

STAND. COM. REP. NO.

1421

Honolulu, Hawaii

MAR 24 2023

RE: H.B. No. 1082

H.D. 3

S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Second State Legislature
Regular Session of 2023
State of Hawaii

Sir:

Your Committees on Health and Human Services and Commerce and Consumer Protection, to which was referred H.B. No. 1082, H.D. 3, entitled:

"A BILL FOR AN ACT RELATING TO MEDICAL CANNABIS,"

beg leave to report as follows:

The purpose and intent of this measure is to:

- (1) Define "waiting room" within a medical cannabis retail dispensing location and specify who may have access to the waiting room;
- (2) Clarify the Department of Health's rulemaking authority;
- (3) Establish system access and integration requirements for the computer software tracking system for medical cannabis dispensaries;
- (4) Require the Department of Health to annually report to the Legislature on data captured using the computer software tracking system;
- (5) Amend the medical cannabis dispensary program licensing fee structure;



- (6) Add or clarify requirements for the medical cannabis dispensary program related to signage, types of permitted manufactured cannabis products, supervision of certain personnel who are onsite at a retail dispensing location or medical cannabis production center, and the continuing education and training program conducted by the Department of Health;
- (7) Clarify that each day a violation of the medical cannabis dispensary program law occurs shall constitute a separate violation;
- (8) Establish annual reporting requirements for the Department of Health regarding the medical cannabis patient registry program;
- (9) Require the Department of Business, Economic Development, and Tourism to submit a report to the Legislature analyzing de-identified aggregated information regarding the medical cannabis patient registry program and medical cannabis dispensary program; and
- (10) Make various housekeeping amendments.

Your Committees received testimony in support of this measure from the Department of Business, Economic Development, and Tourism; Metrc; Lau Ola LLC, dba Big Island Grown Dispensaries; Cure Oahu; Maui Grown Therapies; Aloha Green Holdings, Inc.; Hawai'i Cannabis Industry Association; and one individual. Your Committees received comments on this measure from the Department of Commerce and Consumer Affairs, Department of Health, and Akamai Cannabis Consulting.

Your Committees find that existing laws governing the State's Medical Cannabis Dispensary Program and Medical Cannabis Registry Program need to be enhanced and streamlined for the Department of Health's efficient enforcement of its regulatory authority in order to improve access to medical cannabis for qualifying patients in the State and to protect the health and safety of patients and the general public. This measure effectuates these objectives by allowing caregivers to assist patients in waiting rooms of retail dispensary locations, preserving the Department's



interim rulemaking authority to timely address various concerns, clarifying penalties for violations to facilitate enforcement of dispensary compliance, reducing administrative barriers and assisting medical cannabis dispensaries with streamlining operations and resources.

Your Committees further find that the language in the companion to this measure, S.B. No. 1380, S.D. 1 (2023), which was previously heard by your Committees, is preferable because it requires that written certifications for a patient with a chronic condition be valid for three years; removes the requirement that a certifying physician or advanced practice registered nurse have a "bona fide" physician-patient or advanced practice registered nurse-patient relationship to certify that a patient has a debilitating medical condition pursuant to chapter 329, Hawaii Revised Statutes; amends the rule-making authority for dispensary-to-dispensary sales; and requires medical cannabis dispensaries, in conjunction with physicians and advanced practice registered nurses who issue written certifications pursuant to section 329-123, Hawaii Revised Statutes, rather than the Department of Health, to conduct the continuing education and training program required by section 329D-26, Hawaii Revised Statutes.

Accordingly, your Committees have amended this measure by:

- (1) Deleting its contents and inserting the contents of S.B. No. 1380, S.D. 1, a substantively similar measure, which also allows caregivers to assist patients in waiting rooms of retail dispensary locations and clarifies penalties for violations to facilitate streamlined enforcement of dispensary compliance;
- (2) Inserting language that amends the definition of "manufactured cannabis product" to include devices that provide safe pulmonary administration, edible cannabis products, and pre-rolled cannabis flower products;
- (3) Inserting language that allows dispensaries to transport not more than eight hundred ounces of cannabis or manufactured cannabis products to another dispensary within a thirty-day period, or other amounts with prior approval of the Department of Health;



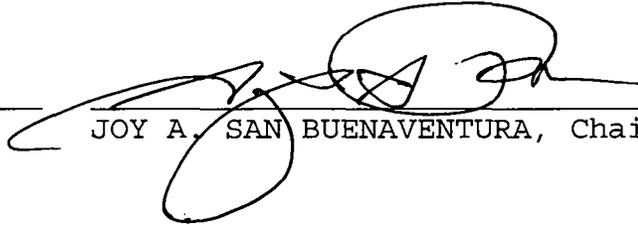
- (4) Inserting language that amends the types of medical cannabis products that may be manufactured and distributed to reflect the amended definition of "manufactured cannabis product";
- (5) Inserting an effective date of June 30, 2050, to encourage further discussion; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Health and Human Services and Commerce and Consumer Protection that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1082, H.D. 3, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1082, H.D. 3, S.D. 1, and be referred to your Committees on Judiciary and Ways and Means.

Respectfully submitted on
behalf of the members of the
Committees on Health and Human
Services and Commerce and
Consumer Protection,



JARRETT KEOHOKALOLE, Chair



JOY A. SAN BUENAVENTURA, Chair



The Senate
 Thirty-Second Legislature
 State of Hawai'i

Record of Votes
Committee on Commerce and Consumer Protection
CPN

Bill / Resolution No.:*	Committee Referral:	Date:		
HB1082 HD3	HHS/CPN, JDC/WAM	3/23/23		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
KEOHOKALOLE, Jarrett (C)	✓			
FUKUNAGA, Carol (VC)	✓			
MCKELVEY, Angus L.K.	✓			
RICHARDS, III, Herbert M. "Tim"	✓			
AWA, Brenton	✓			
TOTAL	5			
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes