# A BILL FOR AN ACT

RELATING TO CANNABIS.

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

1	SECT	ION 1. The legislature finds that amendments to the
2	State's m	edical use of cannabis law and medical cannabis
3	dispensar	y program law are necessary to facilitate the
4	administr	ation of the laws, ensure qualifying patients' access
5	to cannab	is, resolve issues that have arisen under existing law,
6	and clari	fy legislative intent.
7	The j	purpose of this Act is to:
8	(1)	Amend the circumstances under which medical cannabis
9		may be transported by and between dispensaries;
10	(2)	Extend the date after which primary caregivers will no
11		longer be authorized to cultivate cannabis for a
12		qualifying patient;
13	(3)	Redefine the term "medical cannabis production center"
14		to include any series of structures located within the
15		same secured perimeter fence-line;
16	(4)	Increase the number of production centers that may be
17		allowed under a dispensary license;

1	(5)	Increase the allowable number of plants for production
2		centers;
3	(6)	Require the department of health to establish the fee
4		structure for the submission of applications for
5		additional production centers and for dispensary-to-
6		dispensary sales; and
7	(7)	Appropriate funds for an assessment of the medical
8		cannabis dispensary licensing framework.
9	SECT	ION 2. Section 329-122, Hawaii Revised Statutes, is
10	amended b	y amending subsection (f) to read as follows:
11	"(f)	For the purposes of this section, "transport" means
12	the trans	portation of cannabis, usable cannabis, or any
13	manufactu	red cannabis product between:
14	(1)	A qualifying patient and the qualifying patient's
15		primary caregiver;
16	(2)	A qualifying out-of-state patient under eighteen years
17		of age and the caregiver of a qualifying out-of-state
18		patient;
19	(3)	The production centers and the retail dispensing
20		locations under a dispensary licensee's license; [or]

1	(4)	Dispensaries, to the extent authorized by section					
2		329D-6(r); or					
3	[-(4)-]	(5) A production center, retail dispensing location,					
4		qualifying patient, primary caregiver, qualifying					
5		out-of-state patient, or caregiver of a qualifying					
6		out-of-state patient and a certified laboratory for					
7		the purpose of laboratory testing; provided that a					
8		qualifying patient, primary caregiver, qualifying					
9		out-of-state patient, or caregiver of a qualifying					
10		out-of-state patient may only transport up to one gram					
11		of cannabis per test to a certified laboratory for					
12		laboratory testing and may only transport the product					
13		if the qualifying patient, primary caregiver,					
14		qualifying out-of-state patient, or caregiver of a					
15		qualifying out-of-state patient:					
16		(A) Secures an appointment for testing at a certified					
17		laboratory;					
18		(B) Obtains confirmation, which may be electronic,					
19		that includes the specific time and date of the					

appointment and a detailed description of the

**20** 

I	product and amount to be transported to the
2	certified laboratory for the appointment; and
3	(C) Has the confirmation, which may be electronic,
4	available during transport.
5	For purposes of interisland transportation, "transport" of
6	cannabis, usable cannabis, or any manufactured cannabis product,
7	by any means is allowable only between dispensaries to the
8	extent authorized by section 329D-6(r) and between a production
9	center or retail dispensing location and a certified laboratory
10	for the sole purpose of laboratory testing pursuant to section
11	329D-8, as permitted under section 329D-6(m) and subject to
12	section 329D-6(j), and with the understanding that state law and
13	its protections do not apply outside of the jurisdictional
14	limits of the State. Allowable transport pursuant to this
15	section does not include interisland transportation by any means
16	or for any purpose between a [qualified] qualifying patient,
17	primary caregiver, qualifying out-of-state patient, or caregiver
18	of a qualifying out-of-state patient and any other entity or
19	individual, including an individual who is a [qualified]
20	qualifying patient, primary caregiver, qualifying out-of-state
21	patient, or caregiver of a qualifying out-of-state patient."

1	SECTION 3. Section 329-130, Hawaii Revised Statutes, is
2	amended by amending subsection (a) to read as follows:
3	"(a) After December 31, $[\frac{2023}{7}]$ $\underline{2024}$ , a qualifying patient
4	shall obtain medical cannabis or manufactured cannabis products
5	only:
6	(1) From a dispensary licensed pursuant to chapter 329D;
7	provided that the cannabis shall be purchased and paid
8	for at the time of purchase; or
9	(2) By cultivating cannabis in an amount that does not
10	exceed an adequate supply for the qualifying patient,
11	pursuant to section 329-122; provided that each
12	location used to cultivate cannabis shall be used by
13	no more than five qualifying patients.
14	After December 31, $[\frac{2023}{7}]$ $\underline{2024}$ , no primary caregiver shall be
15	authorized to cultivate cannabis for any qualifying patient."
16	SECTION 4. Section 329D-1, Hawaii Revised Statutes, is
17	amended as follows:
18	1. By amending the definition of "medical cannabis
19	dispensary" to read:
20	""Medical cannabis dispensary" or "dispensary" means a
21	person licensed by the State pursuant to this chapter to own,

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- 1 operate, or subcontract [up to two] no more than three
- 2 production centers and up to two retail dispensing locations."
- 3 2. By amending the definition of "medical cannabis
- 4 production center" to read:
- 5 ""Medical cannabis production center" or "production
- 6 center" means a farm or [facility] series of structures located
- 7 within the same secured perimeter fence-line wholly owned,
- 8 operated, or subcontracted by a person licensed by the State
- 9 pursuant to this chapter as a medical cannabis dispensary that
- 10 produces cannabis and manufactured cannabis products [solely] to
- 11 supply cannabis and manufactured cannabis products to one or
- 12 more of the retail dispensing locations of [the] any licensed
- 13 medical cannabis dispensary."
- 14 SECTION 5. Section 329D-2, Hawaii Revised Statutes, is
- 15 amended as follows:
- 16 l. By amending subsection (f) to read:
- "(f) [Up to two] No more than three production centers
- 18 shall be allowed under each dispensary license; provided that,
- 19 except as otherwise specified in subsection (k), each production
- 20 center shall be limited to no more than [three] five thousand
- 21 cannabis plants. For purposes of this subsection, "plant" means

- 1 a cannabis plant that is greater than twelve vertical inches in
- 2 height from where the base of the stalk emerges from the growth
- 3 medium to the tallest point of the plant, or greater than twelve
- 4 horizontal inches in width from the end of one branch to the end
- 5 of another branch; provided that multiple stalks emanating from
- 6 the same root ball or root system shall be considered part of
- 7 the same single plant."
- 8 2. By amending subsections (k) and (l) to read:
- 9 "(k) Notwithstanding any provision of subsection (f) to
- 10 the contrary, the department may [determine whether] allow any
- 11 dispensary [licensees shall be allowed] licensee an additional
- 12 two thousand five hundred cannabis plants at each of the
- 13 licensee's production centers[. In]; provided that the licensee
- 14 shall be allowed no more than fifteen thousand cannabis plants
- 15 in total across all of the licensee's production centers;
- 16 provided further that in no case shall a licensee be allowed
- 17 more than [five] seven thousand five hundred plants at a single
- 18 production center.
- 19 (1) Notwithstanding any provision of subsection (g) to the
- 20 contrary, the department may determine whether dispensary
- 21 licensees shall be allowed [one] no more than two additional

- 1 retail dispensing [location] locations per licensee. In
- 2 considering whether to allow additional retail dispensing
- 3 locations, the department shall consider the licensee's
- 4 capability to serve and supply medical cannabis to [qualified]
- 5 qualifying patients in a rural or underserved geographical area
- 6 of a county. For purposes of this subsection, a "rural or
- 7 underserved geographical area" shall be determined by
- 8 considering the number of registered medical cannabis patients
- 9 [that] who reside within a certain zip code compared to the
- 10 quantity of medical cannabis that the closest production center
- 11 and retail dispensing location have the capability to provide."
- 12 SECTION 6. Section 329D-4, Hawaii Revised Statutes, is
- 13 amended as follows:
- 1. By amending subsection (c) to read:
- "(c) [A] Pursuant to section 329D-7(2), a nonrefundable
- 16 application fee [of \$5,000] for each license application shall
- 17 be submitted to the department by certified or cashier's check.
- 18 Within seven days of approval, a dispensary license fee [of
- 19 \$75,000] for each license approved shall be submitted to the
- 20 department by certified or cashier's check or the department
- 21 shall issue a license to the next qualified applicant."

- 1 2. By amending subsection (n) to read:
- 2 "(n) [A] Pursuant to section 239D-7(2), a dispensary
- 3 license may be renewed annually by payment of an annual renewal
- 4 fee [of \$50,000] and subject to verification by the department
- 5 through an unannounced inspection that the individual licensee
- 6 and entity licensee continue to meet all licensing requirements
- 7 from the date the initial licenses were issued."
- 8 SECTION 7. Section 329D-6, Hawaii Revised Statutes, is
- 9 amended to read as follows:
- 10 "\$329D-6 Dispensary operations. (a) No person shall
- 11 operate a dispensary, [nor] or engage in the production,
- 12 manufacture, or sale of cannabis or manufactured cannabis
- 13 products, unless the person has obtained a license from the
- 14 department pursuant to this chapter.
- 15 (b) No dispensary licensee, its officers, employees, or
- 16 agents shall provide written certification for the use of
- 17 medical cannabis or manufactured cannabis products for any
- 18 person.
- 19 (c) No person under the age of twenty-one shall be
- 20 employed by a dispensary licensee.

1	(d)	Notwithstanding any other law to the contrary,
2	including	[but not limited to] sections 378-2 and 378-2.5,
3	dispensari	Les:
4	(1)	Shall deny employment to any individual who has been:
5		(A) Convicted of murder in any degree;
6		(B) Convicted of a class A or class B felony; or
7		(C) Convicted of a class C felony involving
8		trafficking, distributing, or promoting a
9		schedule I or II controlled substance other than
10		cannabis within the last ten years; and
11	(2)	May deny employment to any individual who has been
12		convicted of a class C felony involving:
13		(A) Fraud, deceit, misrepresentation, embezzlement,
14		or theft; or
15		(B) Endangering the welfare of a minor.
16	Employment	under this chapter shall be exempt from section
17	378-2(a)(	), as it relates to arrest and court record
18	discrimina	ation, and section 378-2.5.
19	(e)	Retail dispensing locations shall not be open for
20	retail sai	les before 8:00 a.m. or after 8:00 p.m.,
21	Hawaii-Ale	eutian Standard Time, Monday through Sunday.

I	(f) All dispensary facilities, including [but not limited
2	to] production centers and retail dispensing locations, shall be
3	enclosed indoor facilities and shall maintain twenty-four hour
4	security measures, including [but not limited to] an alarm
5	system, video monitoring and recording on the premises, and
6	exterior lighting. A dispensary licensee [\text{\text{who}}] that intends to
7	utilize, as a production center, an enclosed indoor facility
8	that includes a roof that is partially or completely transparent
9	or translucent, as provided under section 329D-1, shall notify
10	the department of that intention [prior to] before altering or
11	constructing the facility. Production centers shall remain
12	locked at all times. Retail dispensing locations shall remain
13	locked at all times, other than business hours as authorized by
14	subsection (e), and shall only be opened for authorized persons.
15	(g) In all dispensary facilities, only the licensee, if an
16	individual, registered employees of the dispensary licensee,
17	registered employees of a subcontracted production center or
18	retail dispensing location, employees of a certified laboratory
19	for testing purposes, state employees authorized by the director
20	of health, and law enforcement and other government officials
21	acting in their official capacity shall be permitted to touch or

- 1 handle any cannabis or manufactured cannabis products, except
- 2 that a qualifying patient, primary caregiver, qualifying
- 3 out-of-state patient, or caregiver of a qualifying out-of-state
- 4 patient may receive manufactured cannabis products at a retail
- 5 dispensing location following completion of a sale.
- 6 (h) A dispensary shall provide the department with the
- 7 address, tax map key number, and a copy of the premises lease,
- 8 if applicable, of the proposed location of a production center
- 9 allowed under a license for a county [not] no later than thirty
- 10 days [prior to] before any medical cannabis or manufactured
- 11 cannabis products being produced or manufactured at that
- 12 production center.
- 13 (i) A dispensary shall provide the department with the
- 14 address, tax map key number, and a copy of the premises lease,
- 15 if applicable, of the proposed location of each retail
- 16 dispensing location allowed under a license [not] no less than
- 17 sixty days [prior to] before opening for business.
- 18 (j) The department shall establish, maintain, and control
- 19 a computer software tracking system that shall have real time,
- 20 twenty-four-hour access to the data of all dispensaries.

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2		data	relating to:
3		(A)	The total amount of cannabis in possession of all
4			dispensaries from either seed or immature plant
5			state, including all plants that are derived from
6			cuttings or cloning, until the cannabis, cannabis
7			plants, or manufactured cannabis product is sold
8			or destroyed pursuant to section 329D-7;
9		(B)	The total amount of manufactured cannabis product
10			inventory, including the equivalent physical
11			weight of cannabis that is used to manufacture
12			manufactured cannabis products, purchased by a
13			qualifying patient, primary caregiver, qualifying
14			out-of-state patient, and caregiver of a
15			qualifying out-of-state patient from all retail
16			dispensing locations in the State in any
17			fifteen-day period;
18		(C)	The amount of waste produced by each plant at
19			harvest; and
20		(D)	The transport of cannabis and manufactured
21			cannabis products between production centers and

1		retail dispensing locations[ $ au$ ] and as authorized
2		by subsection (r), including tracking
3		identification issued by the tracking system, the
4		identity of the person transporting the cannabis
5		or manufactured cannabis products, and the make,
6		model, and license number of the vehicle being
7		used for the transport;
8	(2)	The procurement of the computer software tracking
9		system established pursuant to this subsection shall
10		be exempt from chapter 103D; provided that:
11		(A) The department shall publicly solicit at least
12		three proposals for the computer software
13		tracking system; and
14		(B) The selection of the computer software tracking
15		system shall be approved by the director of the
16		department and the chief information officer; and
17	(3)	Notwithstanding any other provision of this subsection
18		to the contrary, once the department has authorized a
19		licensed dispensary to commence sales of cannabis or
20		manufactured cannabis products, if the department's
21		computer software tracking system is inoperable or is

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

1	(k)	A dispens	sary	licensed	pι	ırsuant	to	this	cha	pter	shall
2	purchase,	operate,	and	maintain	a	compute	er s	softwa	are	track	king
3	system tha	at shall:									

- (1) Interface with the department's computer software tracking system established pursuant to subsection (j);
- (2) Allow each licensed dispensary's production center to submit to the department in real time, by automatic identification and data capture, all cannabis, cannabis plants, and manufactured cannabis product inventory in possession of that dispensary from either seed or immature plant state, including all plants that are derived from cuttings or cloning, until the cannabis or manufactured cannabis product is sold or destroyed pursuant to section 329D-7;
  - (3) Allow the licensed dispensary's retail dispensing location to submit to the department in real time for the total amount of cannabis and manufactured cannabis product purchased by a qualifying patient, primary caregiver, qualifying out-of-state patient, and caregiver of a qualifying out-of-state patient from

1		the dispensary's retail dispensing locations in the
2		State in any fifteen day period; provided that the
3		software tracking system shall impose an automatic
4		stopper in real time, which cannot be overridden, on
5		any further purchases of cannabis or manufactured
6		cannabis products, if the maximum allowable amount of
7		cannabis has already been purchased for the applicable
8		fifteen day period; provided further that additional
9		purchases shall not be permitted until the next
10		applicable period; and
11	(4)	Allow the licensed dispensary to submit all data
12		required by this subsection to the department and
13		permit the department to access the data if the
14		department's computer software tracking system is not
15		functioning properly and sales are made pursuant to
16		the alternate tracking system under subsection (j).
17	(1)	No free samples of cannabis or manufactured cannabis
18	products	shall be provided at any time, and no consumption of
19	cannabis	or manufactured cannabis products shall be permitted on

any dispensary premises.

