
A BILL FOR AN ACT

RELATING TO MEDICAL CANNABIS DISPENSARIES.

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

1 SECTION 1. Section 329D-6, Hawaii Revised Statutes, is
2 amended by amending subsection (j) to read as follows:

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

6 (1) The computer software tracking system shall collect
7 data relating to:

8 (A) The total amount of cannabis in possession of all
9 dispensaries from either seed or immature plant
10 state, including all plants that are derived from
11 cuttings or cloning, until the cannabis, cannabis
12 plants, or manufactured cannabis product is sold
13 or destroyed pursuant to section 329D-7;

14 (B) The total amount of manufactured cannabis product
15 inventory, including the equivalent physical
16 weight of cannabis that is used to manufacture
17 manufactured cannabis products, purchased by a



1 qualifying patient, primary caregiver, qualifying
2 out-of-state patient, and caregiver of a
3 qualifying out-of-state patient from all retail
4 dispensing locations in the State in any fifteen-
5 day period;

6 (C) The amount of waste produced by each plant at
7 harvest; and

8 (D) The transport of cannabis and manufactured
9 cannabis products between production centers and
10 retail dispensing locations and as authorized by
11 subsection (r), including tracking identification
12 issued by the tracking system, the identity of
13 the person transporting the cannabis or
14 manufactured cannabis products, and the make,
15 model, and license number of the vehicle being
16 used for the transport;

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



- 1 (A) The department shall publicly solicit at least
- 2 three proposals for the computer software
- 3 tracking system; and
- 4 (B) The selection of the computer software tracking
- 5 system shall be approved by the director of the
- 6 department and the chief information officer;
- 7 [and]
- 8 (3) The computer software tracking system established
- 9 pursuant to this subsection shall meet the following
- 10 system access requirements:
- 11 (A) The department of taxation shall have ready
- 12 access to the data collected by the computer
- 13 software tracking system for the purpose of
- 14 taxation and regulation of cannabis and
- 15 manufactured cannabis products; and
- 16 (B) Banks and other financial institutions may be
- 17 allowed access to specific limited information
- 18 from the computer software tracking system;
- 19 provided that the information that may be
- 20 available to these institutions shall be limited
- 21 to financial data of individuals and business



1 entities that have a business relationship with
2 the bank or financial institution; provided
3 further that the information provided shall be
4 limited to the information needed by banks or
5 financial institutions to comply with applicable
6 federal regulations and shall not include medical
7 or personal information about registered
8 qualifying patients or primary caregivers;

9 (4) The computer software tracking system shall allow for
10 integration with other enterprise software systems;
11 provided that the use of any third-party tracking
12 system that integrates with the computer software
13 tracking system established by this subsection shall
14 not relieve a dispensary from complying with the
15 mandated use of the computer software tracking system
16 established by this subsection;

17 (5) Using data obtained from the computer software
18 tracking system, the department shall submit a report
19 to the legislature no later than twenty days prior to
20 the convening of each regular session on the following
21 information:



- 1 (A) A summary of dispensary supply chain activity,
- 2 including annual statewide sales of cannabis and
- 3 manufactured cannabis products;
- 4 (B) Total number of cultivated plants in the State;
- 5 (C) Total weight of harvested material;
- 6 (D) Total number of plants in a vegetative state in
- 7 the State;
- 8 (E) Average price per gram for retail cannabis and
- 9 manufactured cannabis products;
- 10 (F) Total number of plant or product recalls; and
- 11 (G) All other public safety concerns addressed during
- 12 the previous reporting year; and
- 13 ~~(+3)~~ (6) Notwithstanding any other provision of this
- 14 subsection to the contrary, once the department has
- 15 authorized a licensed dispensary to commence sales of
- 16 cannabis or manufactured cannabis products, if the
- 17 department's computer software tracking system is
- 18 inoperable or is not functioning properly, as an
- 19 alternative to requiring dispensaries to temporarily
- 20 cease operations, the department may implement an
- 21 alternate tracking system that will enable a



1 qualifying patient, primary caregiver, qualifying out-
2 of-state patient, and caregiver of a qualifying out-
3 of-state patient to purchase cannabis or manufactured
4 cannabis products from a licensed dispensary on a
5 temporary basis. The department shall seek input
6 regarding the alternate tracking system from medical
7 cannabis licensees. The alternate tracking system may
8 operate as follows:

9 (A) The department may immediately notify all
10 licensed dispensaries that the computer software
11 tracking system is inoperable; and

12 (B) Once the computer software tracking system is
13 operational and functioning to meet the
14 requirements of this subsection, the department
15 may notify all licensed dispensaries, and the
16 alternate tracking system in this subsection
17 shall be discontinued."

18 SECTION 2. Statutory material to be repealed is bracketed
19 and stricken. New statutory material is underscored.

20 SECTION 3. This Act shall take effect on July 1, 2023.

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H.B. NO. 696

INTRODUCED BY: *ae ee*

JAN 20 2023



H.B. NO. 696

Report Title:

Medical Cannabis Dispensaries; Computer Software Tracking System; Access Requirements; System Integration Requirements; Reporting Requirements

Description:

Establishes system access and system integration requirements for the computer software tracking system for medical cannabis dispensaries. Requires the department of health to submit an annual report to the legislature on data captured using the computer software tracking system.

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

