A BILL FOR AN ACT

RELATING TO MEDICAL CANNABIS.

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


The legislature further finds that some qualifying patients and primary caregivers continue to have difficulty physically getting to a retail dispensing location due to transportation issues, their physical disability and pain, or geographic distance. The legislature notes that states such as Arizona, Colorado, New Mexico, and Oregon have established cannabis delivery systems.

The purpose of this Act is to provide for a safe, secure, and transparent system for qualifying patients and primary
caregivers to have medical cannabis and manufactured cannabis products delivered to their homes.

SECTION 2. Chapter 329D, Hawaii Revised Statutes, is amended by adding two new sections to be appropriately designated and to read as follows:

"§329D-A Medical cannabis delivery permit; delivery to qualifying patient or primary caregiver. (a) Notwithstanding subsection 329D-6(n) to the contrary, the department may issue a medical cannabis delivery permit to a medical cannabis dispensary for the safe and secure transport of medical cannabis or manufactured cannabis products to a qualifying patient or primary caregiver.

(b) A medical cannabis delivery permit issued pursuant to this section shall be valid for one year and may be renewed annually upon renewal of the medical cannabis dispensary license.

(c) A medical cannabis delivery permit issued pursuant to this section shall apply to only one dispensary; provided that a single medical cannabis delivery permit may apply to multiple retail dispensing locations if the retail dispensing locations
are covered under the same dispensary's license, as specified in this chapter and rules adopted by the department.

(d) At the time of an order for delivery of medical cannabis or manufactured cannabis products, the dispensary shall require the qualifying patient or primary caregiver to verify that the qualifying patient is qualified to purchase and receive a delivery of medical cannabis or manufactured cannabis products pursuant to this section, including:

(1) The qualifying patient's name and date of birth;

(2) The medical cannabis registration certificate number reflected on the qualifying patient's or primary caregiver's registration with the department;

(3) The address of the residence where the order will be delivered; and

(4) Any other information required by the department.

(e) A dispensary with a valid medical cannabis delivery permit may receive an order by electronic means from a qualifying patient or primary caregiver for the purchase and delivery of medical cannabis or manufactured cannabis products using an online platform for medical cannabis or manufactured cannabis product delivery; provided that the online platform
shall require the qualifying patient or primary caregiver to choose a retail dispensing location before viewing the price of the medical cannabis or manufactured cannabis product.

(f) A dispensary may deliver medical cannabis and manufactured cannabis products only to the qualifying patient or primary caregiver who placed the order and who:

(1) Provides valid photographic identification in the form of a state identification card, driver's license, or passport;

(2) Has a photographic image taken of the qualifying patient or primary caregiver and a photographic image taken of the photographic identification at the time of delivery; and

(3) Provides a signature acknowledging the delivery of the medical cannabis or manufactured cannabis product.

(g) Any person delivering medical cannabis or manufactured cannabis products shall:

(1) Be a current employee of the dispensary;

(2) Have completed training on proof of identification and verification, including all forms of identification deemed acceptable by the department; and
(3) Have completed any other training required by the department.

(h) A dispensary with a valid medical cannabis delivery permit issued pursuant to this section shall:

(1) Charge a $1 surcharge on each delivery made pursuant to this section, which shall be collected and remitted to the department on a monthly basis;

(2) Track the medical cannabis and manufactured cannabis products delivered to a qualifying patient or a primary caregiver using its computer software tracking system pursuant to section 329D-6(j);

(3) Deliver only to a qualifying patient or a primary caregiver at the address provided in the order for medical cannabis or manufactured cannabis products;

and

(4) Deliver only to private residences.

(i) A dispensary with a valid medical cannabis delivery permit issued pursuant to this section shall not:

(1) Deliver medical cannabis or manufactured cannabis products to any qualifying patient or primary caregiver while also transporting medical cannabis or
manufactured cannabis products between the 
dispensary's production centers and retail dispensing 
locations in the same vehicle;

(2) Deliver medical cannabis and manufactured cannabis 
products in excess of the amounts established under 
section 329D-13; or

(3) Deliver more than once per day to the same qualifying 
patient, primary caregiver, or private residence.

(j) It shall not be a violation of any state or county 
civil or criminal law for a dispensary with a medical cannabis 
delivery permit, or a person who has made timely and sufficient 
application for the renewal of the permit, or a dispensary's 
licensees as authorized by the department to possess, transport, 
and deliver medical cannabis or manufactured cannabis products 
pursuant to this section in amounts that do not exceed the 
amounts established by the department.

(k) The department shall disclose any reports, including 
complaints, investigative actions, and final agency action 
orders, upon request, to any state or county agency engaged in 
the criminal investigation or prosecution of violations of 
applicable state or county law or regulations related to
criminal activity that is materially related to medical cannabis delivery.

(1) Notwithstanding any provision of this section to the contrary, delivery of medical cannabis or manufactured cannabis products shall not be permitted at any school or on the campus of any institution of higher education.

(m) For purposes of this section, "private residence" means the private premises where a person lives, such as a private dwelling place or place of habitation. "Private residence" specifically excludes any premises located at a school or on the campus of any institution of higher education, or any other public property.

