centers and retail dispensing locations; provided
5 that, at a minimum, the following shall be required:

6 (A) For production centers:

7 (i) Video monitoring and recording of the
8 premises; provided that recordings shall be
9 retained for fifty days;

10 (ii) Fencing that surrounds the premises and that
11 is sufficient to reasonably deter intruders
12 and prevent anyone outside the premises from
13 viewing any cannabis in any form;

14 (iii) An alarm system; and

15 (iv) Other reasonable security measures to deter
16 or prevent intruders, as deemed necessary by
17 the department;

18 (B) For retail dispensing locations:

19 (i) Presentation of a valid government-issued
20 photo identification and a valid
21 identification as issued by the department



1 pursuant to section 329-123 by a qualifying
2 patient or caregiver, or section 329-123.5
3 by a qualifying out-of-state patient or
4 caregiver of a qualifying out-of-state
5 patient, upon entering the premises;
6 (ii) Video monitoring and recording of the
7 premises; provided that recordings shall be
8 retained for fifty days;
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 cannabis and manufactured cannabis products between
15 production centers and retail dispensing locations and
16 between a production center, retail dispensing
17 location, qualifying patient, primary caregiver,
18 qualifying out-of-state patient, or caregiver of a
19 qualifying out-of-state patient and a certified
20 laboratory, pursuant to section 329-122(f);

- 1 (8) Standards and criminal background checks to ensure the
2 reputable and responsible character and fitness of all
3 license applicants, licensees, employees,
4 subcontractors and their employees, and prospective
5 employees of medical cannabis dispensaries to operate
6 a dispensary; provided that the standards, at a
7 minimum, shall exclude from licensure or employment
8 any person convicted of any felony;
- 9 (9) The training and certification of operators and
10 employees of production centers and dispensaries;
- 11 (10) The types of manufactured cannabis products that
12 dispensaries shall be authorized to manufacture and
13 sell pursuant to sections 329D-9 and 329D-10;
- 14 (11) Laboratory standards related to testing cannabis and
15 manufactured cannabis products for content,
16 contamination, and consistency;
- 17 (12) The quantities of cannabis and manufactured cannabis
18 products that a dispensary may sell or provide to a
19 qualifying patient, primary caregiver, qualifying out-
20 of-state patient, or caregiver of a qualifying out-of-
21 state patient; provided that no dispensary shall sell



1 or provide to a qualifying patient, primary caregiver,
2 qualifying out-of-state patient, or caregiver of a
3 qualifying out-of-state patient any combination of
4 cannabis and manufactured products that:

5 (A) During a period of fifteen consecutive days,
6 exceeds the equivalent of four ounces of
7 cannabis; or

8 (B) During a period of thirty consecutive days,
9 exceeds the equivalent of eight ounces of
10 cannabis;

11 (13) Dispensary and production center inventory controls to
12 prevent the unauthorized diversion of cannabis or
13 manufactured cannabis products or the distribution of
14 cannabis or manufactured cannabis products to a
15 qualifying patient, primary caregiver, qualifying out-
16 of-state patient, or caregiver of a qualifying out-of-
17 state patient in quantities that exceed limits
18 established by this chapter; provided that the
19 controls, at a minimum, shall include:

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



- 1 (B) Product packaging standards sufficient to allow
- 2 law enforcement personnel to reasonably determine
- 3 the contents of an unopened package;
- 4 (14) Limitation to the size or format of signs placed
- 5 outside a retail dispensing location or production
- 6 center; provided that the signage limitations, at a
- 7 minimum, shall comply with section 329D-6(o)(2) and
- 8 shall not include the image of a cartoon character or
- 9 other design intended to appeal to children;
- 10 (15) The disposal or destruction of unwanted or unused
- 11 cannabis and manufactured cannabis products;
- 12 (16) The enforcement of the following prohibitions against:
- 13 (A) The sale or provision of cannabis or manufactured
- 14 cannabis products to unauthorized persons;
- 15 (B) The sale or provision of cannabis or manufactured
- 16 cannabis products to a qualifying patient,
- 17 primary caregiver, qualifying out-of-state
- 18 patient, or caregiver of a qualifying out-of-
- 19 state patient in quantities that exceed limits
- 20 established by this chapter;



1 (C) Any use or consumption of cannabis or
2 manufactured cannabis products on the premises of
3 a retail dispensing location or production
4 center; and

5 (D) The distribution of cannabis or manufactured
6 cannabis products, for free, on the premises of a
7 retail dispensing location or production center;

8 (17) The establishment of a range of penalties for
9 violations of this chapter or rule adopted thereto;
10 and

11 (18) A process to recognize and register patients who are
12 authorized to purchase, possess, and use medical
13 cannabis in another state, a United States territory,
14 or the District of Columbia as qualifying out-of-state
15 patients; provided that this registration process may
16 commence no sooner than January 1, 2018."

17 SECTION 9. There is appropriated out of the general
18 revenues of the State of Hawaii the sum of \$50,000 or so much
19 thereof as may be necessary for fiscal year 2022-2023 for an
20 assessment of the medical cannabis dispensary licensing
21 framework.



1 The sum appropriated shall be expended by the department of
2 health for the purposes of this Act.

3 SECTION 10. This Act does not affect rights and duties
4 that matured, penalties that were incurred, and proceedings that
5 were begun before its effective date.

6 SECTION 11. Statutory material to be repealed is bracketed
7 and stricken. New statutory material is underscored.

8 SECTION 12. This Act shall take effect on July 1, 2022.

APPROVED this 12th day of July , 2022



GOVERNOR OF THE STATE OF HAWAII



HB No. 2260, HD 1, SD 2, CD 1

THE HOUSE OF REPRESENTATIVES OF THE STATE OF HAWAII

Date: May 3, 2022
Honolulu, Hawaii

We hereby certify that the above-referenced Bill on this day passed Final Reading in the House of Representatives of the Thirty-First Legislature of the State of Hawaii, Regular Session of 2022.



Scott K. Saiki
Speaker
House of Representatives





Brian L. Takeshita
Chief Clerk
House of Representatives

THE SENATE OF THE STATE OF HAWAI‘I

Date: May 3, 2022
Honolulu, Hawaii 96813

We hereby certify that the foregoing Bill this day passed Final Reading in the Senate of the Thirty-First Legislature of the State of Hawai‘i, Regular Session of 2022.


President of the Senate


Clerk of the Senate