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# A BILL FOR AN ACT

RELATING TO MEDICAL CANNABIS.

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

1 PART I

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

7 The purpose of this Act is to:

- 8 (1) Amend the dispensary program licensing fee structure;
- 9 (2) Add or clarify signage, manufactured cannabis product,  
10 packaging, escort, and background check requirements  
11 for the medical cannabis dispensary program;
- 12 (3) Establish annual reporting requirements to increase  
13 public transparency regarding the medical cannabis  
14 registry program; and
- 15 (4) Make various housekeeping amendments.



1 PART II

2 SECTION 2. Section 329D-1, Hawaii Revised Statutes, is  
3 amended by amending the definition of "manufactured cannabis  
4 product" to read as follows:

5 "Manufactured cannabis product" means any capsule,  
6 lozenge, oil or oil extract, tincture, ointment or skin lotion,  
7 pill, transdermal patch, or pre-filled and sealed container used  
8 to aerosolize and deliver cannabis orally~~[r]~~ or by inhalation,  
9 such as an inhaler ~~[e]~~, nebulizer, or device that provides safe  
10 pulmonary administration, that has been manufactured using  
11 cannabis, edible cannabis product, pre-rolled cannabis flower  
12 product, or any other products as specified by the department  
13 pursuant to section 329D-10(a)(11)."

14 SECTION 3. Section 329D-4, Hawaii Revised Statutes, is  
15 amended by amending subsection (n) to read as follows:

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



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

3 1. By amending subsection (o) to read:

4 "(o) A dispensary shall not:

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

7 (2) Post any signage other than [~~a single sign~~] one or two  
8 signs, each no greater than one thousand six hundred  
9 square inches bearing only the business or trade name  
10 in text without any pictures or illustrations;  
11 provided that if any applicable law or ordinance  
12 restricting outdoor signage is more restrictive, that  
13 law or ordinance shall govern."

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

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

20 (1) The purchasing dispensary establishes to the  
21 department's satisfaction that:



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

18 SECTION 5. Section 329D-7, Hawaii Revised Statutes, is  
19 amended to read as follows:

20 "**§329D-7 Medical cannabis dispensary rules.** The  
21 department shall establish standards with respect to:



- 1 (1) The number of medical cannabis dispensaries that shall  
2 be permitted to operate in the State;
- 3 (2) A fee structure, set by rules adopted pursuant to  
4 chapter 91, for:
- 5 (A) The submission of applications and renewals of  
6 licenses to dispensaries; provided that [~~the~~]:
- 7 (i) A dispensary license may be renewed for an  
8 annual fee of no more than \$50,000 for the  
9 first three retail dispensing locations and  
10 two production centers, with no more than  
11 five thousand cannabis plants and associated  
12 manufacturing operation for each;
- 13 (ii) Each additional retail dispensing location  
14 thereafter shall pay an annual fee of no  
15 more than \$20,000; and
- 16 (iii) The department shall consider the market  
17 conditions in each county in determining the  
18 license renewal fee amounts;
- 19 (B) The submission of applications and renewals for  
20 each additional production center[+] or a  
21 production center's additional plant count or



1                   manufacturing operation not included in  
2                   subparagraph (A) shall be no more than \$1 per  
3                   plant; and  
4                   (C)   Dispensary-to-dispensary sales authorized by  
5                   section 329D-6(r);  
6                   provided that no designated fee shall increase by more  
7                   than two and one-half per cent annually;  
8                   (3)   Criteria and procedures for the consideration and  
9                   selection, based on merit, of applications for  
10                  licensure of dispensaries; provided that the criteria  
11                  shall include but not be limited to an applicant's:  
12                  (A)   Ability to operate a business;  
13                  (B)   Financial stability and access to financial  
14                  resources; provided that applicants for medical  
15                  cannabis dispensary licenses shall provide  
16                  documentation that demonstrates control of not  
17                  less than \$1,000,000 in the form of escrow  
18                  accounts, letters of credit, surety bonds, bank  
19                  statements, lines of credit or the equivalent to  
20                  begin operating the dispensary;



- 1 (C) Ability to comply with the security requirements  
2 developed pursuant to paragraph (6);
- 3 (D) Capacity to meet the needs of qualifying patients  
4 and qualifying out-of-state patients;
- 5 (E) Ability to comply with criminal background check  
6 requirements developed pursuant to paragraph (8);  
7 and
- 8 (F) Ability to comply with inventory controls  
9 developed pursuant to paragraph (13);
- 10 (4) Specific requirements regarding annual audits and  
11 reports required from each production center and  
12 dispensary licensed pursuant to this chapter;
- 13 (5) Procedures for announced and unannounced inspections  
14 by the department or its agents of production centers  
15 and dispensaries licensed pursuant to this chapter;  
16 provided that inspections for license renewals shall  
17 be unannounced;
- 18 (6) Security requirements for the operation of production  
19 centers and retail dispensing locations; provided  
20 that, at a minimum, the following shall be required:  
21 (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 and
- 11              between a production center, retail dispensing
- 12              location, qualifying patient, primary caregiver,
- 13              qualifying out-of-state patient, or caregiver of a
- 14              qualifying out-of-state patient and a certified
- 15              laboratory, pursuant to section 329-122(f);
- 16       (8) Standards and criminal background checks to ensure the
- 17              reputable and responsible character and fitness of all
- 18              license applicants, licensees, employees,
- 19              subcontractors and their employees, and prospective
- 20              employees of medical cannabis dispensaries to operate
- 21              a dispensary; provided that the standards, at a



1 minimum, shall exclude from licensure or employment  
2 any person convicted of any felony;

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

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

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

11 (12) The quantities of cannabis and manufactured cannabis  
12 products that a dispensary may sell or provide to a  
13 qualifying patient, primary caregiver, qualifying  
14 out-of-state patient, or caregiver of a qualifying  
15 out-of-state patient; provided that no dispensary  
16 shall sell or provide to a qualifying patient, primary  
17 caregiver, qualifying out-of-state patient, or  
18 caregiver of a qualifying out-of-state patient any  
19 combination of cannabis and manufactured products  
20 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 6. Section 329D-10, Hawaii Revised Statutes, is  
14 amended by amending subsection (a) to read as follows:

15 "(a) The types of medical cannabis products that may be  
16 manufactured and distributed pursuant to this chapter shall be  
17 limited to:

- 18 (1) Capsules;  
19 (2) Lozenges;  
20 (3) Pills;  
21 (4) Oils and oil extracts;



- 1 (5) Tinctures;
- 2 (6) Ointments and skin lotions;
- 3 (7) Transdermal patches;
- 4 (8) Pre-filled and sealed containers used to aerosolize
- 5 and deliver cannabis orally, or by inhalation, such as
- 6 with an inhaler ~~[or]~~, nebulizer[+], or device that
- 7 provides safe pulmonary administration; provided that
- 8 [containers];

9 (A) Containers need not be manufactured by the

10 licensed dispensary but shall be filled with

11 cannabis, cannabis oils, or cannabis extracts

12 manufactured by the licensed dispensary~~[+]~~ or as

13 permitted by section 329D-6(r); but shall not

14 contain nicotine, tobacco-related products, or

15 any other non-cannabis derived products; and

16 ~~[shall be designed to be used with devices used~~

17 ~~to provide safe pulmonary administration of~~

18 ~~manufactured cannabis products;~~

19 ~~(9) Devices that provide safe pulmonary administration;~~

20 ~~provided that:~~



- 1           ~~(A) The heating element of the device, if any, is~~  
2           ~~made of inert materials such as glass, ceramic,~~  
3           ~~or stainless steel, and not of plastic or rubber;~~
- 4           ~~(B) The device is distributed solely for use with~~  
5           ~~single-use, pre-filled, tamper-resistant, sealed~~  
6           ~~containers that do not contain nicotine or other~~  
7           ~~tobacco products;~~
- 8           ~~(C) The device is used to aerosolize and deliver~~  
9           ~~cannabis by inhalation, such as an inhaler,~~  
10          ~~medical-grade nebulizer, or other similar medical~~  
11          ~~grade volatilization device;~~
- 12          ~~(D) There is a temperature control on the device that~~  
13          ~~is regulated to prevent the combustion of~~  
14          ~~cannabis oil; and~~
- 15          ~~(E) The device need not be manufactured by the~~  
16          ~~licensed dispensary;]~~
- 17          (B) For devices that provide safe pulmonary  
18          administration:
- 19                (i) The heating element of the device, if any,  
20                shall be made of inert materials such as



1                   glass, ceramic, or stainless steel, and not  
2                   of plastic or rubber;

3                   (ii) The device shall be distributed solely for  
4                   use with single-use, pre-filled,  
5                   tamper-resistant, sealed containers that do  
6                   not contain nicotine or other tobacco  
7                   products;

8                   (iii) There shall be a temperature control on the  
9                   device that is regulated to prevent the  
10                   combustion of cannabis oil; and

11                   (iv) The device need not be manufactured by the  
12                   licensed dispensary;

13                   (9) Pre-rolled cannabis flower products, as specified by  
14                   the department;

15                   (10) [~~Other products, including edible~~] Edible cannabis  
16                   products, as specified by the department; and

17                   (11) Other products as specified by the department."

18                   SECTION 7. Section 329D-11, Hawaii Revised Statutes, is  
19                   amended by amending subsection (a) to read as follows:

20                   "(a) The department shall establish standards regarding  
21                   the advertising and packaging of cannabis and manufactured



1 cannabis products; provided that the standards, at a minimum,  
2 shall require the use of packaging that:

- 3 (1) Is child-resistant and opaque so that the product  
4 cannot be seen from outside the packaging;
- 5 (2) [~~Uses only black lettering on a white background with~~  
6 ~~no pictures or graphics;~~] Does not include the image  
7 of any cartoon character and is not designed to appeal  
8 to minors;
- 9 (3) Is clearly labeled with the phrase "For medical use  
10 only";
- 11 (4) Is clearly labeled with the phrase "Not for resale or  
12 transfer to another person";
- 13 (5) Includes instructions for use and "use by date";
- 14 (6) Contains information about the contents and potency of  
15 the product;
- 16 (7) Includes the name of the production center where  
17 cannabis in the product was produced, including the  
18 batch number and date of packaging;
- 19 (8) Includes a barcode generated by tracking software; and
- 20 (9) In the case of a manufactured cannabis product,  
21 includes a:



- 1 (A) Listing of the equivalent physical weight of the
- 2 cannabis used to manufacture the amount of the
- 3 product that is within the packaging, pursuant to
- 4 section 329D-9(c);
- 5 (B) Clearly labeled warning stating that the product:
- 6 (i) Is a medication that contains cannabis, and
- 7 is not a food; and
- 8 (ii) Should be kept away from children; and
- 9 (C) Date of manufacture."

10 SECTION 8. Section 329D-15, Hawaii Revised Statutes, is  
11 amended by amending subsections (a) and (b) to read as follows:

12 (a) No person shall intentionally or knowingly enter or  
13 remain upon the premises of a medical cannabis retail dispensing  
14 location unless the individual is:

- 15 (1) An individual licensee or registered employee of the
- 16 dispensary;
- 17 (2) A qualifying patient, primary caregiver, qualifying
- 18 out-of-state patient, or caregiver of a qualifying
- 19 out-of-state patient;
- 20 (3) A government employee or official acting in the
- 21 person's official capacity; or



- 1 (4) Previously included on a current department-approved  
2 list provided to the department by the licensee of  
3 those persons who are allowed into that dispensary's  
4 facilities for a specific purpose for that dispensary,  
5 including but not limited to construction,  
6 maintenance, repairs, legal counsel, providers of  
7 paratransit or other assistive services required by a  
8 qualifying patient to access a retail dispensary  
9 location, or investors; provided that:
- 10 (A) The person has been individually approved by the  
11 department to be included on the list;
- 12 (B) The person is at least twenty-one years of age,  
13 as verified by a valid government issued  
14 identification card;
- 15 (C) The department has confirmed that the person has  
16 no felony convictions;
- 17 (D) The person is escorted by an individual licensee  
18 or registered employee of the dispensary at all  
19 times while in the dispensary facility; provided  
20 that that construction and maintenance personnel  
21 who are not normally engaged in the business of



1           cultivating, processing, or selling medical  
2           cannabis need not be accompanied on a full-time  
3           basis, but shall be reasonably monitored by an  
4           individual licensee or registered employee of the  
5           dispensary while in areas not containing any  
6           cannabis or cannabis products;

7           (E) The person is only permitted within those  
8           portions of the dispensary facility as necessary  
9           to fulfill the person's purpose for entering;

10          (F) The person is only permitted within the  
11          dispensary facility during the times and for the  
12          duration necessary to fulfill the person's  
13          purpose for entering;

14          (G) The dispensary shall keep an accurate record of  
15          each person's first and last name, date and times  
16          upon entering and exiting the dispensary  
17          facility, purpose for entering, and the identity  
18          of the escort; and

19          (H) The approved list shall be effective for one year  
20          from the date of the department approval.



1 (b) No individual licensee or registered employee of a  
2 medical cannabis dispensary with control over or responsibility  
3 for a retail dispensing location shall intentionally or  
4 knowingly allow another to enter or remain upon the premises of  
5 the retail dispensing location, unless the other is permitted to  
6 enter and remain as specified in subsection (a) [–], except in an  
7 emergency situation to repair infrastructure at a dispensary by  
8 a person not on the department-approved list; provided that  
9 those repair workers shall be escorted at all times, and the  
10 licensee shall notify the department of the use of this  
11 individual immediately."

