HOUSE OF REPRESENTATIVES THIRTY-FIRST LEGISLATURE, 2021 STATE OF HAWAII



A BILL FOR AN ACT

RELATING TO CANNABIS.

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

SECTION 1. The legislature finds that amendments to
 chapter 329D, Hawaii Revised Statutes, are warranted to clarify
 legislative intent, ensure smooth administration of the medical
 cannabis dispensary system law, allow for adequate qualifying
 patient access based on experiences in other states that have a
 sensible medical cannabis program, and resolve other issues that
 have arisen under the existing law.

8 The purpose of this Act is to:

Authorize the department of health to allow a licensed 9 (1) 10 dispensary to purchase up to three thousand grams of 11 medical cannabis or manufactured cannabis products 12 from another licensed dispensary located on the same 13 island to ensure ongoing qualifying patient access; 14 (2) Increase the allowable number of production centers and retail dispensing locations per dispensary 15 16 license;

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1	(3)	Limit where qualifying patients can obtain medical
2		cannabis or manufactured cannabis products after
3		December 31, 2021;
4	(4)	Authorize the department of health to set the fee
5		structure for the submission of applications for each
6		additional production center and retail dispensing
7		location and for dispensary-to-dispensary sales;
8	(5)	Authorize the department of health or law enforcement,
9		upon the request of the department, to conduct
10		administrative inspections of registered grow sites to
11		ensure compliance with cannabis plant limits;
12	(6)	Clarify that so long as federal law prohibits the
13		transportation of medical cannabis over a body of
14		water, dispensary-to-dispensary sales may only occur
15		between dispensaries located on the same island; and
16	(7)	Clarify that the transport of cannabis to another
17		county or island for the sole purposes of laboratory
18		testing is permissible only if no certified laboratory
19		is located in the county or on the island where the
20		dispensary is located.

1	SECT	ION 2. Section 329-122, Hawaii Revised Statutes, is		
2	amended b	y amending subsection (f) to read as follows:		
3	"(f)	For the purposes of this section, "transport" means		
4	the trans	portation of cannabis, usable cannabis, or any		
5	manufactu	red cannabis product between:		
6	(1) A qualifying patient and the qualifying patient's			
7		primary caregiver;		
8	(2)	A qualifying out-of-state patient under eighteen years		
9		of age and the caregiver of a qualifying out-of-state		
10		patient;		
11	(3)	The production centers and the retail dispensing		
12		locations under a dispensary licensee's license; [or]		
13	(4)	Dispensaries as permitted by section 329D-6(r);		
14		provided that so long as federal law prohibits		
15		transportation of medical cannabis over a body of		
16		water, a selling dispensary may only sell and		
17		transport up to three thousand grams of cannabis or		
18		manufactured cannabis products to a purchasing		
19		dispensary located on the same island as the selling		
20		dispensary; or		

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

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1	(C) Has the confirmation, which may be electronic,
2	available during transport.
3	For purposes of interisland transportation, "transport" of
4	cannabis, usable cannabis, or any manufactured cannabis product,
5	by any means is allowable only between dispensaries as permitted
6	by section 329D-6(r) and between a production center or retail
7	dispensing location and a certified laboratory for the sole
8	purpose of laboratory testing pursuant to section 329D-8, as
9	permitted under section 329D-6(m) and subject to section
10	329D-6(j), and with the understanding that state law and its
11	protections do not apply outside of the jurisdictional limits of
12	the State[-]; provided that so long as federal law prohibits
13	transportation of medical cannabis over a body of water, a
14	selling dispensary may only sell and transport up to three
15	thousand grams of cannabis or manufactured cannabis products to
16	a purchasing dispensary located on the same island as the
17	selling dispensary. Allowable transport pursuant to this
18	section does not include interisland transportation by any means
19	or for any purpose between a [qualified] qualifying patient,
20	primary caregiver, qualifying out-of-state patient, or caregiver
21	of a qualifying out-of-state patient and any other entity or

