

STAND. COM. REP. NO.

1461

Honolulu, Hawaii

MAR 22 2019

RE: H.B. No. 673  
H.D. 2  
S.D. 1

Honorable Ronald D. Kouchi  
President of the Senate  
Thirtieth State Legislature  
Regular Session of 2019  
State of Hawaii

Sir:

Your Committee on Commerce, Consumer Protection, and Health,  
to which was referred H.B. No. 673, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO MEDICAL CANNABIS,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Provide a process for the voluntary or involuntary sale or transfer of a dispensary license;
- (2) Allow physician assistants to provide written certification for medical cannabis for qualifying patients;
- (3) Allow licensed dispensaries to have up to two manufacturing or processing centers separate from their production facilities;
- (4) Allow dispensaries to operate on state and federal holidays;
- (5) Require all dispensary and related facilities to conform with all county zoning and building code requirements;



- (6) Allow licensed dispensaries to purchase medical cannabis or manufactured cannabis products from another licensed dispensary with approval from the Department of Health in the event crop failure could affect patient access; and
- (7) Allow licensed dispensaries to manufacture and distribute edible cannabis and cannabidiol products.

Prior to the hearing on this measure, your Committee posted and made available for public review a proposed S.D. 1, which deletes the contents of the measure except the section that provides a process for the voluntary or involuntary sale or transfer of a dispensary license.

Your Committee received testimony in support of this measure or the proposed S.D. 1 from the Department of Health, Noa Botanicals, Hawai'i Educational Association for Licensed Therapeutic Healthcare, Drug Policy Action Group, and over fifty individuals. Your Committee received testimony in opposition to this measure from one individual. Your Committee received comments on this measure or the proposed S.D. 1 from the Drug Policy Forum of Hawai'i, Akamai Cannabis Clinic, Community Alliance on Prisons, and two individuals.

Your Committee finds that medical cannabis dispensaries are vital to ensuring medical cannabis patients have adequate access to medical cannabis. Your Committee further finds that the law as written does not allow for the sale or transfer of a dispensary license under any circumstance, even in the event of the death or incapacity of the individual licensee. Instead, when an individual licensee is unable or unwilling to perform the licensee's functions, the Department of Health must revoke the dispensary's license and close the dispensary. Your Committee finds that the number of medical cannabis dispensaries is already limited and further reducing this number could impede patient access to medical cannabis. The proposed S.D. 1 helps ensure that qualifying patients have uninterrupted access to medical cannabis dispensaries going forward.

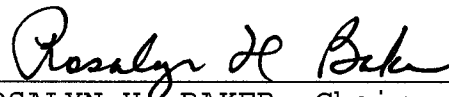
Your Committee has amended this measure by adopting the proposed S.D. 1 and further amending the measure by:



- (1) Prohibiting an employer from discriminating against a person in hiring, termination, or conditions of employment based on the person's status as a qualifying patient, with certain exceptions;
- (2) Prohibiting an employer from taking action against an employee based the employee's status as a qualifying patient or if that employee's drug test is positive for cannabis or its components, with certain exceptions;
- (3) Updating its purpose section;
- (4) Inserting an effective date of July 1, 2019; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 673, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 673, H.D. 2, S.D. 1, and be referred to your Committees on Judiciary and Ways and Means.

Respectfully submitted on  
behalf of the members of the  
Committee on Commerce, Consumer  
Protection, and Health,



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ROSALYN H. BAKER, Chair



