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# A BILL FOR AN ACT

RELATING TO HEALTH.

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

1           SECTION 1. On June 14, 2000, Act 228, Session Laws of  
2 Hawaii 2000, was signed into law, making Hawaii one of the first  
3 states to permit the medical use of marijuana by registered  
4 patients. No changes have been made to Hawaii's medical  
5 marijuana law since its inception, while registered patients  
6 have increased and more states have enacted more comprehensive  
7 medical marijuana laws. Basically, the law allows for the  
8 growing, transporting, and possession of marijuana for medical  
9 purposes by qualified patients and caregivers.

10           The medical cannabis working group was tasked with  
11 completing the mission originally assigned to the medical  
12 cannabis task force under Act 29, Special Session of Hawaii  
13 2009, which was enacted over a veto by the governor. The  
14 medical cannabis task force was never convened; therefore, the  
15 medical cannabis working group examined current state statutes,  
16 state administrative rules, and all county policies and  
17 procedures relating to the medical marijuana program and issues  
18 and obstacles encountered by qualifying patients, physicians,



1 caregivers, and law enforcement officials. The medical cannabis  
2 working group also compared and contrasted Hawaii's medical  
3 marijuana program with all other states' medical marijuana  
4 programs. According to the findings of the medical cannabis  
5 working group in "Report to the Hawai'i State Legislature",  
6 February 2010, immediate actions should be taken by the  
7 legislature to improve Hawaii's medical cannabis program.

8       Foremost, the medical cannabis working group recommends the  
9 creation of a state regulated medical marijuana distribution  
10 system so that qualifying patients have safe and reliable access  
11 to medical marijuana. Currently, fourteen states have enacted  
12 laws allowing the use of marijuana for medical purposes. In  
13 addition, Maine, Rhode Island, New Jersey, New Mexico, Colorado,  
14 Washington, D.C., and California have laws regulating the  
15 distribution of medical marijuana to qualified patients. The  
16 medical cannabis working group found after compiling patient,  
17 caregiver, and physician information that patients do not have  
18 access to a safe and legal supply of medicine. Rather, patients  
19 are often forced to find black market sources where risk of  
20 violence and robbery exist. Many patients receive low quality  
21 cannabis that is ineffective as medication. Patients' physical  
22 limitations and illness prevent or inhibit them from growing



1 medical cannabis. Further, it is almost impossible for most  
2 patients and caregivers to acquire the expertise, time, and  
3 intense cultivation skills to produce an adequate supply of  
4 medical cannabis that is medically effective.

5 For purposes of health, public safety, and the social and  
6 economic welfare of the State, a fully integrated cultivation  
7 and distribution program would safely and more effectively  
8 regulate access to medical marijuana and generate jobs and  
9 revenue to provide resources for other state programs.

10 The purpose of this Act is to establish a licensing system  
11 under the department of health for the distribution of medical  
12 marijuana.

13 SECTION 2. Chapter 329, Hawaii Revised Statutes, is  
14 amended by adding a new subpart to part IX to be designated as  
15 subpart B and to read as follows:

16 "B. Distribution Program for Medical Marijuana

17 §329-A Purpose. A program to regulate the distribution of  
18 medical marijuana is in the interest of protecting the public's  
19 health and safety and in the interest of promoting the economic  
20 and social welfare of the State. The distribution program  
21 shall:



- 1 (1) Provide a safe and accessible distribution system for  
2 qualifying patients by requiring qualifying patients  
3 to designate a compassion center as their supplier of  
4 medical marijuana;
- 5 (2) Establish a class 1 medical marijuana compassion  
6 center license for selling medical marijuana to  
7 qualifying patients;
- 8 (3) Establish a class 2 medical marijuana cultivation  
9 license for cultivating and distributing medical  
10 marijuana to class 1 licensees, and to sell medical  
11 marijuana to class 3 licensees;
- 12 (4) Establish a class 3 medical marijuana-infused products  
13 manufacturing license for creating medical marijuana-  
14 infused products to be distributed to class 1  
15 licensees for sale to qualifying patients;
- 16 (5) Collect from all licensees an initial licensing fee of  
17 \$\_\_\_\_\_ for a class 1 medical marijuana compassion  
18 center license; \$\_\_\_\_\_ for a class 2 medical  
19 marijuana cultivation license; and \$\_\_\_\_\_ for a  
20 class 3 medical marijuana-infused products  
21 manufacturing license;
- 22 (6) Establish compassion centers on each island;