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1	(m) [A] Except as authorized by subsection $(r)$ , a
2	dispensary shall not transport cannabis or manufactured cannabis
3	products to another county or another island; provided that this
4	subsection shall not apply to the transportation of cannabis or
5	any manufactured cannabis product solely for the purposes of
6	laboratory testing pursuant to section 329D-8, and subject to
7	subsection (j) $[+]$ , if no certified laboratory is located in the
8	county or on the island where the dispensary is located;
9	provided further that a dispensary shall only transport samples
10	of cannabis and manufactured cannabis products for laboratory
11	testing for purposes of this subsection in an amount and manner
12	prescribed by the department, in rules adopted pursuant to this
13	chapter, and with the understanding that state law and its
14	protections do not apply outside of the jurisdictional limits of
15	the State.
16	(n) A dispensary shall be prohibited from off-premises
17	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.

(o) A dispensary shall not:

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1	(1)	Display	canna	bis o	r manı	ıfacture	d cannabis	products	in
2		windows	or in	publ	ic vie	ew; or			

- (2) Post any signage other than a single sign no greater than one thousand six hundred square inches bearing only the business or trade name in text without any pictures or illustrations; provided that if any applicable law or ordinance restricting outdoor signage is more restrictive, that law or ordinance shall govern.
- (p) No cannabis or manufactured cannabis products shall be transported to, from, or within any federal fort or arsenal, national park or forest, any other federal enclave, or any other property possessed or occupied by the federal government.
- (q) A dispensary licensed pursuant to this chapter shall be prohibited from providing written certification pursuant to section 329-122 for the use of medical cannabis for any person.
- (r) The department may authorize a dispensary to purchase

  cannabis and manufactured cannabis products from another

  dispensary in a manner prescribed by the department by rules

  adopted pursuant to this chapter and chapter 91; provided that:

I	(1)	The purchasing dispensary establishes to the
2		department's satisfaction that:
3		(A) The purchase is necessary to ensure that
4		qualifying patients have continuous access to
5		cannabis for medical use; or
6		(B) The cannabis and manufactured cannabis products
7		are for medical, scientific, or other legitimate
8		purposes approved by the State;
9	(2)	The selling dispensary may transport no more than
10		eight hundred ounces of cannabis or manufactured
11		cannabis products to the purchasing dispensary within
12		a thirty-day period;
13	(3)	The cannabis and manufactured cannabis products are
14		transported between the dispensaries for medical,
15		scientific, or other legitimate purposes approved by
16		the State; and
17	(4)	Nothing in this subsection shall relieve any
18		dispensary of its responsibilities and obligations
19		under this chapter and chapter 329."
20	SECT	ION 8. Section 329D-7, Hawaii Revised Statutes, is
21	amended t	o read as follows:

1	"§32	9D-7	Medical cannabis dispensary rules. The
2	departmen	t sha	ll establish standards with respect to:
3	(1)	The	number of medical cannabis dispensaries that shall
4		be p	ermitted to operate in the State;
5	(2)	A fe	e structure for [the]:
6		(A)	The submission of applications and renewals of
7			licenses to dispensaries; provided that the
8			department shall consider the market conditions
9			in each county in determining the license renewal
10			fee amounts;
11		<u>(B)</u>	The submission of applications for each
12			additional production center; and
13		(C)	Dispensary-to-dispensary sales authorized by
14			section 329D-6(r);
15	(3)	Crit	eria and procedures for the consideration and
16		sele	ction, based on merit, of applications for
17		lice	nsure of dispensaries; provided that the criteria
18		shal	l include but not be limited to an applicant's:
19		(A)	Ability to operate a business;
20		(B)	Financial stability and access to financial
21			resources; provided that applicants for medical

1			cannabis dispensary licenses shall provide
2			documentation that demonstrates control of not
3			less than \$1,000,000 in the form of escrow
4			accounts, letters of credit, surety bonds, bank
5			statements, lines of credit or the equivalent to
6			begin operating the dispensary;
7		(C)	Ability to comply with the security requirements
8			developed pursuant to paragraph (6);
9		(D)	Capacity to meet the needs of qualifying patients
10			and qualifying out-of-state patients;
11		(E)	Ability to comply with criminal background check
12			requirements developed pursuant to paragraph (8),
13			and
14		(F)	Ability to comply with inventory controls
15			developed pursuant to paragraph (13);
16	(4)	Spec	ific requirements regarding annual audits and
17		repo	rts required from each production center and
18		disp	ensary licensed pursuant to this chapter;
19	(5)	Proc	edures for announced and unannounced inspections
20		by t	he department or its agents of production centers
21		and	dispensaries licensed pursuant to this chapter;

1		provided that inspections for license renewals shall
2		be unannounced;
3	(6)	Security requirements for the operation of production
4		centers and retail dispensing locations; provided
5		that, at a minimum, the following shall be required:
6		(A) For production centers:
7		(i) Video monitoring and recording of the
8		premises; provided that recordings shall be
9		retained for fifty days;
10		(ii) Fencing that surrounds the premises and that
11		is sufficient to reasonably deter intruders
12		and prevent anyone outside the premises from
13		viewing any cannabis in any form;
14		(iii) An alarm system; and
15		(iv) Other reasonable security measures to deter
16		or prevent intruders, as deemed necessary by
17		the department;
18		(B) For retail dispensing locations:
19		(i) Presentation of a valid government-issued
20		photo identification and a valid
21		identification as issued by the department

1		pursuant to section 329-123 by a qualifying
2		patient or caregiver, or section 329-123.5
3		by a qualifying out-of-state patient or
4		caregiver of a qualifying out-of-state
5		patient, upon entering the premises;
6	(ii)	Video monitoring and recording of the
7		premises; provided that recordings shall be
8		retained for fifty days;
9	(iii)	An alarm system;
10	(iv)	Exterior lighting; and
11	(v)	Other reasonable security measures as deemed
12		necessary by the department;
13	(7) Security	requirements for the transportation of
14	cannabis	and manufactured cannabis products between
15	production	on centers and retail dispensing locations and
16	between a	a production center, retail dispensing
17	location	, qualifying patient, primary caregiver,
18	qualifyi	ng out-of-state patient, or caregiver of a
19	qualifyin	ng out-of-state patient and a certified
20	laborato	ry, pursuant to section 329-122(f);

I	(8)	Standards and criminal background checks to ensure the
2		reputable and responsible character and fitness of all
3		license applicants, licensees, employees,
4		subcontractors and their employees, and prospective
5		employees of medical cannabis dispensaries to operate
6		a dispensary; provided that the standards, at a
7		minimum, shall exclude from licensure or employment
8		any person convicted of any felony;
9	(9)	The training and certification of operators and
10		employees of production centers and dispensaries;
11	(10)	The types of manufactured cannabis products that
12		dispensaries shall be authorized to manufacture and
13		sell pursuant to sections 329D-9 and 329D-10;
14	(11)	Laboratory standards related to testing cannabis and
15		manufactured cannabis products for content,
16		contamination, and consistency;
17	(12)	The quantities of cannabis and manufactured cannabis
18		products that a dispensary may sell or provide to a
19		qualifying patient, primary caregiver, qualifying out-
20		of-state patient, or caregiver of a qualifying out-of-
21		state patient; provided that no dispensary shall sell

1		or provide to a qualifying patient, primary caregiver,
2		qualifying out-of-state patient, or caregiver of a
3		qualifying out-of-state patient any combination of
4		cannabis and manufactured products that:
5		(A) During a period of fifteen consecutive days,
6		exceeds the equivalent of four ounces of
7		cannabis; or
8		(B) During a period of thirty consecutive days,
9		exceeds the equivalent of eight ounces of
10		cannabis;
11	(13)	Dispensary and production center inventory controls to
12		prevent the unauthorized diversion of cannabis or
13		manufactured cannabis products or the distribution of
14		cannabis or manufactured cannabis products to a
15		qualifying patient, primary caregiver, qualifying out-
16		of-state patient, or caregiver of a qualifying out-of-
17		state patient in quantities that exceed limits
18		established by this chapter; provided that the
19		controls, at a minimum, shall include:
20		(A) A computer software tracking system as specified
21		in section 329D-6(j) and (k); and

1		(B) Product packaging standards sufficient to allow
2		law enforcement personnel to reasonably determine
3		the contents of an unopened package;
4	(14)	Limitation to the size or format of signs placed
5		outside a retail dispensing location or production
6		center; provided that the signage limitations, at a
7		minimum, shall comply with section 329D-6(o)(2) and
8		shall not include the image of a cartoon character or
9		other design intended to appeal to children;
10	(15)	The disposal or destruction of unwanted or unused
11		cannabis and manufactured cannabis products;
12	(16)	The enforcement of the following prohibitions against:
13		(A) The sale or provision of cannabis or manufactured
14		cannabis products to unauthorized persons;
15		(B) The sale or provision of cannabis or manufactured
16		cannabis products to a qualifying patient,
17		primary caregiver, qualifying out-of-state
18		patient, or caregiver of a qualifying out-of-
19		state patient in quantities that exceed limits
20		established by this chapter;

1		(C)	Any use or consumption of cannabis or
2			manufactured cannabis products on the premises of
3			a retail dispensing location or production
4			center; and
5		(D)	The distribution of cannabis or manufactured
6			cannabis products, for free, on the premises of a
7			retail dispensing location or production center;
8	(17)	The	establishment of a range of penalties for
9		viol	ations of this chapter or rule adopted thereto;
10		and	
11	(18)	A pr	ocess to recognize and register patients who are
12		auth	orized to purchase, possess, and use medical
13		cann	abis in another state, a United States territory,
14		or t	he District of Columbia as qualifying out-of-state
15		pati	ents; provided that this registration process may
16		comm	ence no sooner than January 1, 2018."
17	SECT	ION 9	. There is appropriated out of the general
18	revenues	of th	e State of Hawaii the sum of \$50,000 or so much
19	thereof a	s may	be necessary for fiscal year 2022-2023 for an
20	assessmen	t of	the medical cannabis dispensary licensing
21	framework		



- 1 The sum appropriated shall be expended by the department of
- 2 health for the purposes of this Act.
- 3 SECTION 10. This Act does not affect rights and duties
- 4 that matured, penalties that were incurred, and proceedings that
- 5 were begun before its effective date.
- 6 SECTION 11. Statutory material to be repealed is bracketed
- 7 and stricken. New statutory material is underscored.
- 8 SECTION 12. This Act shall take effect on July 1, 2022.

#### Report Title:

Department of Health; Medical Cannabis; Transportation; Dispensaries; Production Centers; Licenses; Caregivers; Appropriation

### Description:

Amends the circumstances under which medical cannabis may be transported by and between dispensaries. Extends the date after which primary caregivers will no longer be authorized to cultivate cannabis for a qualifying patient. Redefines the term "medical cannabis production center" to include any series of structures located within the same secured perimeter fence-line. Increases the number of production centers that may be allowed under a dispensary license. Increases the allowable number of plants for production centers. Requires the department of health to establish the fee structure for the submission of applications for additional production centers and dispensary-to-dispensary sales. Appropriates funds for an assessment of the medical cannabis dispensary licensing framework. (CD1)

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