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1	individua	l, including an individual who is a [qualified]						
2	qualifying patient, primary caregiver, qualifying out-of-state							
3	patient,	patient, or caregiver of a qualifying out-of-state patient."						
4	SECT	ION 3. Section 329-130, Hawaii Revised Statutes, is						
5	amended b	y amending subsection (a) to read as follows:						
6	"(a)	After December 31, [2023,] <u>2021,</u> a qualifying patient						
7	shall obt	ain medical cannabis or manufactured cannabis products						
8	only:							
9	(1)	From a dispensary licensed pursuant to chapter 329D;						
10		provided that the cannabis shall be purchased and paid						
11		for at the time of purchase; or						
12	(2)	By cultivating cannabis in an amount that does not						
13		exceed an adequate supply for the qualifying patient,						
14		pursuant to section 329-122; provided that each						
15		location used to cultivate cannabis shall be used by						
16		no more than five qualifying patients $[-]$; and provided						
17		further that the department, or law enforcement upon						
18		the request of the department, may make inspections,						
19		including onsite inspections for criminal and						
20		administrative purposes, of registered grow sites to						



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1	verify compliance with the requirements of this
2	chapter pursuant to authority under this chapter.
3	After December 31, 2023, no primary caregiver shall be
4	authorized to cultivate cannabis for any qualifying patient."
5	SECTION 4. Section 329D-1, Hawaii Revised Statutes, is
6	amended as follows by amending the definitions of "medical
7	cannabis dispensary" or "dispensary" and "medical cannabis
8	production center" or "production center" to read as follows:
9	""Medical cannabis dispensary" or "dispensary" means a
10	person licensed by the State pursuant to this chapter to own,
11	operate, or subcontract up to [two] production centers and
12	up to [two] retail dispensing locations.
13	"Medical cannabis production center" or "production center"
14	means a farm or facility wholly owned, operated, or
15	subcontracted by a person licensed by the State pursuant to this
16	chapter as a medical cannabis dispensary that produces cannabis
17	and manufactured cannabis products [solely] to supply cannabis
18	and manufactured cannabis products to one or more of the retail
19	dispensing locations of [the] any licensed medical cannabis
20	dispensary."

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SECTION 5. Section 329D-2, Hawaii Revised Statutes, is 1 2 amended by amending subsections (f) and (g) to read as follows: 3 "(f) Up to [two] production centers shall be allowed 4 under each dispensary license; provided that, except as 5 otherwise specified in subsection (k), each production center 6 shall be limited to no more than three thousand cannabis plants. 7 For purposes of this subsection, "plant" means a cannabis plant 8 that is greater than twelve vertical inches in height from where 9 the base of the stalk emerges from the growth medium to the 10 tallest point of the plant, or greater than twelve horizontal 11 inches in width from the end of one branch to the end of another 12 branch; provided that multiple stalks emanating from the same 13 root ball or root system shall be considered part of the same 14 single plant.

(g) A dispensary licensee may establish up to [two]
retail dispensing locations under the licensee's dispensary
license, except as otherwise specified in subsection (1)."
SECTION 6. Section 329D-4, Hawaii Revised Statutes, is
amended as follows:

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1. By amending subsection (c) to read:

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1	"(c) A nonrefundable application fee [of \$5,000] for each
2	license application shall be submitted to the department by
3	certified or cashier's check. Within seven days of approval, a
4	dispensary license fee [of \$75,000] for each license approved
5	shall be submitted to the department by certified or cashier's
6	check or the department shall issue a license to the next
7	qualified applicant."
8	2. By amending subsection (n) to read:
9	"(n) A dispensary license may be renewed annually by
10	payment of an annual renewal fee [of \$50,000] and subject to
11	verification by the department through an unannounced inspection
12	that the individual licensee and entity licensee continue to
13	meet all licensing requirements from the date the initial
14,	licenses were issued."
15	SECTION 7. Section 329D-6, Hawaii Revised Statutes, is
16	amended to read as follows:
17	"§329D-6 Dispensary operations. (a) No person shall
18	operate a dispensary, nor engage in the production, manufacture,
19	or sale of cannabis or manufactured cannabis products, unless
20	the person has obtained a license from the department pursuant
21	to this chapter.

