

JAN 19 2018

A BILL FOR AN ACT

RELATING TO MANUFACTURED CANNABIS PRODUCTS.

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

1 SECTION 1. Section 329D-1, Hawaii Revised Statutes, is
2 amended as follows:

3 1. By adding a new definition to be appropriately inserted
4 and to read:

5 "Consumable manufactured cannabis product" means any
6 manufactured cannabis product that may be consumed."

7 2. By amending the definition of "manufactured cannabis
8 product" to read:

9 "Manufactured cannabis product" means any [capsule,
10 lozenge, oil or oil extract, tincture, ointment or skin lotion,
11 pill, transdermal patch, or pre-filled and sealed container used
12 to aerosolize and deliver cannabis orally, such as an inhaler or
13 nebulizer, that has been] product that may be manufactured using
14 [cannabis, or any other products as specified by the department]
15 cannabis pursuant to section [329D-10(a)(9).] 329D-10."

16 SECTION 2. Section 329D-9, Hawaii Revised Statutes, is
17 amended to read as follows:



1 " [f]§329D-9 [f] **Manufacturing of medical cannabis products.**

2 (a) Any medical cannabis dispensary licensed by the department
3 pursuant to this chapter shall be permitted to manufacture
4 cannabis products; provided that the dispensary shall also
5 obtain any other state or county permits or licenses that may be
6 necessary for a particular manufacturing activity.

7 (b) The department shall establish health, safety, and
8 sanitation standards regarding the manufacture of manufactured
9 cannabis products [-]; provided that manufactured cannabis
10 products shall only be manufactured in a commercial kitchen or
11 other suitable facility that is not part of an inhabited home;
12 provided further that any individual participating in the
13 manufacture of a manufactured cannabis product shall:

- 14 (1) Be subject to a criminal history record check in
15 accordance with section 846-2.7;
- 16 (2) Wash hands thoroughly prior to handling the product;
17 and
- 18 (3) In the case of a consumable manufactured marijuana
19 product, wear gloves when manufacturing or packaging
20 the product.



1 (c) A manufacturer of a manufactured cannabis product
2 shall calculate the equivalent physical weight of the medical
3 cannabis that is used to manufacture the product and shall make
4 the equivalency calculations available to the department and to
5 a consumer of the manufactured cannabis product.

6 (d) The department shall authorize no more than eight
7 companies to partner with medical cannabis dispensaries licensed
8 pursuant to this chapter to participate in the manufacture of
9 consumable manufactured cannabis products; provided that each
10 company that partners with a dispensary shall obtain a valid
11 state or county permit or license that is applicable to the
12 manufacturing activity.

13 (e) No person who suffers from any symptom associated with
14 an acute gastrointestinal illness or who is infected with a
15 communicable disease that is transmissible through foodstuffs
16 shall participate in the manufacture of a consumable
17 manufactured cannabis product."

18 SECTION 3. Section 329D-10, Hawaii Revised Statutes, is
19 amended by amending subsection (a) to read as follows:



1 "(a) The types of medical cannabis products that may be
2 manufactured and distributed pursuant to this chapter shall be
3 limited to:

- 4 (1) Capsules;
- 5 (2) Lozenges;
- 6 (3) Pills;
- 7 (4) Suppositories;
- 8 ~~[(4)]~~ (5) Oils and oil extracts;
- 9 ~~[(5)]~~ (6) Tinctures;
- 10 ~~[(6)]~~ (7) Ointments and skin lotions;
- 11 ~~[(7)]~~ (8) Transdermal patches;
- 12 ~~[(8)]~~ (9) Pre-filled and sealed containers used to
13 aerosolize and deliver cannabis orally, such as with
14 an inhaler or nebulizer; ~~[and]~~
- 15 (10) Baked products, including but not limited to baked
16 bars, brownies, cakes, and cookies; and
- 17 ~~[(9)]~~ (11) Other products as specified by the
18 department[-]; provided that the department shall not
19 authorize any product that requires refrigeration or
20 heat for safe storage or prior to consumption."