- 1 (7) Ensure that all medical marijuana distributed through  
2 the distribution program is produced by licensees;
- 3 (8) Ensure that class 1 licensed centers provide medical  
4 marijuana exclusively to qualifying patients and  
5 primary caregivers, and to other non-Hawaii qualifying  
6 patients holding a temporary registration certificate;
- 7 (9) Establish a system whereby licensees may sell medical  
8 marijuana to other licensees;
- 9 (10) Prohibit any person who has had a felony drug  
10 conviction or any person convicted of any felony in  
11 the immediately preceding ten years from obtaining or  
12 renewing a license;
- 13 (11) Prohibit individuals who are less than twenty-one  
14 years of age from being an employee or director of a  
15 licensed facility;
- 16 (12) Establish inspection criteria for the business  
17 premises of medical marijuana licensees;
- 18 (13) Require licensees to submit annual reports of their  
19 financial transactions to the department;
- 20 (14) Ensure that class 1 licensees are permitted to possess  
21 sufficient medical marijuana or marijuana plants to  
22 reasonably guarantee an adequate supply;



1 (15) Establish security procedures to monitor medical  
2 marijuana; and

3 (16) Allow out-of-state visitors who are qualifying  
4 patients or primary caregivers in their home state to  
5 obtain a temporary registration certificate upon  
6 payment of an administrative fee.

7 **§329-B Definitions.** As used in this subpart:

8 "Compassion center" means a class 1 medical marijuana  
9 compassion center licensee, other than the qualifying patient  
10 and the qualifying patient's physician, who has agreed to be the  
11 primary caregiver of the qualifying patient.

12 "Department" means the department of health.

13 "Distribution program" means a licensing system under the  
14 department of health for the distribution of medical marijuana.

15 "Medical marijuana" means marijuana for medical use by a  
16 qualified patient upon issuance of a written certification by a  
17 licensed physician to the qualified patient pursuant to  
18 subpart A.

19 "Medical marijuana-infused product" means a product that  
20 contains medical marijuana and is intended for medical use by  
21 means other than smoking. The term includes edible products,  
22 ointments, and tinctures.



1           §329-C Distribution program for medical marijuana. No  
2 later than August 7, 2012, the department shall establish,  
3 administer, and implement a distribution program for medical  
4 marijuana.

5           §329-D Licensure. (a) No business or non-profit entity  
6 shall cultivate, distribute, manufacture, or sell marijuana for  
7 medical use or manufacture a medical marijuana-infused product  
8 without a license issued by the department. The department may  
9 suspend or revoke any license that is not in substantial  
10 compliance with this subpart. The medical use of marijuana  
11 under subpart A shall not require a license.

12           (b) The department shall assess fees for medical marijuana  
13 licensure as follows:

14           (1) An annual fee of \$\_\_\_\_\_ for the issuance of a  
15 class 1 medical marijuana compassion center license  
16 and a fee for annual renewal of a class 1 license in  
17 the same amount;

18           (2) An annual fee of \$\_\_\_\_\_ for issuance of a class 2  
19 medical marijuana cultivation license and a fee for  
20 annual renewal of a class 2 license in the same  
21 amount; and



1 (3) An annual fee of \$ \_\_\_\_\_ for issuance of a class 3  
2 medical marijuana-infused products manufacturing  
3 license and a fee for annual renewal of a class 3  
4 license in the same amount;

5 provided that all fees collected shall be used to defray the  
6 expenses of the department in administering this subpart.

7 (c) The amount of marijuana that may be sold for medical  
8 use or in a medical marijuana-infused product at any one time to  
9 a qualifying patient or primary caregiver for use by a  
10 qualifying patient shall not exceed an adequate supply, as  
11 defined in section 329-121.

12 (d) Medical marijuana and medical marijuana-infused  
13 products shall not be used or consumed on any business premises  
14 of a licensee.

15 (e) No licensee shall be subject to criminal prosecution  
16 for activities conducted in compliance with this subpart.

17 (f) The number of class 1 licensees under subsection (g)  
18 shall be apportioned among the islands as follows:

- 19 (1) Island of Hawaii: 6;
- 20 (2) Island of Kauai: 2;
- 21 (3) Island of Maui: 3;
- 22 (4) Island of Molokai: 1; and





1 (5) Island of Oahu: 10.

2 (g) There is established the following classes of licenses  
3 and requirements for each class of license:

4 (1) Class 1 medical marijuana compassion center license.

5 (A) A class 1 license may be issued to a business or  
6 nonprofit entity to sell marijuana for medical  
7 use by a registered qualifying patient; provided  
8 that the sale occurs on the licensee's business  
9 premises;

10 (B) A class 1 licensee may sell medical marijuana  
11 obtained from a class 2 licensee; provided that  
12 the marijuana is cultivated on the premises of  
13 the class 2 licensee;

14 (C) A class 1 licensee may sell marijuana purchased  
15 from another class 1 licensee whose marijuana was  
16 cultivated by a class 2 licensee; provided that  
17 the marijuana is cultivated on the premises of  
18 the class 2 licensee;

19 (D) A class 1 licensee may contract with a class 3  
20 licensee to sell medical marijuana-infused  
21 products that are prepackaged and labeled so as  
22 to clearly indicate all of the following:



- 1 (i) That the product contains marijuana for
- 2 medical use;
- 3 (ii) That the product is manufactured without any
- 4 regulatory oversight for health, safety, or
- 5 efficacy; and
- 6 (iii) That there may be health risks associated
- 7 with the consumption or use of the product;
- 8 (E) Prior to initiating a sale to a qualified
- 9 patient, a trained employee of a class 1 licensee
- 10 making the sale shall verify that the purchaser
- 11 is a qualified patient who has a valid written
- 12 certification under section 329-123 and presents
- 13 a valid picture identification card that matches
- 14 the name on the written certification;
- 15 (F) All marijuana sold by a class 1 licensee shall be
- 16 labeled with a list of all chemical additives,
- 17 including nonorganic pesticides, herbicides, and
- 18 fertilizers, that were used in the cultivation
- 19 and the production of the marijuana; and
- 20 (G) Qualifying patients shall designate a class 1
- 21 licensee as their supplier of medical marijuana.
- 22 (2) Class 2 medical marijuana cultivation license.



- 1 (A) A class 2 license may be issued to a business or
- 2 nonprofit entity to cultivate medical marijuana;
- 3 (B) The medical marijuana shall be cultivated on the
- 4 class 2 licensees' business premises;
- 5 (C) An application for a license under this paragraph
- 6 shall include plans and specifications for the
- 7 land and any buildings used to cultivate medical
- 8 marijuana;
- 9 (D) A class 2 licensee shall designate a class 1
- 10 licensee or a class 3 licensee as the business or
- 11 nonprofit entity to which the class 2 licensee
- 12 provides medical marijuana;
- 13 (E) A class 2 licensee shall be limited to
- 14 cultivating marijuana in quantities not greater
- 15 than an adequate supply, as defined in section
- 16 329-121, for qualifying patients for the sole
- 17 purpose of selling medical marijuana for lawful
- 18 use to qualifying patients that have designated a
- 19 class 1 center licensee as the primary compassion
- 20 center for the qualifying patient;
- 21 (F) Medical marijuana cultivation by a class 2
- 22 licensee shall be limited to an area of the



1 licensee's business premises that is restricted  
2 solely for the purpose of cultivation of medical  
3 marijuana and excludes entrance by the general  
4 public. The restricted area shall be demarcated  
5 from the rest of the premises and clearly  
6 identified as having restricted access by  
7 conspicuous signage; and

8 (G) No class 2 licensee shall sell directly to a  
9 qualifying patient.

10 (3) Class 3 medical marijuana-infused products  
11 manufacturing license.

