STAND. COM. REP. NO.

Honolulu, Hawaii

, 2023 MAR 2 2

S.B. No. 1104 RE:

> S.D. 1 H.D. 1

Honorable Scott K. Saiki Speaker, House of Representatives Thirty-Second State Legislature Regular Session of 2023 State of Hawaii

Sir:

Your Committee on Agriculture & Food Systems, to which was referred S.B. No. 1104, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO CANNABIS FOR MEDICAL USE," begs leave to report as follows:

The purpose of this measure is to:

- Amend the definition of "cannabis" to include cannabis propagules, cuttings, and seeds;
- (2) Define "cannabis cutting" and "cannabis propagule";
- (3) Allow qualifying patients and primary caregivers who are authorized to cultivate cannabis for medical use to purchase cannabis propagules, cuttings, and seeds from licensed dispensaries in the State under certain conditions;
- Establish quantity limits and quality requirements for the dispensing of cannabis propagules, cuttings, and seeds; and

(5) Require the Department of Health to adopt rules regarding the dispensing of cannabis propagules, cuttings, and seeds.

Your Committee received testimony in support of this measure from three individuals. Your Committee received comments on this measure from the Department of Health.

Your Committee finds that existing state law allows qualifying patients and primary caregivers to cultivate cannabis for medical use at a registered grow site. However, there are no legal means for obtaining safe, laboratory-tested genetic material from which to propagate cannabis. This forces qualifying patients or their primary caregivers to obtain cannabis genetic material from the illicit market. This measure amends the definition of "cannabis" to include cannabis propagules, cuttings, and seeds and establishes a regulatory system for the dispensing of cannabis propagules, cuttings, and seeds to allow licensed dispensaries to distribute cannabis propagative material that is safe for use.

Your Committee has amended this measure by:

- (1) Clarifying that qualifying patients, primary caregivers, qualifying out-of-state patients, and caregivers of qualifying out-of-state patients may purchase cannabis propagules, cuttings, and seeds from licensed dispensaries in the State;
- (2) Requiring a licensed dispensary's computer software tracking system to allow:
 - (A) The licensed dispensary's production center to submit to the Department of Health an inventory of cannabis propagules, cuttings, and seeds in possession of that dispensary; and
 - (B) The licensed dispensary's retail dispensing location to submit to the Department of Health the total amount of cannabis propagules, cuttings, and seeds purchased by a qualifying patient, primary caregiver, qualifying out-of-state patient, and caregiver of a qualifying out-of-state patient;

- (3) Changing the effective date to June 30, 3000, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Agriculture & Food Systems that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1104, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1104, S.D. 1, H.D. 1, and be referred to your Committee on Consumer Protection & Commerce.

Respectfully submitted on behalf of the members of the Committee on Agriculture & Food Systems,

CEDRIC ASUEGA GATES, Chair

State of Hawaii House of Representatives The Thirty-second Legislature

HSCR 1410

Record of Votes of the Committee on Agriculture & Food Systems

Bill/Resolution No.: SB O 4 SD 1	Committee Refe]	Date: 3/17/2	023
☐ The committee is reconsidering its previous decision on the measure.					
The recommendation is to: Pass, unamended (as is) Pass, with amendments (HD) Hold Pass short form bill with HD to recommit for future public hearing (recommit)					
AGR Members		Ayes	Ayes (WR) Nays	Excused
1. GATES, Cedric Asuega (C)					
2. KAHALOA, Kirstin (VC)					
3. COCHRAN, Elle		. /			
5. COCHRAIN, Ene					
4. LOWEN, Nicole E.					
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5. PERRUSO, Amy A.					
					1
6. WOODSON, Justin H.					V
7. WARD, Gene					
7. WARD, Gene		•			
		0			1
TOTAL (7)		0			
The recommendation is: Adopted If joint referral, did not support recommendation. committee acronym(s)					
Vice Chair's or designee's signature:					
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO					