

JAN 22 2016

A BILL FOR AN ACT

RELATING TO MEDICAL MARIJUANA.

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

1 SECTION 1. Section 329D-21, Hawaii Revised Statutes, is
2 amended to read as follows:

3 " ~~[+] §329D-21 [+~~ Revocation and suspension of licenses ~~[-]~~;
4 fines; appeal; special committee. (a) In addition to any other
5 actions authorized by law, the department may deny, revoke, or
6 suspend any license applied for or issued by the department, in
7 accordance with this chapter, and to fine or otherwise
8 discipline a licensee for any cause authorized by law, including
9 but not limited to the following:

10 (1) Procuring a license through fraud, misrepresentation,
11 or deceit;

12 (2) Professional misconduct, gross carelessness, or
13 manifest incapacity;

14 (3) Violation of any of the provisions of this chapter or
15 the rules adopted thereto;

16 (4) False, fraudulent, or deceptive advertising;



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- 1 (5) Any other conduct constituting fraudulent or dishonest
2 dealings;
- 3 (6) Failure to comply with a department order; [and]
- 4 (7) Making a false statement on any document submitted or
5 required to be filed by this chapter, including
6 furnishing false or fraudulent material information in
7 any application[-];
- 8 (8) Criminal activity by an owner or investor of a medical
9 marijuana dispensary;
- 10 (9) Failure to pay any fines pursuant to this section
11 within thirty days; and
- 12 (10) Failure to pay any fees pursuant to section 329D-4
13 within thirty days;
- 14 provided that a license may be revoked by the department for
15 cause subject to a ninety day notice followed by a public
16 hearing within fourteen days of the ninety day notice.
- 17 (b) Any person who violates any of the provisions of this
18 chapter or the rules adopted pursuant thereto shall be fined
19 ~~[not less than \$100 nor more than \$1,000 for each violation.]~~ up
20 to \$500 per day by the department; provided that any person



1 fined pursuant to this section may appeal the fine pursuant to
2 subsection (e).

3 (c) If the department revokes or suspends a license under
4 this section, the licensee shall not:

5 (1) Dispense, sell, transfer, or otherwise dispose of any
6 marijuana or manufactured marijuana products owned by
7 or in the possession of the licensee; or

8 (2) Manufacture marijuana products.

9 Upon a revocation order becoming final, all marijuana and
10 manufactured marijuana products may be forfeited to the State.

11 (d) All proceedings for denial, suspension, fine, or
12 revocation of a license on any ground specified in subsection
13 (a) shall be conducted pursuant to chapter 91, including the
14 right to judicial review.

15 (e) A licensee may appeal fines issued pursuant to this
16 section to an ad hoc special committee comprised of one member
17 of the senate to be appointed by the senate president, one
18 member of the house of representatives to be appointed by the
19 speaker of the house of representatives, and one non-government
20 appointee employee by the governor.



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(f) If the department revokes a license under this section, a new licensee shall be chosen by the department pursuant to administrative rules or interim rules adopted pursuant to section 329D-27."

SECTION 2. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 4. This Act shall take effect on July 1, 2016.

INTRODUCED BY:

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Report Title:

Medical Marijuana Dispensaries; Fines; License; Revocation

Description:

Allows the department of health to revoke a medical marijuana dispensary license under certain conditions and subject to a ninety day notice followed by a public hearing within fourteen days. Establishes a fine of up to \$500 per day for any licensee who violates state law or administrative rules. Allows a licensee to appeal a fine to an ad hoc special committee. Allows the department of health to choose a new licensee if the department revokes a license.

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