1 SECTION 4. Section 329D-11, Hawaii Revised Statutes, is
2 amended to read as follows:

3 "[~~§~~§329D-11[~~§~~] Advertising and packaging. (a) The
4 department shall establish standards regarding the advertising
5 and packaging of medical cannabis and manufactured cannabis
6 products; provided that the standards, at a minimum, shall
7 require the use of packaging that:

- 8 (1) Is child-resistant and opaque so that the product
9 cannot be seen from outside the packaging;
- 10 (2) Uses only black lettering on a white background with
11 no pictures or graphics;
- 12 (3) Is clearly labeled with the phrase "For medical use
13 only";
- 14 (4) Is clearly labeled with the phrase [~~"Not for resale or~~
15 ~~transfer to another person";~~] "Resale or transfer to
16 another person is illegal";
- 17 (5) Includes instructions for use and "use by date";
- 18 (6) Contains information about the contents and potency of
19 the product;



- 1 (7) Includes the name of the production center where
2 medical cannabis in the product was produced,
3 including the batch number and date of packaging;
- 4 (8) Includes a barcode generated by tracking software; and
- 5 (9) In the case of a manufactured cannabis product, [~~a~~
6 ~~listing~~] includes a:
- 7 (A) Listing of the equivalent physical weight of the
8 medical cannabis used to manufacture the amount
9 of the product that is within the packaging,
10 pursuant to section 329D-9(c) [~~-~~];
- 11 (B) Clearly labeled warning stating that the product:
- 12 (i) Is a medication that contains cannabis, and
13 is not a food;
- 14 (ii) Should be kept away from children; and
- 15 (iii) Contains nuts or other known allergens, if
16 applicable; and
- 17 (C) Date of manufacture."
- 18 (b) [~~Any capsule, lozenge, or pill containing medical~~
19 ~~cannabis or its principal psychoactive constituent~~
20 ~~tetrahydrocannabinol~~] All consumable manufactured cannabis
21 products shall be packaged so that one dose, serving, or single



1 wrapped item contains no more than ten milligrams of
2 [~~tetrahydrocannabinol~~] psychoactive ingredients; provided that
3 no manufactured cannabis product that is sold in a pack of
4 multiple doses, servings, or single wrapped items, nor any
5 containers of oils, shall contain more than a total of one
6 hundred milligrams of [~~tetrahydrocannabinol~~] psychoactive
7 ingredients per pack or container.

8 (c) All manufactured cannabis products shall be
9 individually wrapped at the original point of manufacture."

10 SECTION 5. Section 846-2.7, Hawaii Revised Statutes, is
11 amended by amending subsection (b) to read as follows:

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

13 (1) The department of health or its designee on operators
14 of adult foster homes for individuals with
15 developmental disabilities or developmental
16 disabilities domiciliary homes and their employees, as
17 provided by section 321-15.2;

18 (2) The department of health or its designee on
19 prospective employees, persons seeking to serve as
20 providers, or subcontractors in positions that place
21 them in direct contact with clients when providing



- 1 non-witnessed direct mental health or health care
2 services as provided by section 321-171.5;
- 3 (3) The department of health or its designee on all
4 applicants for licensure or certification for,
5 operators for, prospective employees, adult
6 volunteers, and all adults, except adults in care, at
7 healthcare facilities as defined in section 321-15.2;
- 8 (4) The department of education on employees, prospective
9 employees, and teacher trainees in any public school
10 in positions that necessitate close proximity to
11 children as provided by section 302A-601.5;
- 12 (5) The counties on employees and prospective employees
13 who may be in positions that place them in close
14 proximity to children in recreation or child care
15 programs and services;
- 16 (6) The county liquor commissions on applicants for liquor
17 licenses as provided by section 281-53.5;
- 18 (7) The county liquor commissions on employees and
19 prospective employees involved in liquor
20 administration, law enforcement, and liquor control
21 investigations;



- 1 (8) The department of human services on operators and
2 employees of child caring institutions, child placing
3 organizations, and foster boarding homes as provided
4 by section 346-17;
- 5 (9) The department of human services on prospective
6 adoptive parents as established under section
7 346-19.7;
- 8 (10) The department of human services or its designee on
9 applicants to operate child care facilities, household
10 members of the applicant, prospective employees of the
11 applicant, and new employees and household members of
12 the provider after registration or licensure as
13 provided by section 346-154, and persons subject to
14 section 346-152.5;
- 15 (11) The department of human services on persons exempt
16 pursuant to section 346-152 to be eligible to provide
17 child care and receive child care subsidies as
18 provided by section 346-152.5;
- 19 (12) The department of health on operators and employees of
20 home and community-based case management agencies and
21 operators and other adults, except for adults in care,



1 residing in community care foster family homes as
2 provided by section 321-15.2;

3 (13) The department of human services on staff members of
4 the Hawaii youth correctional facility as provided by
5 section 352-5.5;

