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# 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 chapter 329D, Hawaii  
2 Revised Statutes, codified in 2015, established a licensing  
3 scheme for a statewide system of medical cannabis dispensaries  
4 to ensure access to medical cannabis for qualifying patients,  
5 with further amendments made by Act 230, Session Laws of Hawaii  
6 2016; Act 41, Session Laws of Hawaii 2017; Act 116, Session Laws  
7 of Hawaii 2018; and Act 240, Session Laws of Hawaii 2019.

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

15           The purpose of this Act is to provide for a safe, secure,  
16 and transparent system for qualifying patients and primary



1 caregivers to have medical cannabis and manufactured cannabis  
2 products delivered to their homes.

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

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

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

17 (c) A medical cannabis delivery permit issued pursuant to  
18 this section shall apply to only one dispensary; provided that a  
19 single medical cannabis delivery permit may apply to multiple  
20 retail dispensing locations if the retail dispensing locations



1 are covered under the same dispensary's license, as specified in  
2 this chapter and rules adopted by the department.

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

- 9 (1) The qualifying patient's name and date of birth;  
10 (2) The medical cannabis registration certificate number  
11 reflected on the qualifying patient's or primary  
12 caregiver's registration with the department;  
13 (3) The address of the residence where the order will be  
14 delivered; and  
15 (4) Any other information required by the department.

16 (e) A dispensary with a valid medical cannabis delivery  
17 permit may receive an order by electronic means from a  
18 qualifying patient or primary caregiver for the purchase and  
19 delivery of medical cannabis or manufactured cannabis products  
20 using an online platform for medical cannabis delivery; provided  
21 that the online platform shall require the qualifying patient or



1 primary caregiver to choose a retail dispensing location before  
2 viewing the price of the medical cannabis or manufactured  
3 cannabis product.

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

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

10 (2) Has a photographic image taken of themselves and a  
11 photographic image taken of the photographic  
12 identification at the time of delivery; and

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

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

17 (1) Be a current employee of the dispensary;

18 (2) Have completed training on proof of identification and  
19 verification, including all forms of identification  
20 deemed acceptable by the department; and



1       (3) Have completed any other training required by the  
2           department.

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

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

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

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

16       (4) Deliver only to private residences.

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

19       (1) Deliver medical cannabis or manufactured cannabis  
20          products to any qualifying patient or primary  
21          caregiver while also transporting medical cannabis or



1 manufactured cannabis products between the  
2 dispensary's production centers and retail dispensing  
3 locations in the same vehicle;

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

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

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

17 (k) The department shall disclose any reports, including  
18 complaints, investigative actions, and final agency action  
19 orders, upon request, to any state or county agency engaged in  
20 the criminal investigation or prosecution of violations of  
21 applicable state or county law or regulations related to



1 criminal activity that is materially related to medical cannabis  
2 delivery.

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

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

13 §329D-B Medical cannabis transporter license. The  
14 department may issue a medical cannabis transporter license to a  
15 person instead of a dispensary; provided that any licensed  
16 retail medical transporter shall:

17 (1) Follow the requirements for delivery of medical  
18 cannabis or manufactured cannabis product from a  
19 designated dispensary to a qualifying patient as  
20 required under section 329D-A, including the tracking  
21 requirements pursuant to section 329-A(h) (2);



- 1        (2) Meet the same requirements for delivery of medical  
2        cannabis or manufactured cannabis products from a  
3        designated dispensary to a qualifying patient  
4        applicable to medical cannabis delivery permits as  
5        specified under section 329D-A;
- 6        (3) Be authorized to transport medical cannabis or  
7        manufactured cannabis products for more than one  
8        dispensary under the terms and conditions set by the  
9        department; provided that a retail medical cannabis  
10       transporter shall not be allowed to deliver to more  
11       than        qualifying patients in one trip from a  
12       dispensary;
- 13       (4) Meet all requirements of this chapter applicable to  
14       subcontractors; and
- 15       (5) Have a revocable, but valid driver's license for a  
16       duration of one year that may be renewed annually."

