

---

---

# 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 system 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) Increase the allowable number of plants for production  
11          centers;
- 12          (3) Increase the number of production centers that may be  
13          allowed under a dispensary license;
- 14          (4) Increase the number of retail dispensing locations  
15          that may be allowed under a dispensary license;



1 (5) Redefine the term "medical cannabis production center"  
2 to include any series of structures located within the  
3 same secured perimeter fence-line;

4 (6) Require the department of health to establish the fee  
5 structure for the submission of applications for  
6 additional production centers and retail dispensing  
7 locations and for dispensary-to-dispensary sales; and

8 (7) Amend the department of health's duties with respect  
9 to the establishment of standards for manufactured  
10 cannabis products.

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

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

16 (1) A qualifying patient and the qualifying patient's  
17 primary caregiver;

18 (2) A qualifying out-of-state patient under eighteen years  
19 of age and the caregiver of a qualifying out-of-state  
20 patient;



1 (3) The production centers and the retail dispensing  
2 locations under a dispensary licensee's license; [~~or~~]

3 (4) Dispensaries, to the extent authorized by section  
4 329D-6(r); or

5 [+4+] (5) A production center, retail dispensing location,  
6 qualifying patient, primary caregiver, qualifying  
7 out-of-state patient, or caregiver of a qualifying  
8 out-of-state patient and a certified laboratory for  
9 the purpose of laboratory testing; provided that a  
10 qualifying patient, primary caregiver, qualifying  
11 out-of-state patient, or caregiver of a qualifying  
12 out-of-state patient may only transport up to one gram  
13 of cannabis per test to a certified laboratory for  
14 laboratory testing and may only transport the product  
15 if the qualifying patient, primary caregiver,  
16 qualifying out-of-state patient, or caregiver of a  
17 qualifying out-of-state patient:

18 (A) Secures an appointment for testing at a certified  
19 laboratory;

20 (B) Obtains confirmation, which may be electronic,  
21 that includes the specific time and date of the



1 appointment and a detailed description of the  
2 product and amount to be transported to the  
3 certified laboratory for the appointment; and

4 (C) Has the confirmation, which may be electronic,  
5 available during transport.

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



1 qualifying patient, primary caregiver, qualifying out-of-state  
2 patient, or caregiver of a qualifying out-of-state patient."

3 SECTION 3. Section 329D-1, Hawaii Revised Statutes, is  
4 amended as follows:

5 1. By amending the definition of "medical cannabis  
6 dispensary" to read:

7 "Medical cannabis dispensary" or "dispensary" means a  
8 person licensed by the State pursuant to this chapter to own,  
9 operate, or subcontract [~~up to two~~] no more than three  
10 production centers and [~~up to two~~] no more than three retail  
11 dispensing locations."

12 2. By amending the definition of "medical cannabis  
13 production center" to read:

14 "Medical cannabis production center" or "production  
15 center" means a farm or [~~faeility~~] series of structures located  
16 within the same secured perimeter fence-line wholly owned,  
17 operated, or subcontracted by a person licensed by the State  
18 pursuant to this chapter as a medical cannabis dispensary that  
19 produces cannabis and manufactured cannabis products [~~selely~~] to  
20 supply cannabis and manufactured cannabis products to one or



1 more of the retail dispensing locations of [~~the~~] any licensed  
2 medical cannabis dispensary."

3 SECTION 4. Section 329D-2, Hawaii Revised Statutes, is  
4 amended as follows:

5 1. By amending subsections (f) and (g) to read:

6 "(f) [~~Up to two~~] No more than three production centers  
7 shall be allowed under each dispensary license; provided that,  
8 except as otherwise specified in subsection (k), each production  
9 center shall be limited to no more than [~~three~~] five thousand  
10 cannabis plants. For purposes of this subsection, "plant" means  
11 a cannabis plant that is greater than twelve vertical inches in  
12 height from where the base of the stalk emerges from the growth  
13 medium to the tallest point of the plant, or greater than twelve  
14 horizontal inches in width from the end of one branch to the end  
15 of another branch; provided that multiple stalks emanating from  
16 the same root ball or root system shall be considered part of  
17 the same single plant.

18 (g) A dispensary licensee may establish [~~up to two~~] no  
19 more than three retail dispensing locations under the licensee's  
20 dispensary license, except as otherwise specified in subsection  
21 (1)."



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

2           "(k) Notwithstanding any provision of subsection (f) to  
3 the contrary, the department may [~~determine whether~~] allow any  
4 dispensary [~~licensees shall be allowed~~] licensee an additional  
5 two thousand five hundred cannabis plants at each of the  
6 licensee's production centers[~~. In~~]; provided that the licensee  
7 shall be allowed no more than two production centers; provided  
8 further that in no case shall a licensee be allowed more than  
9 [~~five~~] seven thousand five hundred plants at a single production  
10 center.

11           (l) Notwithstanding any provision of subsection (g) to the  
12 contrary, the department may determine whether dispensary  
13 licensees shall be allowed [~~one~~] no more than two additional  
14 retail dispensing [~~location~~] locations per licensee. In  
15 considering whether to allow additional retail dispensing  
16 locations, the department shall consider the licensee's  
17 capability to serve and supply medical cannabis to [~~qualified~~]  
18 qualifying patients in a rural or underserved geographical area  
19 of a county. For purposes of this subsection, a "rural or  
20 underserved geographical area" shall be determined by  
21 considering the number of registered medical cannabis patients



1 ~~[that]~~ who reside within a certain zip code compared to the  
2 quantity of medical cannabis that the closest production center  
3 and retail dispensing location have the capability to provide."

4 SECTION 5. Section 329D-4, Hawaii Revised Statutes, is  
5 amended as follows:

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

7 "(c) [A] Pursuant to section 329D-7(2), a nonrefundable  
8 application fee [~~of \$5,000~~] for each license application shall  
9 be submitted to the department by certified or cashier's check.  
10 Within seven days of approval, a dispensary license fee [~~of~~  
11 ~~\$75,000~~] for each license approved shall be submitted to the  
12 department by certified or cashier's check or the department  
13 shall issue a license to the next qualified applicant."

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

15 "(n) [A] Pursuant to section 329D-7(2), a dispensary  
16 license may be renewed annually by payment of an annual renewal  
17 fee [~~of \$50,000~~] and subject to verification by the department,  
18 through an unannounced inspection, that the individual licensee  
19 and entity licensee continue to meet all licensing requirements  
20 from the date the initial licenses were issued."





1 SECTION 6. 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~~] or engage in the production,  
5 manufacture, or sale of cannabis or manufactured cannabis  
6 products, unless the person has obtained a license from the  
7 department pursuant 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,  
16 dispensaries:

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

18 (A) Convicted of murder in any degree;

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

20 (C) Convicted of a class C felony involving

21 trafficking, distributing, or promoting a



1 schedule I or II controlled substance other than  
2 cannabis within the last ten years; and

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

5 (A) Fraud, deceit, misrepresentation, embezzlement,  
6 or theft; or

7 (B) Endangering the welfare of a minor.

8 Employment under this chapter shall be exempt from section  
9 378-2(a)(1), as it relates to arrest and court record  
10 discrimination, and section 378-2.5.

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

14 (f) All dispensary facilities, including [~~but not limited~~  
15 ~~to~~] production centers and retail dispensing locations, shall be  
16 enclosed indoor facilities and shall maintain twenty-four hour  
17 security measures, including [~~but not limited to~~] an alarm  
18 system, video monitoring and recording on the premises, and  
19 exterior lighting. A dispensary licensee [~~who~~] that intends to  
20 utilize, as a production center, an enclosed indoor facility  
21 that includes a roof that is partially or completely transparent



1 or translucent, as provided under section 329D-1, shall notify  
2 the department of that intention [~~prior to~~] before altering or  
3 constructing the facility. Production centers shall remain  
4 locked at all times. Retail dispensing locations shall remain  
5 locked at all times, other than business hours as authorized by  
6 subsection (e), and shall only be opened for authorized persons.

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

19 (h) A dispensary shall provide the department with the  
20 address, tax map key number, and a copy of the premises lease,  
21 if applicable, of the proposed location of a production center



1 allowed under a license for a county [~~not~~] no later than thirty  
2 days [~~prior to~~] before any medical cannabis or manufactured  
3 cannabis products being produced or manufactured at that  
4 production center.

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

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

13 (1) The computer software tracking system shall collect  
14 data relating to:

15 (A) The total amount of cannabis in possession of all  
16 dispensaries from either seed or immature plant  
17 state, including all plants that are derived from  
18 cuttings or cloning, until the cannabis, cannabis  
19 plants, or manufactured cannabis product is sold  
20 or destroyed pursuant to section 329D-7;