6 (14) The department of human services on employees,
7 prospective employees, and volunteers of contracted
8 providers and subcontractors in positions that place
9 them in close proximity to youth when providing
10 services on behalf of the office or the Hawaii youth
11 correctional facility as provided by section 352D-4.3;

12 (15) The judiciary on employees and applicants at detention
13 and shelter facilities as provided by section 571-34;

14 (16) The department of public safety on employees and
15 prospective employees who are directly involved with
16 the treatment and care of persons committed to a
17 correctional facility or who possess police powers
18 including the power of arrest as provided by section
19 353C-5;



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- 1 (17) The board of private detectives and guards on
2 applicants for private detective or private guard
3 licensure as provided by section 463-9;
- 4 (18) Private schools and designated organizations on
5 employees and prospective employees who may be in
6 positions that necessitate close proximity to
7 children; provided that private schools and designated
8 organizations receive only indications of the states
9 from which the national criminal history record
10 information was provided pursuant to section 302C-1;
- 11 (19) The public library system on employees and prospective
12 employees whose positions place them in close
13 proximity to children as provided by section
14 302A-601.5;
- 15 (20) The State or any of its branches, political
16 subdivisions, or agencies on applicants and employees
17 holding a position that has the same type of contact
18 with children, vulnerable adults, or persons committed
19 to a correctional facility as other public employees
20 who hold positions that are authorized by law to



1 require criminal history record checks as a condition
2 of employment as provided by section 78-2.7;

3 (21) The department of health on licensed adult day care
4 center operators, employees, new employees,
5 subcontracted service providers and their employees,
6 and adult volunteers as provided by section 321-15.2;

7 (22) The department of human services on purchase of
8 service contracted and subcontracted service providers
9 and their employees serving clients of the adult
10 protective and community services branch, as provided
11 by section 346-97;

12 (23) The department of human services on foster grandparent
13 program, senior companion program, and respite
14 companion program participants as provided by section
15 346-97;

16 (24) The department of human services on contracted and
17 subcontracted service providers and their current and
18 prospective employees that provide home and community-
19 based services under section 1915(c) of the Social
20 Security Act, title 42 United States Code section
21 1396n(c), or under any other applicable section or



1 sections of the Social Security Act for the purposes
2 of providing home and community-based services, as
3 provided by section 346-97;

4 (25) The department of commerce and consumer affairs on
5 proposed directors and executive officers of a bank,
6 savings bank, savings and loan association, trust
7 company, and depository financial services loan
8 company as provided by section 412:3-201;

9 (26) The department of commerce and consumer affairs on
10 proposed directors and executive officers of a
11 nondepository financial services loan company as
12 provided by section 412:3-301;

13 (27) The department of commerce and consumer affairs on the
14 original chartering applicants and proposed executive
15 officers of a credit union as provided by section
16 412:10-103;

17 (28) The department of commerce and consumer affairs on:
18 (A) Each principal of every non-corporate applicant
19 for a money transmitter license;



- 1 (B) Each person who upon approval of an application
2 by a corporate applicant for a money transmitter
3 license will be a principal of the licensee; and
- 4 (C) Each person who upon approval of an application
5 requesting approval of a proposed change in
6 control of licensee will be a principal of the
7 licensee,
- 8 as provided by sections 489D-9 and 489D-15;
- 9 (29) The department of commerce and consumer affairs on
10 applicants for licensure and persons licensed under
11 title 24;
- 12 (30) The Hawaii health systems corporation on:
- 13 (A) Employees;
- 14 (B) Applicants seeking employment;
- 15 (C) Current or prospective members of the corporation
16 board or regional system board; or
- 17 (D) Current or prospective volunteers, providers, or
18 contractors,
- 19 in any of the corporation's health facilities as
20 provided by section 323F-5.5;
- 21 (31) The department of commerce and consumer affairs on:



- 1 (A) An applicant for a mortgage loan originator
- 2 license, or license renewal; and
- 3 (B) Each control person, executive officer, director,
- 4 general partner, and managing member of an
- 5 applicant for a mortgage loan originator company
- 6 license or license renewal,
- 7 as provided by chapter 454F;
- 8 (32) The state public charter school commission or public
- 9 charter schools on employees, teacher trainees,
- 10 prospective employees, and prospective teacher
- 11 trainees in any public charter school for any position
- 12 that places them in close proximity to children, as
- 13 provided in section 302D-33;
- 14 (33) The counties on prospective employees who work with
- 15 children, vulnerable adults, or senior citizens in
- 16 community-based programs;
- 17 (34) The counties on prospective employees for fire
- 18 department positions which involve contact with
- 19 children or vulnerable adults;