12 (A) A class 3 license may be issued to a business or  
13 nonprofit entity to manufacture marijuana-infused  
14 products, including hashish, consumable products,  
15 and tinctures for sale that contain any amount of  
16 medical marijuana;

17 (B) Medical marijuana-infused products shall be  
18 prepared on the business premises that are used  
19 exclusively for the manufacture and preparation  
20 of medical marijuana-infused products;

21 (C) A class 3 licensee shall have a written contract  
22 with a class 2 licensee to obtain medical



1 marijuana to manufacture and prepare medical  
2 marijuana-infused products. The contract shall  
3 at a minimum set forth the total amount of  
4 medical marijuana obtained from the class 2  
5 licensee for use in the manufacturing and  
6 preparation process;

7 (D) A class 3 licensee shall have a written contract  
8 with a class 1 licensee;

9 (E) All premises on which medical marijuana-infused  
10 products are manufactured shall meet applicable  
11 state and county sanitation standards applicable  
12 to the production of food products;

13 (F) All medical marijuana-infused products shall be  
14 sealed and conspicuously labeled to indicate that  
15 the product contains marijuana and list all other  
16 ingredients and the number of grams of medical  
17 marijuana infused in the product; and

18 (G) All class 3 licensees shall be limited to  
19 production in a properly licensed industrial or  
20 commercial warehouse or a properly licensed  
21 commercial kitchen.



1 (h) A licensee under any class shall not be permitted to  
2 transfer a license.

3 (i) No applicant for a license shall be eligible for  
4 issuance or renewal of a license under this section if:

5 (1) The issuance or renewal fee for the license has not  
6 been paid within thirty days of the payment due date;

7 (2) The applicant's criminal history check indicates that  
8 the applicant has been convicted of any felony drug  
9 offense or any felony in the immediately preceding ten  
10 years from obtaining a license;

11 (3) The applicant is under twenty-one years of age;

12 (4) The applicant failed to pay any taxes, interest, or  
13 penalties due to a government agency or failed to pay  
14 any amount due to a government agency pursuant to a  
15 judgment or order; or

16 (5) The applicant is a law enforcement officer or an  
17 employee of the department of public safety or the  
18 department.

19 (j) The department shall conduct a criminal history record  
20 check under chapter 846 on each applicant for a license or  
21 renewal of a license and on other persons associated with the  
22 applicant as specified in this section.



1 (k) Any medical marijuana shall be labeled at all times  
2 with at least a listing of the type of strain and the non-  
3 organic ingredients used to grow the marijuana.

4 §329-E Recordkeeping requirements. Every licensee shall  
5 keep a complete set of all records of the business transactions  
6 of the licensee regarding medical marijuana, including  
7 dispensing records and patients' registry information. The  
8 records shall be subject to inspection by the department at any  
9 time during normal business hours. The department may conduct  
10 an audit of the licensee's business records.

11 All records relating to a transaction shall be kept by the  
12 licensee for a period of not less than five years following that  
13 transaction; provided that all records shall be kept  
14 confidential.

15 §329-F Inspection. The business premises of any class 1  
16 and class 2 licensee shall be subject to unannounced inspections  
17 by the department. The department may review the licensee's  
18 confidential records, including dispensing records identified by  
19 a qualifying patient's registry number to protect  
20 confidentiality.

21 §329-G Taxation of medical marijuana sales. (a) All  
22 sales of medical marijuana between licensees of any class shall



1 be subject to state income tax under chapter 235 and state  
2 general excise tax under chapter 237.

3 (b) For purposes of this section, a licensee shall  
4 maintain required records of sales and income for purposes of  
5 chapters 235 and 237.

6 **§329-H Security of licensed premises for public safety**  
7 **concerns.** (a) All licensees shall implement appropriate  
8 security and safety measures to deter and prevent the theft of  
9 marijuana and the unauthorized entrance onto the licensee's  
10 business premises.

11 (b) All licensees shall:

- 12 (1) Install video surveillance cameras that operate  
13 twenty-four hours per day, seven days per week, and  
14 are accessible to law enforcement agencies. Each  
15 camera shall have seventy-two hours of storage  
16 capacity;
- 17 (2) Install an alarm system for break-ins that is  
18 connected to an alarm company to alert law enforcement  
19 of break-ins; and
- 20 (3) Store marijuana in a locked area on the premises.

21 **§329-I Miscellaneous security measures.** No class 1  
22 medical marijuana compassion center licensee, class 2 medical





1 marijuana cultivation licensee, or class 3 medical marijuana-  
2 infused products manufacturing licensee shall be located within  
3 five hundred feet of any day care facility, public or private  
4 school, or another class 1, class 2, or class 3 licensee  
5 facility. No licensee of any class shall be located within two  
6 miles of any other licensee of any class.