- 1 (B) The total amount of manufactured cannabis product  
2 inventory, including the equivalent physical  
3 weight of cannabis that is used to manufacture  
4 manufactured cannabis products, purchased by a  
5 qualifying patient, primary caregiver, qualifying  
6 out-of-state patient, and caregiver of a  
7 qualifying out-of-state patient from all retail  
8 dispensing locations in the State in any  
9 fifteen-day period;
- 10 (C) The amount of waste produced by each plant at  
11 harvest; and
- 12 (D) The transport of cannabis and manufactured  
13 cannabis products between production centers and  
14 retail dispensing locations [7] and as authorized  
15 by subsection (r), including tracking  
16 identification issued by the tracking system, the  
17 identity of the person transporting the cannabis  
18 or manufactured cannabis products, and the make,  
19 model, and license number of the vehicle being  
20 used for the transport;



- 1           (2) The procurement of the computer software tracking  
2           system established pursuant to this subsection shall  
3           be exempt from chapter 103D; provided that:
- 4           (A) The department shall publicly solicit at least  
5           three proposals for the computer software  
6           tracking system; and
- 7           (B) The selection of the computer software tracking  
8           system shall be approved by the director of the  
9           department and the chief information officer; and
- 10          (3) Notwithstanding any other provision of this subsection  
11          to the contrary, once the department has authorized a  
12          licensed dispensary to commence sales of cannabis or  
13          manufactured cannabis products, if the department's  
14          computer software tracking system is inoperable or is  
15          not functioning properly, as an alternative to  
16          requiring dispensaries to temporarily cease  
17          operations, the department may implement an alternate  
18          tracking system that will enable a qualifying patient,  
19          primary caregiver, qualifying out-of-state patient,  
20          and caregiver of a qualifying out-of-state patient to  
21          purchase cannabis or manufactured cannabis products



1 from a licensed dispensary on a temporary basis. The  
2 department shall seek input regarding the alternate  
3 tracking system from medical cannabis licensees. The  
4 alternate tracking system may operate as follows:

5 (A) The department may immediately notify all  
6 licensed dispensaries that the computer software  
7 tracking system is inoperable; and

8 (B) Once the computer software tracking system is  
9 operational and functioning to meet the  
10 requirements of this subsection, the department  
11 may notify all licensed dispensaries, and the  
12 alternate tracking system in this subsection  
13 shall be discontinued.

14 (k) A dispensary licensed pursuant to this chapter shall  
15 purchase, operate, and maintain a computer software tracking  
16 system that shall:

17 (1) Interface with the department's computer software  
18 tracking system established pursuant to subsection  
19 (j);

20 (2) Allow each licensed dispensary's production center to  
21 submit to the department in real time, by automatic



1 identification and data capture, all cannabis,  
 2 cannabis plants, and manufactured cannabis product  
 3 inventory in possession of that dispensary from either  
 4 seed or immature plant state, including all plants  
 5 that are derived from cuttings or cloning, until the  
 6 cannabis or manufactured cannabis product is sold or  
 7 destroyed pursuant to section 329D-7;

8 (3) Allow the licensed dispensary's retail dispensing  
 9 location to submit to the department in real time for  
 10 the total amount of cannabis and manufactured cannabis  
 11 product purchased by a qualifying patient, primary  
 12 caregiver, qualifying out-of-state patient, and  
 13 caregiver of a qualifying out-of-state patient from  
 14 the dispensary's retail dispensing locations in the  
 15 State in any fifteen day period; provided that the  
 16 software tracking system shall impose an automatic  
 17 stopper in real time, which cannot be overridden, on  
 18 any further purchases of cannabis or manufactured  
 19 cannabis products, if the maximum allowable amount of  
 20 cannabis has already been purchased for the applicable  
 21 fifteen day period; provided further that additional





1 purchases shall not be permitted until the next  
2 applicable period; and

3 (4) Allow the licensed dispensary to submit all data  
4 required by this subsection to the department and  
5 permit the department to access the data if the  
6 department's computer software tracking system is not  
7 functioning properly and sales are made pursuant to  
8 the alternate tracking system under subsection (j).

9 (1) No free samples of cannabis or manufactured cannabis  
10 products shall be provided at any time, and no consumption of  
11 cannabis or manufactured cannabis products shall be permitted on  
12 any dispensary premises.

13 (m) [A] Except as authorized by subsection (r), a  
14 dispensary shall not transport cannabis or manufactured cannabis  
15 products to another county or another island; provided that this  
16 subsection shall not apply to the transportation of cannabis or  
17 any manufactured cannabis product solely for the purposes of  
18 laboratory testing pursuant to section 329D-8, and subject to  
19 subsection (j) [7], if no certified laboratory is located in the  
20 county or on the island where the dispensary is located;  
21 provided further that a dispensary shall only transport samples



1 of cannabis and manufactured cannabis products for laboratory  
2 testing for purposes of this subsection in an amount and manner  
3 prescribed by the department, in rules adopted pursuant to this  
4 chapter, and with the understanding that state law and its  
5 protections do not apply outside of the jurisdictional limits of  
6 the State.