- 1 (35) The counties on prospective employees for emergency
2 medical services positions which involve contact with
3 children or vulnerable adults;
- 4 (36) The counties on prospective employees for emergency
5 management positions and community volunteers whose
6 responsibilities involve planning and executing
7 homeland security measures including viewing,
8 handling, and engaging in law enforcement or
9 classified meetings and assisting vulnerable citizens
10 during emergencies or crises;
- 11 (37) The State and counties on employees, prospective
12 employees, volunteers, and contractors whose position
13 responsibilities require unescorted access to secured
14 areas and equipment related to a traffic management
15 center;
- 16 (38) The State and counties on employees and prospective
17 employees whose positions involve the handling or use
18 of firearms for other than law enforcement purposes;
- 19 (39) The State and counties on current and prospective
20 systems analysts and others involved in an agency's
21 information technology operation whose position



1 responsibilities provide them with access to
2 proprietary, confidential, or sensitive information;
3 (40) The department of commerce and consumer affairs on:
4 (A) Applicants for real estate appraiser licensure or
5 certification as provided by chapter 466K;
6 (B) Each person who owns more than ten per cent of an
7 appraisal management company who is applying for
8 registration as an appraisal management company,
9 as provided by section 466L-7; and
10 (C) Each of the controlling persons of an applicant
11 for registration as an appraisal management
12 company, as provided by section 466L-7;
13 (41) The department of health or its designee on all
14 license applicants, licensees, employees, contractors,
15 and prospective employees of medical cannabis
16 dispensaries [~~and~~]; individuals permitted to enter
17 and remain in medical cannabis dispensary facilities
18 as provided under sections 329D-15(a)(4) and
19 329D-16(a)(3); and individuals who participate or will
20 participate in the manufacture of a manufactured
21 cannabis product;



- 1 (42) The department of commerce and consumer affairs on
2 applicants for nurse licensure or license renewal,
3 reactivation, or restoration as provided by sections
4 457-7, 457-8, 457-8.5, and 457-9;
- 5 (43) The county police departments on applicants for
6 permits to acquire firearms pursuant to section 134-2
7 and on individuals registering their firearms pursuant
8 to section 134-3;
- 9 (44) The department of commerce and consumer affairs on:
- 10 (A) Each of the controlling persons of the applicant
11 for licensure as an escrow depository, and each
12 of the officers, directors, and principals who
13 will be in charge of the escrow depository's
14 activities upon licensure; and
- 15 (B) Each of the controlling persons of an applicant
16 for proposed change in control of an escrow
17 depository licensee, and each of the officers,
18 directors, and principals who will be in charge
19 of the licensee's activities upon approval of
20 such application,
21 as provided by chapter 449;



- 1 (45) The department of taxation on current or prospective
2 employees or contractors who have access to federal
3 tax information in order to comply with requirements
4 of federal law, regulation, or procedure, as provided
5 by section 231-1.6;
- 6 (46) The department of labor and industrial relations on
7 current or prospective employees or contractors who
8 have access to federal tax information in order to
9 comply with requirements of federal law, regulation,
10 or procedure, as provided by section 383-110;
- 11 (47) The department of human services on current or
12 prospective employees or contractors who have access
13 to federal tax information in order to comply with
14 requirements of federal law, regulation, or procedure,
15 as provided by section 346-2.5;
- 16 (48) The child support enforcement agency on current or
17 prospective employees, or contractors who have access
18 to federal tax information in order to comply with
19 federal law, regulation, or procedure, as provided by
20 section 576D-11.5; and



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1 (49) Any other organization, entity, or the State, its
 2 branches, political subdivisions, or agencies as may
 3 be authorized by state law."

4 SECTION 6. This Act does not affect rights and duties that
 5 matured, penalties that were incurred, and proceedings that were
 6 begun before its effective date.

7 SECTION 7. Statutory material to be repealed is bracketed
 8 and stricken. New statutory material is underscored.

9 SECTION 8. This Act shall take effect upon its approval.

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Report Title:

Medical Cannabis; Consumable Manufactured Cannabis Products

Description:

Authorizes the department of health to authorize companies to partner with medical cannabis dispensaries to participate in the manufacture of consumable manufactured cannabis products. Establishes additional requirements and amends existing requirements regarding manufactured cannabis products.

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

