
A BILL FOR AN ACT

RELATING TO MEDICAL CANNABIS.

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

1 SECTION 1. The legislature finds that as licensed medical
2 cannabis dispensaries have only been established since 2015,
3 they are still a new and emerging industry and most production
4 centers and facilities have only been operating for less than
5 two years. The legislature further finds that there may be
6 situations where the leadership within a licensed dispensary has
7 changed; however, existing law does not provide a process for
8 the sale or transfer of any significant interest in a licensed
9 dispensary.

10 Accordingly, the purpose of this Act is to:

- 11 (1) Provide a process for the voluntary or involuntary
12 sale or transfer of a dispensary license; and
13 (2) Repeal certain restrictions on medical cannabis
14 dispensary operations and siting.

15 SECTION 2. Chapter 329D, Hawaii Revised Statutes, is
16 amended by adding a new section to be appropriately designated
17 and to read as follows:



1 "§329D- Sale or transfer of dispensary license. (a) In
2 the event of death, legal incapacity, or permanent disability of
3 an individual dispensary licensee, the relevant entity licensee
4 shall notify the department within thirty days of the individual
5 licensee's inability to continue in the individual's capacity as
6 a licensee, and shall provide to the department within thirty
7 days of the notice a plan for the sale or transfer of the
8 individual license to another individual who meets all the
9 requirements under this chapter and has been a resident of the
10 State for not less than five years preceding the proposed date
11 of transfer.

12 (b) In the event of a voluntary resignation by an
13 individual licensee, termination of an individual licensee's
14 employment with an entity licensee with or without cause, or any
15 other permanent separation of the relationship between an
16 individual licensee and an entity licensee, the relevant entity
17 licensee shall submit a plan to the department for approval at
18 least thirty days prior to any sale or transfer of the
19 individual license to another individual who shall meet all the
20 requirements under this chapter and shall have been a resident



1 of the State for not less than five years preceding the date of
2 transfer.

3 (c) The department may deny a request for transfer of
4 ownership if it deems the transferee has failed to meet all the
5 requirements of section 329D-3 for ownership."

6 SECTION 3. Section 329D-6, Hawaii Revised Statutes, is
7 amended as follows:

8 1. By amending subsection (e) to read:

9 "(e) Retail dispensing locations shall not be open for
10 retail sales before 8:00 a.m. or after 8:00 p.m., Hawaii-
11 Aleutian Standard Time, Monday through Sunday. [~~Retail~~
12 ~~dispensing locations shall be closed on official state and~~
13 ~~federal holidays.~~]"

14 2. By amending subsection (m) to read:

15 "(m) A dispensary shall not transport cannabis or
16 manufactured cannabis products to another county or another
17 island; provided that this subsection shall not apply to the
18 transportation of cannabis or any manufactured cannabis product
19 solely for the purposes of laboratory testing pursuant to
20 section 329D-8, and subject to subsection (j) [~~if no certified~~
21 ~~laboratory is located in the county or on the island where the~~



1 ~~dispensary is located~~]; provided further that a dispensary shall
2 only transport samples of cannabis and manufactured cannabis
3 products for laboratory testing for purposes of this subsection
4 in an amount and manner prescribed by the department, in rules
5 adopted pursuant to this chapter, and with the understanding
6 that state law and its protections do not apply outside of the
7 jurisdictional limits of the State."

8 SECTION 4. Section 329D-22, Hawaii Revised Statutes, is
9 amended by amending subsection (a) to read as follows:

10 "(a) Medical cannabis production centers and dispensaries
11 shall comply with all county zoning ordinances, rules, or
12 regulations; provided that:

13 (1) A medical cannabis production center shall be
14 permitted in any area in which agricultural production
15 is permitted except as provided within this chapter;
16 and

17 (2) No medical cannabis production center or dispensary
18 shall be permitted within seven hundred fifty feet of
19 the real property comprising a playground [~~public~~
20 ~~housing project or complex,~~] or school."



1 SECTION 5. Statutory material to be repealed is bracketed
2 and stricken. New statutory material is underscored.

3 SECTION 6. This Act shall take effect upon its approval.



Report Title:

Medical Cannabis; Sale or Transfer of License; Location;
Operating Hours; Transport

Description:

Provides a process for the voluntary or involuntary sale or transfer of an individual dispensary license. Eases restrictions on allowable operating hours and location of licensed facilities. Expands allowable interisland transportation of medical cannabis products for laboratory testing. (HB673 CD1)

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