7 (n) A dispensary shall be prohibited from off-premises  
8 delivery of cannabis or manufactured cannabis products to a  
9 qualifying patient, primary caregiver, qualifying out-of-state  
10 patient, or caregiver of a qualifying out-of-state patient.

11 (o) A dispensary shall not:

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

14 (2) Post any signage other than a single sign no greater  
15 than one thousand six hundred square inches bearing  
16 only the business or trade name in text without any  
17 pictures or illustrations; provided that if any  
18 applicable law or ordinance restricting outdoor  
19 signage is more restrictive, that law or ordinance  
20 shall govern.



1 (p) No cannabis or manufactured cannabis products shall be  
2 transported to, from, or within any federal fort or arsenal,  
3 national park or forest, any other federal enclave, or any other  
4 property possessed or occupied by the federal government.

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

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

12 (1) The purchasing dispensary establishes to the  
13 department's satisfaction that:

14 (A) The purchase is necessary to ensure that  
15 qualifying patients have continuous access to  
16 cannabis for medical use; or

17 (B) The cannabis and manufactured cannabis products  
18 are for medical, scientific, or other legitimate  
19 purposes approved by the State;

20 (2) The selling dispensary may transport no more than  
21 three hundred twenty ounces of cannabis or



1           manufactured cannabis products to the purchasing  
2           dispensary within a \_\_\_\_\_ period;

3           (3) The cannabis and manufactured cannabis products are  
4           transported between the dispensaries for medical,  
5           scientific, or other legitimate purposes approved by  
6           the State; and

7           (4) Nothing in this subsection shall relieve any  
8           dispensary of its responsibilities and obligations  
9           under this chapter and chapter 329."

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

12           "**§329D-7 Medical cannabis dispensary rules.** The  
13 department shall establish standards with respect to:

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

16           (2) A fee structure for ~~the~~;

17           (A) The submission of applications and renewals of  
18           licenses to dispensaries; provided that the  
19           department shall consider the market conditions  
20           in each county in determining the license renewal  
21           fee amounts;



- 1           (B) The submission of applications for each
- 2           additional production center and each additional
- 3           retail dispensing location; and
- 4           (C) Dispensary-to-dispensary sales authorized by
- 5           section 329D-6(r);
- 6       (3) Criteria and procedures for the consideration and
- 7           selection, based on merit, of applications for
- 8           licensure of dispensaries; provided that the criteria
- 9           shall include but not be limited to an applicant's:
- 10       (A) Ability to operate a business;
- 11       (B) Financial stability and access to financial
- 12           resources; provided that applicants for medical
- 13           cannabis dispensary licenses shall provide
- 14           documentation that demonstrates control of ~~not~~
- 15           no less than \$1,000,000 in the form of escrow
- 16           accounts, letters of credit, surety bonds, bank
- 17           statements, lines of credit or the equivalent to
- 18           begin operating the dispensary;
- 19       (C) Ability to comply with the security requirements
- 20           developed pursuant to paragraph (6);



- 1 (D) Capacity to meet the needs of qualifying patients
- 2 and qualifying out-of-state patients;
- 3 (E) Ability to comply with criminal background check
- 4 requirements developed pursuant to paragraph (8);
- 5 and
- 6 (F) Ability to comply with inventory controls
- 7 developed pursuant to paragraph (13);
- 8 (4) Specific requirements regarding annual audits and
- 9 reports required from each production center and
- 10 dispensary licensed pursuant to this chapter;
- 11 (5) Procedures for announced and unannounced inspections
- 12 by the department or its agents of production centers
- 13 and dispensaries licensed pursuant to this chapter;
- 14 provided that inspections for license renewals shall
- 15 be unannounced;
- 16 (6) Security requirements for the operation of production
- 17 centers and retail dispensing locations; provided
- 18 that, at a minimum, the following shall be required:
- 19 (A) For production centers:



- 1           (i) Video monitoring and recording of the
- 2                           premises; provided that recordings shall be
- 3                           retained for fifty days;
- 4           (ii) Fencing that surrounds the premises and that
- 5                           is sufficient to reasonably deter intruders
- 6                           and prevent anyone outside the premises from
- 7                           viewing any cannabis in any form;
- 8           (iii) An alarm system; and
- 9           (iv) Other reasonable security measures to deter
- 10                           or prevent intruders, as deemed necessary by
- 11                           the department;
- 12       (B) For retail dispensing locations:
- 13           (i) Presentation of a valid government-issued
- 14                           photo identification and a valid
- 15                           identification as issued by the department
- 16                           pursuant to section 329-123 by a qualifying
- 17                           patient or caregiver, or section 329-123.5
- 18                           by a qualifying out-of-state patient or
- 19                           caregiver of a qualifying out-of-state
- 20                           patient, upon entering the premises;