7       **§329-J Protections afforded licensees of program.** All  
8 class 1, class 2, and class 3 licensees, including their  
9 directors, agents, and employees shall be exempt from state  
10 criminal prosecution for possession, production, delivery, and  
11 transportation of marijuana; aiding and abetting another in the  
12 possession, production, delivery, and transportation of  
13 marijuana; or any other criminal offense in which possession,  
14 production, delivery, or transportation of marijuana is an  
15 element, if the activities are in substantial compliance with  
16 this subpart; provided that the following activities shall be  
17 subject to criminal prosecution:

- 18       (1) Driving a motor vehicle while under the influence of  
19             marijuana;
- 20       (2) Engaging in the production, possession, or  
21             distribution of marijuana in public view;



- 1 (3) Delivering marijuana to any individual whom the
- 2 deliverer knows or should have known does not possess
- 3 a written certification;
- 4 (4) Manufacturing or distributing marijuana at an address
- 5 not registered with the department; and
- 6 (5) Failing to report otherwise legal sales of medical
- 7 marijuana to the department.

8 §329-K Criminal history record check. (a) No person who  
9 has had a felony drug conviction or who has been convicted of  
10 any felony in the immediately preceding ten years shall be  
11 eligible to obtain or renew any license under this subpart.

12 (b) Every applicant for a license or renewal of a license,  
13 including the applicant's employees, directors, owners,  
14 principals, partners, and stockholders shall undergo a criminal  
15 history record check under section 846-2.7.

16 §329-L Rules. The department may adopt rules pursuant to  
17 chapter 91 necessary to carry out the purposes of this subpart."

18 SECTION 3. Section 328-14, Hawaii Revised Statutes, is  
19 amended to read as follows:

20 "§328-14 Drugs or devices deemed adulterated when. (a) A  
21 drug or device shall be deemed to be adulterated:



- 1 (1) (A) If it consists in whole or in part of any filthy,  
2 putrid, or decomposed substance; or
- 3 (B) (i) If it has been produced, prepared, packed,  
4 or held under insanitary conditions whereby  
5 it may have been contaminated with filth, or  
6 whereby it may have been rendered injurious  
7 to health; or
- 8 (ii) If the methods used in, or the facilities or  
9 controls used for, its manufacture,  
10 processing, packing, or holding do not  
11 conform to or are not operated or  
12 administered in conformity with current good  
13 manufacturing practice to assure that the  
14 drug or device meets the requirements of  
15 this part as to safety and has the identity  
16 and strength, and meets the quality and  
17 purity characteristics [~~which~~] that it  
18 purports or is represented to possess; or
- 19 (C) If its container is composed, in whole or in  
20 part, of any poisonous or deleterious substance  
21 [~~which~~] that may render the contents injurious to  
22 health; or



1 (D) If:

2 (i) It bears or contains, for purposes of  
3 coloring only, a color additive [which] that  
4 is unsafe within the meaning of the Federal  
5 Act; or

6 (ii) It is a color additive, the intended use of  
7 which is for purposes of coloring only, and  
8 is unsafe within the meaning of the Federal  
9 Act;

10 (2) If it purports to be or is represented as a drug the  
11 name of which is recognized in an official compendium,  
12 and its strength differs from, or its quality or  
13 purity falls below, the standard set forth in the  
14 compendium. Such a determination as to strength,  
15 quality, or purity shall be made in accordance with  
16 the tests or methods of assay set forth in the  
17 compendium, or in the absence of or inadequacy of  
18 these tests or methods of assay, those prescribed  
19 under authority of the Federal Act. No drug defined  
20 in an official compendium shall be deemed to be  
21 adulterated under this paragraph because it differs  
22 from the standard of strength, quality, or purity



1           therefor set forth in the compendium, if its  
2           difference in strength, quality, or purity from that  
3           standard is plainly stated on its label. Whenever a  
4           drug is recognized in both the United States  
5           Pharmacopoeia and the Homeopathic Pharmacopoeia of the  
6           United States it shall be subject to the requirements  
7           of the United States Pharmacopoeia unless it is  
8           labeled and offered for sale as a homeopathic drug, in  
9           which case it shall be subject to the Homeopathic  
10          Pharmacopoeia of the United States and not [~~those of~~]  
11          the United States Pharmacopoeia;

12          (3) If it is not subject to paragraph (2) and its strength  
13          differs from, or its purity or quality falls below,  
14          that which it purports or is represented to possess;  
15          or

16          (4) If it is a drug and any substance has been [~~(A)~~] mixed  
17          or packed therewith so as to reduce its quality or  
18          strength[~~+~~], or [~~(B)~~] substituted wholly or in part  
19          therefor.

