

Honolulu, Hawaii

APR 04 2025

RE: H.B. No. 302  
H.D. 2  
S.D. 2

Honorable Ronald D. Kouchi  
President of the Senate  
Thirty-Third State Legislature  
Regular Session of 2025  
State of Hawaii

Sir:

Your Committees on Judiciary and Ways and Means, to which was referred H.B. No. 302, H.D. 2, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO CANNABIS,"

beg leave to report as follows:

The purpose and intent of this measure is to:

- (1) Amend the definition of "debilitating medical condition" under the Uniform Controlled Substances Act;
- (2) Amend the definition of "waiting room" under the Medical Cannabis Dispensary System law;
- (3) Repeal the requirement that a provider-patient relationship be established in person;
- (4) Allow dispensaries to purchase cannabis and manufactured cannabis products from another dispensary for direct retail sale to a patient and further manufacturing by the purchasing dispensaries and establishes requirements for transport;
- (5) Prohibit persons from operating a medical cannabis dispensary or cultivating cannabis without a license from the Department of Health or providing certain



services to persons or entities engaging in unlicensed cannabis operations;

- (6) Require the Department of Health to issue a cease and desist notice to violators before initiating criminal proceedings;
- (7) Establish criminal penalties;
- (8) Establish an affirmative defense for, and a conclusive basis for, certain violations;
- (9) Establish a cannabis cultivator license to authorize the cultivation and distribution of cannabis plants;
- (10) Require the Department of Health to only issue one cannabis cultivator license for each person;
- (11) Establish limits on:
  - (A) The number of cannabis cultivator licenses the Department of Health may issue;
  - (B) The maximum size of plant canopy for indoor and outdoor cultivations for each cannabis cultivator license; and
  - (C) The maximum plant count of mature cannabis plants for each cannabis cultivator license;
- (12) Authorize expenditures from the Medical Cannabis Registry and Regulation Special Fund to fund programs for the mitigation and abatement of nuisances relating to chapter 329D, Hawaii Revised Statutes (HRS); and
- (13) Appropriate funds out of the Medical Cannabis Registry and Regulation Special Fund for the Department of Attorney General to enforce, and mitigate nuisances relating to, chapter 329D, HRS.

Your Committees received testimony in support of this measure from the Hawai'i Cannabis Industry Association, Aloha Green Apothecary, Marijuana Policy Project, Cure Oahu, Big Island Grown



Dispensaries, Hawai'i Alliance for Cannabis Reform, Drug Policy Forum of Hawaii, ACLU of Hawai'i, and one individual.

Your Committees received testimony in opposition to this measure from the Oahu Cannabis Farms Alliance.

Your Committees received comments on this measure from the Department of the Attorney General, Department of Health, Akamai Cannabis Consulting, and one individual.

Your Committees find that the State's medical dispensary program is suffering from regulatory barriers that make operations difficult to sustain while facing increasing threats of competition from the unregulated market, including street sales and the proliferation of unregulated, high-potency THC cannabis, sold under the guise of being hemp, currently available at retailers across the State. This measure will lower the barrier to entry for patients to access the legal dispensary system while maintaining quality standards for licensees to ensure access to clean and tested cannabis.

Your Committees note that this measure, as written, establishes a criminal offense for unlicensed operation of a dispensary; however, the required state of mind is not clearly stated, and therefore amendments to this measure are necessary.

Accordingly, your Committees have amended this measure by:

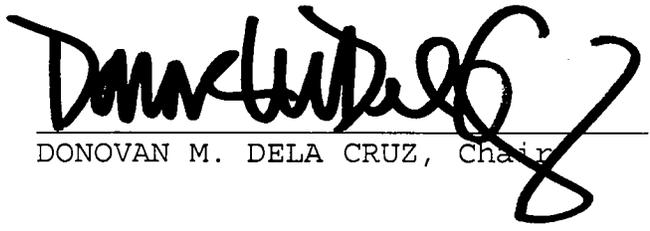
- (1) Clarifying that the state of mind requirement for the offense of operating a dispensary without a license from the Department of Health pursuant to chapter 329D, HRS, is intentionally, knowingly, or recklessly;
- (2) Specifying that a person who intentionally, knowingly, or recklessly operates any search platform, web hosting service, social media platform, or other entity that posts information advertising the sale of cannabis products by an unlicensed person or entity engaged in the production, manufacture, or sale of cannabis or manufactured cannabis products without a license pursuant to chapter 329D, HRS, is guilty of a misdemeanor;



- (3) Specifying that a person issued a cannabis cultivator license is required to meet all production facility and processing requirements under chapter 329D, HRS;
- (4) Inserting language specifying that the Department of the Attorney General's Drug Nuisance Abatement Unit may enforce nuisances relating to chapter 329D, HRS;
- (5) Specifying that the appropriation for the Department of the Attorney General to enforce, and mitigate nuisances relating to, chapter 329D, HRS, shall be expended by the Attorney General;
- (6) Inserting an effective date of January 1, 2027, for the requirement of cannabis cultivator licenses; and
- (7) 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 Judiciary and Ways and Means that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 302, H.D. 2, S.D. 1, as amended herein, and recommend that it pass Third Reading in the form attached hereto as H.B. No. 302, H.D. 2, S.D. 2.

Respectfully submitted on behalf of the members of the Committees on Judiciary and Ways and Means,

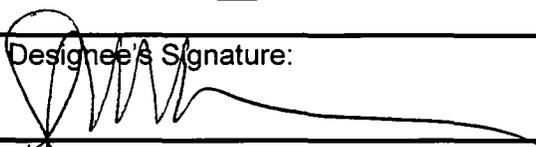
  
DONOVAN M. DELA CRUZ, Chair

  
KARL RHOADS, Chair



The Senate  
Thirty-Third Legislature  
State of Hawai'i

Record of Votes  
Committee on Ways and Means  
WAM

Bill / Resolution No.:* <b>HB302 HD2 SD1</b>	Committee Referral: <b>HAS/CPN, JDC/WAM</b>	Date: <b>4/1/2025</b>		
<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
DELA CRUZ, Donovan M. (C)	X			
MORIWAKI, Sharon Y. (VC)	X			
AQUINO, Henry J.C.	X			
DECOITE, Lynn				X
ELEFANTE, Brandon J.C.	X			
HASHIMOTO, Troy N.	X			
INOUYE, Lorraine R.	X			
KANUHA, Dru Mamo	X			
KIDANI, Michelle N.	X			
KIM, Donna Mercado	X			
LEE, Chris	X			
WAKAI, Glenn	X			
FEVELLA, Kurt	X			
<b>TOTAL</b>	<b>12</b>	<b>0</b>	<b>0</b>	<b>1</b>
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