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1 (b) No dispensary licensee, its officers, employees, or 2 agents shall provide written certification for the use of 3 medical cannabis or manufactured cannabis products for any 4 person. 5 (c) No person under the age of twenty-one shall be 6 employed by a dispensary licensee. 7 (d) Notwithstanding any other law to the contrary, 8 including but not limited to sections 378-2 and 378-2.5, 9 dispensaries: 10 (1)Shall deny employment to any individual who has been: 11 (A) Convicted of murder in any degree; 12 (B) Convicted of a class A or class B felony; or 13 Convicted of a class C felony involving (C) 14 trafficking, distributing, or promoting a schedule I or II controlled substance other than 15 16 cannabis within the last ten years; and 17 May deny employment to any individual who has been (2) 18 convicted of a class C felony involving: 19 (A) Fraud, deceit, misrepresentation, embezzlement, 20 or theft; or 21 (B) Endangering the welfare of a minor.

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Employment under this chapter shall be exempt from section
378-2(a)(1), as it relates to arrest and court record
discrimination, and section 378-2.5.
(e) Retail dispensing locations shall not be open for
retail sales before 8:00 a.m. or after 8:00 p.m.,
Hawaii-Aleutian Standard Time, Monday through Sunday.
(f) All dispensary facilities, including but not limited
to production centers and retail dispensing locations, shall be
enclosed indoor facilities and shall maintain twenty-four hour
security measures, including but not limited to an alarm system,
video monitoring and recording on the premises, and exterior
lighting. A dispensary licensee who intends to utilize, as a
production center, an enclosed indoor facility that includes a
roof that is partially or completely transparent or translucent,
as provided under section 329D-1, shall notify the department of
that intention [prior to] <u>before</u> altering or constructing the
facility. Production centers shall remain locked at all times.
Retail dispensing locations shall remain locked at all times,
other than business hours as authorized by subsection (e), and
shall only be opened for authorized persons.

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1 In all dispensary facilities, only the licensee, if an (q) 2 individual, registered employees of the dispensary licensee, 3 registered employees of a subcontracted production center or 4 retail dispensing location, employees of a certified laboratory 5 for testing purposes, state employees authorized by the director 6 of health, and law enforcement and other government officials 7 acting in their official capacity shall be permitted to touch or 8 handle any cannabis or manufactured cannabis products, except 9 that a qualifying patient, primary caregiver, qualifying 10 out-of-state patient, or caregiver of a qualifying out-of-state 11 patient may receive manufactured cannabis products at a retail 12 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] no later than thirty days [prior to] before any medical cannabis or manufactured cannabis products being produced or manufactured at that production center.

20 (i) A dispensary shall provide the department with the
21 address, tax map key number, and a copy of the premises lease,

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if applicable,	of the proposed location of each retail
dispensing loc	ation allowed under a license [not] <u>no</u> less than
sixty days [pr	ior to] <u>before</u> opening for business.
(j) The	department shall establish, maintain, and control
a computer sof	tware tracking system that shall have real time,
twenty-four-ho	ur access to the data of all dispensaries.
(1) The	computer software tracking system shall collect
data	relating to:
(A)	The total amount of cannabis in possession of all
	dispensaries from either seed or immature plant
	state, including all plants that are derived from
	cuttings or cloning, until the cannabis, cannabis
	plants, or manufactured cannabis product is sold
	or destroyed pursuant to section 329D-7;
(B)	The total amount of manufactured cannabis product
	inventory, including the equivalent physical
	weight of cannabis that is used to manufacture
	manufactured cannabis products, purchased by a
	qualifying patient, primary caregiver, qualifying
	out-of-state patient, and caregiver of a
	qualifying out-of-state patient from all retail
	dispensing loc sixty days [pr (j) The a computer sof twenty-four-ho (1) The data (A)

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1			dispensing locations in the State in any
2			fifteen-day period;
3		(C)	The amount of waste produced by each plant at
4			harvest; and
5		(D)	The transport of cannabis and manufactured
6			cannabis products between production centers and
7			retail dispensing locations $[-7]$ and as permitted
8			by subsection (r), including tracking
9			identification issued by the tracking system, the
10			identity of the person transporting the cannabis
11			or manufactured cannabis products, and the make,
12			model, and license number of the vehicle being
13			used for the transport;
14	(2)	The	procurement of the computer software tracking
15		syst	em established pursuant to this subsection shall
16		be e	xempt from chapter 103D; provided that:
17		(A)	The department shall publicly solicit at least
18			three proposals for the computer software
19			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	(k)	A di	A dispensary licensed pursuant to this chapter shall		
11	purchase,	oper	operate, and maintain a computer software tracking		
12	system th	at sh	all:		
13	(1)	Inte	Interface with the department's computer software		
14		trac	king system established pursuant to subsection		
15		(j);			
16	(2)	Allo	w each licensed dispensary's production center to		
17		subm	it to the department in real time, by automatic		
18		iden	tification and data capture, all cannabis,		
19		cann	abis plants, and manufactured cannabis product		
20		inve	ntory in possession of that dispensary from either		
21		seed	or immature plant state, including all plants		