20          (b) A medical marijuana-infused product, as defined in  
21          section 329-B, shall be exempt from this section if the food is  
22          labeled as containing marijuana for medical use and specifies



1 the potency and quantity of the grams of the active  
2 ingredients."

3 SECTION 4. Part IX of chapter 329, Hawaii Revised  
4 Statutes, is amended by designating sections 329-121 to 329-128  
5 as subpart A, entitled "General Provisions".

6 SECTION 5. Section 329-121, Hawaii Revised Statutes, is  
7 amended by amending the definition of "adequate supply" to read  
8 as follows:

9 "Adequate supply" means an amount of marijuana jointly  
10 possessed between the qualifying patient and the primary  
11 caregiver or jointly possessed by the qualifying patient and a  
12 compassion center as defined in section 329-B, that is not more  
13 than is reasonably necessary to assure the uninterrupted  
14 availability of marijuana for the purpose of alleviating the  
15 symptoms or effects of a qualifying patient's debilitating  
16 medical condition; provided that an "adequate supply" shall not  
17 exceed [three mature] :

18 (1) Seven marijuana plants [~~four immature marijuana~~  
19 ~~plants,~~] and [~~one ounce~~] six ounces of usable  
20 marijuana per [~~each mature plant.~~] compassion center  
21 per registered patient per fourteen day period; and



1       (2) Seven marijuana plants and two ounces of usable  
2       marijuana per plant per qualifying patient."

3       SECTION 6. Section 329-123, Hawaii Revised Statutes, is  
4 amended to read as follows:

5       " [H] §329-123 [H] Registration requirements. (a)

6 Physicians who issue written certifications shall register the  
7 names, addresses, patient identification numbers, and other  
8 identifying information of the patients issued written  
9 certifications with the department of public safety.

10       (b) Qualifying patients shall register with the department  
11 of public safety. [Such] The registration shall be effective  
12 until the expiration of the certificate issued by the physician.  
13 Every qualifying patient shall provide sufficient identifying  
14 information to establish personal identity of the qualifying  
15 patient and the primary caregiver[-] or the qualifying patient  
16 and the compassion center as defined in section 329-B.

17 Qualifying patients shall report changes in information within  
18 five working days. Every qualifying patient shall have only one  
19 primary caregiver or compassion center at any given time. The  
20 department shall then issue to the qualifying patient a  
21 registration certificate, and may charge a reasonable fee not to  
22 exceed \$25.



1 (c) Primary caregivers shall register with the department  
2 of public safety. Every primary caregiver shall be responsible  
3 for the care of only one qualifying patient at any given time.

4 (d) Upon an inquiry by a law enforcement agency, the  
5 department of public safety shall verify whether the particular  
6 qualifying patient has registered with the department and may  
7 provide reasonable access to the registry information for  
8 official law enforcement purposes.

9 (e) For purposes of subpart B, the department shall allow  
10 out-of-state visitors who are qualifying patients or primary  
11 caregivers in their home state to obtain a temporary  
12 registration certificate; provided that there shall be assessed  
13 and collected an administrative fee of \$100 and the temporary  
14 registration certificate shall be valid for the length of time  
15 of the visit."

16 SECTION 7. Section 846-2.7, Hawaii Revised Statutes, is  
17 amended by amending subsection (b) to read as follows:

18 "(b) Criminal history record checks may be conducted by:

19 (1) The department of health on operators of adult foster  
20 homes or developmental disabilities domiciliary homes  
21 and their employees, as provided by section 333F-22;