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

- 19       1. By amending subsection (j) to read:





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

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

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

12           (B) The total amount of manufactured cannabis product  
13 inventory, including the equivalent physical  
14 weight of cannabis that is used to manufacture  
15 manufactured cannabis products, purchased by a  
16 qualifying patient, primary caregiver, qualifying  
17 out-of-state patient, and caregiver of a  
18 qualifying out-of-state patient from all retail  
19 dispensing locations in the State in any fifteen-  
20 day period;



- 1 (C) The amount of waste produced by each plant at
- 2 harvest; ~~and~~
- 3 (D) The transport of cannabis and manufactured
- 4 cannabis products between production centers and
- 5 retail dispensing locations, including tracking
- 6 identification issued by the tracking system, the
- 7 identity of the person transporting the cannabis
- 8 or manufactured cannabis products, and the make,
- 9 model, and license number of the vehicle being
- 10 used for the transport; and
- 11 (E) The delivery of cannabis and manufactured
- 12 cannabis products pursuant to section 329D-A;
- 13 (2) The procurement of the computer software tracking
- 14 system established pursuant to this subsection shall
- 15 be exempt from chapter 103D; provided that:
- 16 (A) The department shall publicly solicit at least
- 17 three proposals for the computer software
- 18 tracking system; and
- 19 (B) The selection of the computer software tracking
- 20 system shall be approved by the director of the
- 21 department and the chief information officer; and

1           (3) Notwithstanding any other provision of this subsection  
2           to the contrary, once the department has authorized a  
3           licensed dispensary to commence sales of cannabis or  
4           manufactured cannabis products, if the department's  
5           computer software tracking system is inoperable or is  
6           not functioning properly, as an alternative to  
7           requiring dispensaries to temporarily cease  
8           operations, the department may implement an alternate  
9           tracking system that will enable a qualifying patient,  
10          primary caregiver, qualifying out-of-state patient,  
11          and caregiver of a qualifying out-of-state patient to  
12          purchase cannabis or manufactured cannabis products  
13          from a licensed dispensary on a temporary basis. The  
14          department shall seek input regarding the alternate  
15          tracking system from medical cannabis licensees. The  
16          alternate tracking system may operate as follows:  
17          (A) The department may immediately notify all  
18                licensed dispensaries that the computer software  
19                tracking system is inoperable; and  
20          (B) Once the computer software tracking system is  
21          operational and functioning to meet the



1 requirements of this subsection, the department  
 2 may notify all licensed dispensaries, and the  
 3 alternate tracking system in this subsection  
 4 shall be discontinued."

5 2. By amending subsection (n) to read:

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

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

13 "(a) The following shall be subject to background checks  
 14 conducted by the department or its designee, including but not  
 15 limited to criminal history record checks in accordance with  
 16 section 846-2.7:

17 (1) Each applicant and licensee for a medical cannabis  
 18 dispensary license, including the individual applicant  
 19 and all officers, directors, members of a limited  
 20 liability corporation; shareholders with at least



- 1           twenty-five per cent or more ownership interest in a  
2           corporation; and managers of an entity applicant;
- 3           (2) Each employee of a medical cannabis dispensary;
- 4           (3) Each employee of a subcontracted production center or  
5           retail dispensing location;
- 6           (4) All officers, directors, members of a limited  
7           liability corporation; and shareholders with at least  
8           twenty-five per cent or more ownership interest in a  
9           corporate owner of a subcontracted production center  
10          or retail dispensing location; ~~and~~
- 11          (5) Any person permitted to enter and remain in a  
12          dispensary facility pursuant to section 329D-15(a) (4)  
13          or 329D-16(a) (3) ~~[-]~~; and
- 14          (6) A medical cannabis transporter licensee pursuant to  
15          section 329D-B.

16 The person undergoing the background check shall provide written  
17 consent and all applicable processing fees to the department or  
18 its designee to conduct the background checks."

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



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

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

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



**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. (SD1)

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