§329D-B Medical cannabis transporter license. The department may issue a medical cannabis transporter license to a person instead of a dispensary; provided that any licensed medical cannabis transporter shall:

(1) Follow the requirements for delivery of medical cannabis or manufactured cannabis product from a designated dispensary to a qualifying patient as required under section 329D-A, including the tracking requirements pursuant to section 329-A(h)(2);
(2) Meet the same requirements for delivery of medical
cannabis or manufactured cannabis products from a
designated dispensary to a qualifying patient
applicable to medical cannabis delivery permits as
specified under section 329D-A;

(3) Be authorized to transport medical cannabis or
manufactured cannabis products for more than one
dispensary under the terms and conditions set by the
department; provided that a retail medical cannabis
transporter shall not be allowed to deliver to more
than qualifying patients in one trip from a
dispensary;

(4) Meet all requirements of this chapter applicable to
subcontractors; and

(5) Have a revocable, but valid driver's license for a
duration of one year that may be renewed annually."

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

1. By amending subsection (j) to read:
"(j) The department shall establish, maintain, and control a computer software tracking system that shall have real time, twenty-four-hour access to the data of all dispensaries.

(1) The computer software tracking system shall collect data relating to:

(A) The total amount of cannabis in possession of all dispensaries from either seed or immature plant state, including all plants that are derived from cuttings or cloning, until the cannabis, cannabis plants, or manufactured cannabis product is sold or destroyed pursuant to section 329D-7;

(B) The total amount of manufactured cannabis product inventory, including the equivalent physical weight of cannabis that is used to manufacture manufactured cannabis products, purchased by a qualifying patient, primary caregiver, qualifying out-of-state patient, and caregiver of a qualifying out-of-state patient from all retail dispensing locations in the State in any fifteen-day period;
(C) The amount of waste produced by each plant at harvest; [and]

(D) The transport of cannabis and manufactured cannabis products between production centers and retail dispensing locations, including tracking identification issued by the tracking system, the identity of the person transporting the cannabis or manufactured cannabis products, and the make, model, and license number of the vehicle being used for the transport; and

(E) The delivery of cannabis and manufactured cannabis products pursuant to sections 329D-A and 329D-B;

(2) The procurement of the computer software tracking system established pursuant to this subsection shall be exempt from chapter 103D; provided that:

(A) The department shall publicly solicit at least three proposals for the computer software tracking system; and
(B) The selection of the computer software tracking system shall be approved by the director of the department and the chief information officer; and

(3) Notwithstanding any other provision of this subsection to the contrary, once the department has authorized a licensed dispensary to commence sales of cannabis or manufactured cannabis products, if the department's computer software tracking system is inoperable or is not functioning properly, as an alternative to requiring dispensaries to temporarily cease operations, the department may implement an alternate tracking system that will enable a qualifying patient, primary caregiver, qualifying out-of-state patient, and caregiver of a qualifying out-of-state patient to purchase cannabis or manufactured cannabis products from a licensed dispensary on a temporary basis. The department shall seek input regarding the alternate tracking system from medical cannabis licensees. The alternate tracking system may operate as follows:
(A) The department may immediately notify all licensed dispensaries that the computer software tracking system is inoperable; and

(B) Once the computer software tracking system is operational and functioning to meet the requirements of this subsection, the department may notify all licensed dispensaries, and the alternate tracking system in this subsection shall be discontinued."

2. By amending subsection (n) to read:

"(n) [A] Except as otherwise provided in section 329D-A, a dispensary shall be prohibited from off-premises delivery of cannabis or manufactured cannabis products to a qualifying patient, primary caregiver, qualifying out-of-state patient, or caregiver of a qualifying out-of-state patient."

SECTION 4. Section 329D-12, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

"(a) The following shall be subject to background checks conducted by the department or its designee, including but not limited to criminal history record checks in accordance with section 846-2.7:"
(1) Each applicant and licensee for a medical cannabis dispensary license, including the individual applicant and all officers, directors, members of a limited liability corporation; shareholders with at least twenty-five per cent or more ownership interest in a corporation; and managers of an entity applicant;

(2) Each employee of a medical cannabis dispensary;

(3) Each employee of a subcontracted production center or retail dispensing location;

(4) All officers, directors, members of a limited liability corporation; and shareholders with at least twenty-five per cent or more ownership interest in a corporate owner of a subcontracted production center or retail dispensing location; [and]

(5) Any person permitted to enter and remain in a dispensary facility pursuant to section 329D-15(a)(4) or 329D-16(a)(3) [and]

(6) A licensed medical cannabis transporter pursuant to section 329D-B.
The person undergoing the background check shall provide written consent and all applicable processing fees to the department or its designee to conduct the background checks."

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

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

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

SECTION 8. This Act shall take effect on July 1, 2050.
Report Title:
Medical Cannabis; Dispensaries; Delivery

Description:
Authorizes the department of health to issue permits to medical cannabis dispensaries for the delivery of medical cannabis and manufactured cannabis products to qualifying patients or primary caregivers if certain conditions are met. Authorizes the department of health to issue medical cannabis transporter licenses in specific situations. Effective 7/1/2050. (HD1)

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