- 1           (2) The department of health on prospective employees,  
2                   persons seeking to serve as providers, or  
3                   subcontractors in positions that place them in direct  
4                   contact with clients when providing non-witnessed  
5                   direct mental health services as provided by section  
6                   321-171.5;
- 7           (3) The department of health on all applicants for  
8                   licensure for, operators for, and prospective  
9                   employees, and volunteers at one or more of the  
10                  following: skilled nursing facility, intermediate  
11                  care facility, adult residential care home, expanded  
12                  adult residential care home, assisted living facility,  
13                  home health agency, hospice, adult day health center,  
14                  special treatment facility, therapeutic living  
15                  program, intermediate care facility for the mentally  
16                  retarded, hospital, rural health center and  
17                  rehabilitation agency, and, in the case of any of the  
18                  above-related facilities operating in a private  
19                  residence, on any adult living in the facility other  
20                  than the client as provided by section 321-15.2;
- 21           (4) The department of education on employees, prospective  
22                   employees, and teacher trainees in any public school



- 1 in positions that necessitate close proximity to  
2 children as provided by section 302A-601.5;
- 3 (5) The counties on employees and prospective employees  
4 who may be in positions that place them in close  
5 proximity to children in recreation or child care  
6 programs and services;
- 7 (6) The county liquor commissions on applicants for liquor  
8 licenses as provided by section 281-53.5;
- 9 (7) The department of human services on operators and  
10 employees of child caring institutions, child placing  
11 organizations, and foster boarding homes as provided  
12 by section 346-17;
- 13 (8) The department of human services on prospective  
14 adoptive parents as established under section  
15 346-19.7;
- 16 (9) The department of human services on applicants to  
17 operate child care facilities, prospective employees  
18 of the applicant, and new employees of the provider  
19 after registration or licensure as provided by section  
20 346-154;
- 21 (10) The department of human services on persons exempt  
22 pursuant to section 346-152 to be eligible to provide



- 1 child care and receive child care subsidies as  
2 provided by section 346-152.5;
- 3 (11) The department of human services on operators and  
4 employees of home and community-based case management  
5 agencies and operators and other adults, except for  
6 adults in care, residing in foster family homes as  
7 provided by section 346-335;
- 8 (12) The department of human services on staff members of  
9 the Hawaii youth correctional facility as provided by  
10 section 352-5.5;
- 11 (13) The department of human services on employees,  
12 prospective employees, and volunteers of contracted  
13 providers and subcontractors in positions that place  
14 them in close proximity to youth when providing  
15 services on behalf of the office or the Hawaii youth  
16 correctional facility as provided by section 352D-4.3;
- 17 (14) The judiciary on employees and applicants at detention  
18 and shelter facilities as provided by section 571-34;
- 19 (15) The department of public safety on employees and  
20 prospective employees who are directly involved with  
21 the treatment and care of persons committed to a  
22 correctional facility or who possess police powers



1 including the power of arrest as provided by section  
2 353C-5;

3 (16) The department of health on each applicant for a  
4 license or renewal of a license under section 329-D,  
5 and on the applicant's employees, directors, owners,  
6 principals, partners, and stockholders;

7 ~~[(16)]~~ (17) The department of commerce and consumer affairs  
8 on applicants for private detective or private guard  
9 licensure as provided by section 463-9;

10 ~~[(17)]~~ (18) Private schools and designated organizations on  
11 employees and prospective employees who may be in  
12 positions that necessitate close proximity to  
13 children; provided that private schools and designated  
14 organizations receive only indications of the states  
15 from which the national criminal history record  
16 information was provided pursuant to section 302C-1;

17 ~~[(18)]~~ (19) The public library system on employees and  
18 prospective employees whose positions place them in  
19 close proximity to children as provided by section  
20 302A-601.5;

21 ~~[(19)]~~ (20) The State or any of its branches, political  
22 subdivisions, or agencies on applicants and employees



1 holding a position that has the same type of contact  
2 with children, vulnerable adults, or persons committed  
3 to a correctional facility as other public employees  
4 who hold positions that are authorized by law to  
5 require criminal history record checks as a condition  
6 of employment as provided by section 78-2.7;

7 ~~[(+20)]~~ (21) The department of human services on licensed  
8 adult day care center operators, employees, new  
9 employees, subcontracted service providers and their  
10 employees, and adult volunteers as provided by section  
11 346-97;

12 ~~[(+21)]~~ (22) The department of human services on purchase of  
13 service contracted and subcontracted service providers  
14 and their employees serving clients of the adult and  
15 community care services branch, as provided by section  
16 346-97;

