

Honolulu, Hawaii

FEB 18 2011

RE: S.B. No. 1458  
S.D. 1

Honorable Shan S. Tsutsui  
President of the Senate  
Twenty-Sixth State Legislature  
Regular Session of 2011  
State of Hawaii

Sir:

Your Committees on Health and Public Safety, Government Operations, and Military Affairs, to which was referred S.B. No. 1458 entitled:

"A BILL FOR AN ACT RELATING TO HEALTH,"

beg leave to report as follows:

The purpose and intent of this measure is to establish a licensing system under the Department of Health for the distribution of medical marijuana by:

- (1) Creating 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; and class 3 medical marijuana-infused products manufacturing license;
- (2) Specifying requirements for each class;
- (3) Making medical marijuana sales subject to income and excise taxes;
- (4) Establishing a special marijuana sales tax on sales of medical marijuana; and
- (5) Establishing a fee for issuance and renewal of a license.

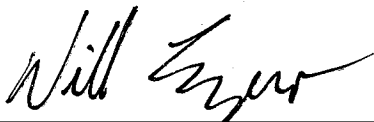


manufacturing licensee shall be located within five hundred feet of any day care facility, public or private school, or another class 1, class 2, or class 3 licensee facility; and no licensee of any class shall be located within two miles of any other licensee of any class;

- (7) Extending from five to ten preceding years the time during which a person who has had a felony drug conviction shall be ineligible to obtain or renew a license;
- (8) Inserting an effective date of July 1, 2050, to allow for further discussion; and
- (9) Making technical, nonsubstantive changes for the purposes of clarity and consistency.

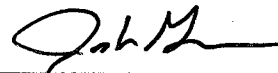
As affirmed by the records of votes of the members of your Committees on Health and Public Safety, Government Operations, and Military Affairs that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1458, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1458, S.D. 1, and be referred to the Committee on Ways and Means.

Respectfully submitted on  
behalf of the members of the  
Committees on Health and Public  
Safety, Government Operations,  
and Military Affairs,



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WILL ESPERO, Chair



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JOSH GREEN, M.D., Chair