- 1           (ii) Video monitoring and recording of the  
2           premises; provided that recordings shall be  
3           retained for fifty days;
- 4           (iii) An alarm system;
- 5           (iv) Exterior lighting; and
- 6           (v) Other reasonable security measures as deemed  
7           necessary by the department;
- 8       (7) Security requirements for the transportation of  
9       cannabis and manufactured cannabis products between  
10       production centers and retail dispensing locations,  
11       between dispensaries as authorized by section  
12       329D-6(r), and between a production center, retail  
13       dispensing location, qualifying patient, primary  
14       caregiver, qualifying out-of-state patient, or  
15       caregiver of a qualifying out-of-state patient and a  
16       certified laboratory, pursuant to section 329-122(f);
- 17       (8) Standards and criminal background checks to ensure the  
18       reputable and responsible character and fitness of all  
19       license applicants, licensees, employees,  
20       subcontractors and their employees, and prospective  
21       employees of medical cannabis dispensaries to operate





1 a dispensary; provided that the standards, at a  
2 minimum, shall exclude from licensure or employment  
3 any person convicted of any felony;

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

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

9 (11) Laboratory standards related to testing cannabis and  
10 manufactured cannabis products for content,  
11 contamination, and consistency;

12 (12) The quantities of cannabis and manufactured cannabis  
13 products that a dispensary may sell or provide to a  
14 qualifying patient, primary caregiver, qualifying  
15 out-of-state patient, or caregiver of a qualifying  
16 out-of-state patient; provided that no dispensary  
17 shall sell or provide to a qualifying patient, primary  
18 caregiver, qualifying out-of-state patient, or  
19 caregiver of a qualifying out-of-state patient any  
20 combination of cannabis and manufactured products  
21 that:



- 1           (A) During a period of fifteen consecutive days,  
2                           exceeds the equivalent of four ounces of  
3                           cannabis; or
- 4           (B) During a period of thirty consecutive days,  
5                           exceeds the equivalent of eight ounces of  
6                           cannabis;
- 7       (13) Dispensary and production center inventory controls to  
8           prevent the unauthorized diversion of cannabis or  
9           manufactured cannabis products or the distribution of  
10          cannabis or manufactured cannabis products to a  
11          qualifying patient, primary caregiver, qualifying  
12          out-of-state patient, or caregiver of a qualifying  
13          out-of-state patient in quantities that exceed limits  
14          established by this chapter; provided that the  
15          controls, at a minimum, shall include:
  - 16               (A) A computer software tracking system as specified  
17                           in section 329D-6(j) and (k); and
  - 18               (B) Product packaging standards sufficient to allow  
19                           law enforcement personnel to reasonably determine  
20                           the contents of an unopened package;



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



1 (D) The distribution of cannabis or manufactured  
2 cannabis products, for free, on the premises of a  
3 retail dispensing location or production center;

4 (17) The establishment of a range of penalties for  
5 violations of this chapter or rule adopted thereto;  
6 and

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

13 SECTION 8. Section 329D-9, Hawaii Revised Statutes, is  
14 amended by amending subsection (b) to read as follows:

15 "(b) The department shall establish health, safety,  
16 manufacturing, and [~~sanitation~~] product stability standards  
17 regarding the manufacture of manufactured cannabis products."

18 SECTION 9. This Act does not affect rights and duties that  
19 matured, penalties that were incurred, and proceedings that were  
20 begun before its effective date.



1 SECTION 10. Statutory material to be repealed is bracketed  
2 and stricken. New statutory material is underscored.

3 SECTION 11. This Act shall take effect on July 1, 2060.



**Report Title:**

Department of Health; Medical Cannabis; Transportation;  
Dispensaries; Production Centers; Retail Dispensing Locations

**Description:**

Amends the circumstances under which medical cannabis may be transported by and between dispensaries. Increases the allowable number of plants for production centers. Increases the number of production centers that may be allowed under a dispensary license. Increases the number of retail dispensing locations that may be allowed under a dispensary license. Redefines the term "medical cannabis production center" to include any series of structures located within the same secured perimeter fence-line. Requires the Department of Health to establish the fee structure for the submission of applications for additional production centers and retail dispensing locations and for dispensary-to-dispensary sales. Amends the Department of Health's duties with respect to the establishment of standards for manufactured cannabis products. Effective 7/1/2060. (SD1)

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