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1 that are derived from cuttings or cloning, until the 2 cannabis or manufactured cannabis product is sold or 3 destroyed pursuant to section 329D-7; 4 (3) Allow the licensed dispensary's retail dispensing 5 location to submit to the department in real time for 6 the total amount of cannabis and manufactured cannabis 7 product purchased by a qualifying patient, primary 8 caregiver, qualifying out-of-state patient, and 9 caregiver of a qualifying out-of-state patient from 10 the dispensary's retail dispensing locations in the 11 State in any fifteen day period; provided that the 12 software tracking system shall impose an automatic 13 stopper in real time, which cannot be overridden, on 14 any further purchases of cannabis or manufactured 15 cannabis products, if the maximum allowable amount of 16 cannabis has already been purchased for the applicable 17 fifteen day period; provided further that additional 18 purchases shall not be permitted until the next 19 applicable period; and 20 (4) Allow the licensed dispensary to submit all data

required by this subsection to the department and

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1 permit the department to access the data if the 2 department's computer software tracking system is not 3 functioning properly and sales are made pursuant to 4 the alternate tracking system under subsection (j). 5 (1) No free samples of cannabis or manufactured cannabis 6 products shall be provided at any time, and no consumption of 7 cannabis or manufactured cannabis products shall be permitted on 8 any dispensary premises.

9 (m) [A] Except as permitted pursuant to subsection (r), a 10 dispensary shall not transport cannabis or manufactured cannabis 11 products to another county or another island; provided that this 12 subsection shall not apply to the transportation of cannabis or 13 any manufactured cannabis product solely for the purposes of 14 laboratory testing pursuant to section 329D-8, and subject to 15 subsection (j)[+], if no certified laboratory is located in the 16 county or on the island where the dispensary is located; 17 provided further that a dispensary shall only transport samples 18 of cannabis and manufactured cannabis products for laboratory 19 testing for purposes of this subsection in an amount and manner 20 prescribed by the department, in rules adopted pursuant to this 21 chapter, and with the understanding that state law and its

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protections do not apply outside of the jurisdictional limits of
 the State.

3 (n) A dispensary shall be prohibited from off-premises
4 delivery of cannabis or manufactured cannabis products to a
5 qualifying patient, primary caregiver, qualifying out-of-state
6 patient, or caregiver of a qualifying out-of-state patient.

- 7 (o) A dispensary shall not:
- 8 (1) Display cannabis or manufactured cannabis products in
 9 windows or in public view; or

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

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

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1	(q)	A dispensary licensed pursuant to this chapter shall					
2	be prohibited from providing written certification pursuant to						
3	section 329-122 for the use of medical cannabis for any person.						
4	<u>(r)</u>	The department may permit a dispensary to purchase					
5	cannabis	and manufactured cannabis products from another					
6	dispensar	y in a manner prescribed by the department by rules					
7	adopted p	ursuant to this chapter and chapter 91; provided that:					
8	(1)	The purchasing dispensary provides sufficient					
9		justification that purchase of the cannabis and					
10		manufactured cannabis products from another dispensary					
11		is necessary to ensure ongoing qualifying patient					
12		access;					
13	(2)	The selling dispensary may only transport up to three					
14		thousand grams of cannabis or manufactured cannabis					
15		products to a purchasing dispensary located on the					
16		same island as the selling dispensary; and					
17	(3)	Nothing in this subsection shall relieve any					
18		dispensary of its responsibilities and obligations					
19	•	under this chapter and chapter 329."					
20	SECT	ION 8. Section 329D-7, Hawaii Revised Statutes, is					
21	amended to read as follows:						

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1	"§329	D-7	Medical cannabis dispensary rules. The
2	department	: shal	l establish standards with respect to:
3	(1)	The r	number of medical cannabis dispensaries that shall
4		be pe	ermitted to operate in the State;
5	(2)	A fee	structure for [the]:
6		<u>(A)</u>	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		<u>(B)</u>	The submission of applications for each
12			additional production center and each additional
13			retail dispensing location; and
14		(C)	Dispensary-to-dispensary sales;
15		provi	ded that the department shall consider market
16		condi	tions in each county in determining the license
17		renev	val fee amounts;
18	(3)	Crite	eria and procedures for the consideration and
19		seled	tion, based on merit, of applications for
20		licer	nsure of dispensaries; provided that the criteria
21		shall	include but not be limited to an applicant's:

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1		(A)	Ability to operate a business;
2		(B)	Financial stability and access to financial
3			resources; provided that applicants for medical
4			cannabis dispensary licenses shall provide
5			documentation that demonstrates control of [not]
6			no less than \$1,000,000 in the form of escrow
7			accounts, letters of credit, surety bonds, bank
8			statements, lines of credit or the equivalent to
9			begin operating the dispensary;
10		(C)	Ability to comply with the security requirements
11			developed pursuant to paragraph (6);
12		(D)	Capacity to meet the needs of qualifying patients
13			and qualifying out-of-state patients;
14		(E)	Ability to comply with criminal background check
15			requirements developed pursuant to paragraph (8);
16			and
17		(F)	Ability to comply with inventory controls
18			developed pursuant to paragraph (13);
19	(4)	Spec	ific requirements regarding annual audits and
20		repo	orts required from each production center and
21		disp	ensary licensed pursuant to this chapter;

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1	(5)	Procedures for announced and unannounced inspections
2		by the department or its agents of production centers
3		and dispensaries licensed pursuant to this chapter;
4		provided that inspections for license renewals shall
5		be unannounced;
6	(6)	Security requirements for the operation of production
7		centers and retail dispensing locations; provided
8		that, at a minimum, the following shall be required:
9		(A) For production centers:
10		(i) Video monitoring and recording of the
11		premises; provided that recordings shall be
12		retained for fifty days;
13		(ii) Fencing that surrounds the premises and that
14		is sufficient to reasonably deter intruders
15		and prevent anyone outside the premises from
16		viewing any cannabis in any form;
17		(iii) An alarm system; and
18		(iv) Other reasonable security measures to deter
19		or prevent intruders, as deemed necessary by
20		the department;
21		(B) For retail dispensing locations:

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1		(i)	Presentation of a valid government-issued
2			photo identification and a valid
3			identification as issued by the department
4			pursuant to section 329-123 by a qualifying
5			patient or caregiver, or section 329-123.5
6			by a qualifying out-of-state patient or
7			caregiver of a qualifying out-of-state
8			patient, upon entering the premises;
9		(ii)	Video monitoring and recording of the
10			premises; provided that recordings shall be
11			retained for fifty days;
12		(iii)	An alarm system;
13		(iv)	Exterior lighting; and
14		(v)	Other reasonable security measures as deemed
15			necessary by the department;
16	(7)	Security	requirements for the transportation of
17		cannabis	and manufactured cannabis products between
18		productic	n centers and retail dispensing locations,
19		between d	ispensaries as permitted by section
20		<u>329D-6(r)</u>	, and between a production center, retail
21		dispensin	g location, qualifying patient, primary

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1		caregiver, qualifying out-of-state patient, or
2		caregiver of a qualifying out-of-state patient and a
3		certified laboratory, pursuant to section 329-122(f);
4	(8)	Standards and criminal background checks to ensure the
5		reputable and responsible character and fitness of all
6		license applicants, licensees, employees,
7		subcontractors and their employees, and prospective
8		employees of medical cannabis dispensaries to operate
9		a dispensary; provided that the standards, at a
10		minimum, shall exclude from licensure or employment
11		any person convicted of any felony;
12	(9)	The training and certification of operators and
13		employees of production centers and dispensaries;
14	(10)	The types of manufactured cannabis products that
15		dispensaries shall be authorized to manufacture and
16		sell pursuant to sections 329D-9 and 329D-10;
17	(11)	Laboratory standards related to testing cannabis and
18		manufactured cannabis products for content,
19		contamination, and consistency;
20	(12)	The quantities of cannabis and manufactured cannabis
21		products that a dispensary may sell or provide to a