12 SECTION 9. Section 329D-16, Hawaii Revised Statutes, is  
13 amended to read as follows:

14 "[+]§329D-16[+] **Criminal offense; unauthorized access to**  
15 **production centers.** (a) No person shall intentionally or  
16 knowingly enter or remain upon the premises of a medical  
17 cannabis production center unless the person is:

- 18 (1) An individual licensee or registered employee of the  
19 production center;
- 20 (2) A government employee or official acting in the  
21 person's official capacity; or



- 1 (3) Previously included on a current department-approved  
2 list provided to the department by the licensee of  
3 those persons who are allowed into that [~~dispensary's~~  
4 ~~facilities~~] production center for a specific purpose  
5 for that [~~dispensary,~~] production center, including  
6 but not limited to construction, maintenance, repairs,  
7 legal counsel, or investors; provided that:
- 8 (A) The person has been individually approved by the  
9 department to be included on the list;
- 10 (B) The person is at least twenty-one years of age,  
11 as verified by a valid government issued  
12 identification card;
- 13 (C) The department has confirmed that the person has  
14 no felony convictions;
- 15 (D) The person is escorted by an individual licensee  
16 or registered employee of the [~~dispensary~~]  
17 production center at all times while in the  
18 [~~dispensary facility;~~] production center;  
19 provided that construction and maintenance  
20 personnel not normally engaged in the business of  
21 cultivating, processing, or selling medical



1                   cannabis need not be accompanied on a full-time  
2                   basis, but only reasonably monitored by an  
3                   individual licensee or registered employee of the  
4                   production center while in areas not containing  
5                   any cannabis or cannabis products;

6                   (E) The person is only permitted within those  
7                   portions of the [~~dispensary facility~~] production  
8                   center as necessary to fulfill the person's  
9                   purpose for entering;

10                  (F) The person is only permitted within the  
11                  [~~dispensary facility~~] production center during  
12                  the times and for the duration necessary to  
13                  fulfill the person's purpose for entering;

14                  (G) The [~~dispensary~~] production center shall keep an  
15                  accurate record of each person's identity, date  
16                  and times upon entering and exiting the  
17                  dispensary facility, purpose for entering, and  
18                  the identity of the escort; and

19                  (H) The approved list shall be effective for one year  
20                  from the date of department approval.



1           (b) No individual licensee or registered employee of a  
2 medical cannabis dispensary with control over or responsibility  
3 for a production center shall intentionally or knowingly allow  
4 another to enter or remain upon the premises of the production  
5 center, unless the other is permitted to enter and remain as  
6 specified in subsection (a) ~~[-]~~, except in an emergency situation  
7 to repair infrastructure at a dispensary by a person not on the  
8 department-approved list; provided that those repair workers  
9 shall be escorted at all times, and the licensee shall notify  
10 the department of the use of this individual immediately.

11           (c) Unauthorized access to a production center is a class  
12 C felony."

13           SECTION 10. Section 329D-23, Hawaii Revised Statutes, is  
14 amended by amending subsection (b) to read as follows:

15           "(b) The department shall report annually to the governor  
16 and the legislature on the establishment and regulation of  
17 medical cannabis production centers and dispensaries ~~[including~~  
18 ~~but not limited to the number and location of production centers~~  
19 ~~and dispensaries licensed, the total licensing fees collected,~~  
20 ~~the total amount of taxes collected from production centers and~~



1 ~~dispensaries, and any licensing violations determined by the~~  
2 ~~department].~~ The report shall include, at minimum:

- 3       (1) Three consistent key performance indicators to measure  
4           program performance, as initially created and defined  
5           by the department;
- 6       (2) The number and location of production centers and  
7           dispensaries licensed;
- 8       (3) The total licensing fees collected and the total  
9           amount of taxes collected from production centers and  
10           dispensaries;
- 11       (4) The number of inspections conducted, licensing  
12           violations determined by the department, and fines  
13           collected from violations, by category; and
- 14       (5) The description and number of education activities  
15           undertaken pursuant to section 329D-26."