17 ~~[(+22)]~~ (23) The department of human services on foster  
18 grandparent program, retired and senior volunteer  
19 program, senior companion program, and respite  
20 companion program participants as provided by section  
21 346-97;



1       ~~[(23)]~~ (24) The department of human services on contracted  
2                   and subcontracted service providers and their current  
3                   and prospective employees that provide home and  
4                   community-based services under Section 1915(c) of the  
5                   Social Security Act, (Title 42 United States Code  
6                   Section 1396n(c)), or under any other applicable  
7                   section or sections of the Social Security Act for the  
8                   purposes of providing home and community-based  
9                   services, as provided by section 346-97;

10       ~~[(24)]~~ (25) The department of commerce and consumer affairs  
11                   on proposed directors and executive officers of a  
12                   bank, savings bank, savings and loan association,  
13                   trust company, and depository financial services loan  
14                   company as provided by section 412:3-201;

15       ~~[(25)]~~ (26) The department of commerce and consumer affairs  
16                   on proposed directors and executive officers of a  
17                   nondepository financial services loan company as  
18                   provided by section 412:3-301;

19       ~~[(26)]~~ (27) The department of commerce and consumer affairs  
20                   on the original chartering applicants and proposed  
21                   executive officers of a credit union as provided by  
22                   section 412:10-103;



1        [~~27~~] (28)    The department of commerce and consumer affairs

2                    on:

3                    (A)    Each principal of every non-corporate applicant  
4                    for a money transmitter license; and

5                    (B)    The executive officers, key shareholders, and  
6                    managers in charge of a money transmitter's  
7                    activities of every corporate applicant for a  
8                    money transmitter license,

9                    as provided by section 489D-9;

10        [~~28~~] (29)    The department of commerce and consumer affairs  
11                    on applicants for licensure and persons licensed under  
12                    title 24;

13        [~~29~~] (30)    The Hawaii health systems corporation on:

14                    (A)    Employees;

15                    (B)    Applicants seeking employment;

16                    (C)    Current or prospective members of the corporation  
17                    board or regional system board; or

18                    (D)    Current or prospective volunteers, providers, or  
19                    contractors,

20                    in any of the corporation's health facilities as  
21                    provided by section 323F-5.5;



1        ~~(30)~~ (31) The department of commerce and consumer affairs  
2                    on:

3                    (A) An applicant for a mortgage loan originator  
4                    license; and

5                    (B) Each control person, executive officer, director,  
6                    general partner, and manager of an applicant for  
7                    a mortgage loan originator company license,  
8                    as provided by chapter 454F; and

9        ~~(31)~~ (32) Any other organization, entity, or the State,  
10                    its branches, political subdivisions, or agencies as  
11                    may be authorized by state law."

12                    SECTION 8. Chapter 329, part IX, subpart A, Hawaii Revised  
13                    Statutes, is amended by substituting the term "subpart" wherever  
14                    the term "part" appears, as the context requires.

15                    SECTION 9. If any provision of this Act, or the  
16                    application thereof to any person or circumstance is held  
17                    invalid, the invalidity does not affect other provisions or  
18                    applications of the Act, which can be given effect without the  
19                    invalid provision or application, and to this end the provisions  
20                    of this Act are severable.





1 SECTION 10. This Act does not affect rights and duties  
2 that matured, penalties that were incurred, and proceedings that  
3 were begun before its effective date.

4 SECTION 11. In codifying the new sections added by  
5 section 2 of this Act, the revisor of statutes shall substitute  
6 appropriate section numbers for the letters used in designating  
7 the new sections in this Act.

8 SECTION 12. Statutory material to be repealed is bracketed  
9 and stricken. New statutory material is underscored.

10 SECTION 13. This Act shall take effect on July 1, 2050.



**Report Title:**

Health; Medical Marijuana

**Description:**

Creates three classes of medical marijuana licenses: class 1 medical marijuana compassion center license for the sale of medical marijuana to qualified patients; class 2 medical marijuana cultivation license; class 3 medical marijuana-infused products manufacturing license. Specifies requirements for each class. Makes medical marijuana sales subject to income and excise taxes. Establishes a fee for issuance and renewal of a license and a special marijuana sales tax. Takes effect 7/1/2050. (SD2)

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