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1		qualifying patient, primary caregiver, qualifying
2		out-of-state patient, or caregiver of a qualifying
3		out-of-state patient; provided that no dispensary
4		shall sell or provide to a qualifying patient, primary
5		caregiver, qualifying out-of-state patient, or
6		caregiver of a qualifying out-of-state patient any
7		combination of cannabis and manufactured products
8		that:
9		(A) During a period of fifteen consecutive days,
10		exceeds the equivalent of four ounces of
11		cannabis; or
12		(B) During a period of thirty consecutive days,
13		exceeds the equivalent of eight ounces of
14		cannabis;
15	(13)	Dispensary and production center inventory controls to
16		prevent the unauthorized diversion of cannabis or
17		manufactured cannabis products or the distribution of
18		cannabis or manufactured cannabis products to a
19		qualifying patient, primary caregiver, qualifying
20		out-of-state patient, or caregiver of a qualifying
21		out-of-state patient in quantities that exceed limits

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1		established by this chapter; provided that the
2		controls, at a minimum, shall include:
3		(A) A computer software tracking system as specified
4		in section 329D-6(j) and (k); and
5		(B) Product packaging standards sufficient to allow
6		law enforcement personnel to reasonably determine
7		the contents of an unopened package;
8	(14)	Limitation to the size or format of signs placed
9		outside a retail dispensing location or production
10		center; provided that the signage limitations, at a
11		minimum, shall comply with section 329D-6(0)(2) and
12		shall not include the image of a cartoon character or
13		other design intended to appeal to children;
14	(15)	The disposal or destruction of unwanted or unused
15		cannabis and manufactured cannabis products;
16	(16)	The enforcement of the following prohibitions against:
17		(A) The sale or provision of cannabis or manufactured
18		cannabis products to unauthorized persons;
19		(B) The sale or provision of cannabis or manufactured
20		cannabis products to a qualifying patient,
21		primary caregiver, qualifying out-of-state

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1			patient, or caregiver of a qualifying
2			out-of-state patient in quantities that exceed
3			limits established by this chapter;
4		(C)	Any use or consumption of cannabis or
5			manufactured cannabis products on the premises of
6			a retail dispensing location or production
7			center; and
8		(D)	The distribution of cannabis or manufactured
9			cannabis products, for free, on the premises of a
10			retail dispensing location or production center;
11	(17)	The	establishment of a range of penalties for
12		viol	ations of this chapter or rule adopted thereto;
13		and	
14	(18)	A pr	ocess to recognize and register patients who are
15		auth	orized to purchase, possess, and use medical
16		cann	abis in another state, a United States territory,
17		or t	he District of Columbia as qualifying out-of-state
18		pati	ents; provided that this registration process may
19		comm	ence no sooner than January 1, 2018."
20	SECT	ION 9	. Section 329D-9, Hawaii Revised Statutes, is
21	amended by	y ame	nding subsection (b) to read as follows:

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1	"(b) The department shall establish health, safety, [and
2	sanitation] manufacturing, and product stability standards
3	regarding the manufacture of manufactured cannabis products."
4	SECTION 10. Statutory material to be repealed is bracketed
5	and stricken. New statutory material is underscored.
6	SECTION 11. This Act shall take effect on July 1, 2060.



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Report Title: Medical Cannabis; Dispensary; Dispensary-to-Dispensary Sales; License; Department of Health

Description:

Authorizes the department of health to allow a licensed dispensary to purchase up to three thousand grams of medical cannabis or manufactured cannabis products from another licensed dispensary to ensure ongoing qualifying patient access. Increases the allowable number of production centers and retail dispensing locations per dispensary license. Places certain limits on where qualifying patients can obtain medical cannabis or manufactured cannabis products after 12/31/21. Authorizes the department of health to set fee structures for the submission of applications for each additional production center and retail dispensing location and for dispensary-to-dispensary Permits inspections of registered grow sites by sales. department of health or law enforcement to verify compliance with cannabis plant limits for cultivation by qualifying patients. Limits dispensary-to-dispensary sales to those located on the same island, as long as federal law prohibits the transportation of medical cannabis over a body of water. Effective 7/1/2060. (SD2)

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