16       SECTION 11. Section 329D-26, Hawaii Revised Statutes, is  
17 amended by amending subsection (a) to read as follows:

18       "(a) The department shall conduct a continuing education  
19 and training program to explain and clarify the purposes and  
20 requirements of this chapter or to provide substance abuse  
21 prevention and education. The program shall target community



1 partner agencies, physicians and other health care providers,  
2 patients and caregivers, law enforcement agencies, law and  
3 policy makers, and the general public. The program shall  
4 include, at minimum, education and outreach regarding:

5 (1) The updated, publicly-available list of medical  
6 cannabis dispensaries, physicians, and other health  
7 care providers participating in the program under this  
8 chapter;

9 (2) Lawful activities, unlawful activities, and applicable  
10 penalties for a medical cannabis dispensary,  
11 qualifying patient, primary caregiver, qualifying  
12 out-of-state patient, caregiver of a qualifying  
13 out-of-state patient, and other entity performing  
14 related activities; and

15 (3) The methods and associated requirements for a medical  
16 cannabis dispensary, qualifying patient, primary  
17 caregiver, or other entity to produce cannabis and  
18 manufactured cannabis products, as applicable."

19 SECTION 12. Section 329D-27, Hawaii Revised Statutes, is  
20 amended to read as follows:



1           **"§329D-27 Administrative rules.** (a) The department shall  
2 adopt rules pursuant to chapter 91 to effectuate the purposes of  
3 this chapter.

4           (b) No later than January 4, 2016, and except as otherwise  
5 provided by this chapter, the department shall adopt interim  
6 rules, which shall be exempt from chapter 91 and chapter 201M,  
7 to effectuate the purposes of this chapter; provided that the  
8 interim rules shall remain in effect until July 1, 2025, or  
9 until rules are adopted pursuant to subsection (a), whichever  
10 occurs sooner.

11           (c) The department may amend the interim rules, and the  
12 amendments shall be exempt from chapters 91 and 201M, to  
13 effectuate the purposes of this chapter; provided that any  
14 amended interim rules shall remain in effect until July 1, 2025,  
15 or until rules are adopted pursuant to subsection (a), whichever  
16 occurs sooner.

17           (d) Notwithstanding any law to the contrary, any rule  
18 amendment effectuating the purposes of this chapter shall be  
19 adopted pursuant to subsection (a) if there is a likelihood of  
20 severe economic impact to a stakeholder under this chapter."



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PART III

SECTION 13. Chapter 329, Hawaii Revised Statutes, is amended by adding a new section to part IX to be appropriately designated and to read as follows:

"§329- Medical use of cannabis; reports. The department shall report annually to the governor and the legislature on the medical use of cannabis. Each report, at minimum, shall include:

- (1) Three consistent key performance indicators to measure program performance, as initially created and defined by the department;
- (2) The number of new, renewed, and expired and not renewed registrations of qualifying patients, primary caregivers, qualifying out-of-state patients, and caregivers of a qualifying out-of-state patient;
- (3) The amount of fees collected from new and renewed registrations;
- (4) The number of physician or advanced practice registered nurses issuing medical cannabis certifications, and the number of certifications issued by each of the ten physician or advanced



- 1           practice registered nurses who issue the highest
- 2           number of certifications;
- 3           (5) The number of locations on each island where more than
- 4           five qualifying patients register the same or
- 5           contiguous location or locations for cultivating
- 6           cannabis, and the number of qualifying patients
- 7           registered at each of the ten most frequently used
- 8           same or contiguous locations used to cultivate
- 9           cannabis;
- 10          (6) The number of inspections conducted and number of
- 11          violations found by the department; and
- 12          (7) The description and number of education activities
- 13          undertaken by the full-time staff member per
- 14          section 329D-26 and the total expense of those
- 15          education activities."

PART IV

17           SECTION 14. Pursuant to section 201-13.9, Hawaii Revised  
18 Statutes, the department of business economic development and  
19 tourism shall submit to the legislature, no later than twenty  
20 days prior to the convening of the regular session of 2024, a  
21 report that provides an analysis of aggregated de-identified



1 information regarding the medical cannabis registry and  
2 dispensary programs established pursuant to chapters 329 and  
3 329D, Hawaii Revised Statutes.

4 PART V

5 SECTION 15. This Act does not affect rights and duties  
6 that matured, penalties that were incurred, and proceedings that  
7 were begun before its effective date.

8 SECTION 16. Statutory material to be repealed is bracketed  
9 and stricken. New statutory material is underscored.

10 SECTION 17. This Act shall take effect upon its approval.

11

INTRODUCED BY: *Mike A. Uelotti*

JAN 24 2023



# H.B. NO. 1248

**Report Title:**

Medical Cannabis; Dispensaries; Certification; Patients

**Description:**

Amends the dispensary program licensing fee structure. Adds or clarifies signage, manufactured cannabis product, packaging, escort, and background check requirements for the medical cannabis dispensary program. Establishes annual reporting requirements to increase public transparency regarding the medical cannabis registry program. Makes various housekeeping amendments.

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

