

JOSH GREEN, M.D.
GOVERNOR OF HAWAII
KE KIA'ĀINA O KA MOKU'ĀINA 'O HAWAII



KENNETH S. FINK, M.D., M.P.H., M.G.A.
DIRECTOR OF HEALTH
KA LUNA HO'OKELE

STATE OF HAWAII
DEPARTMENT OF HEALTH
KA 'OIHANA OLAKINO
P. O. BOX 3378
HONOLULU, HI 96801-3378

In reply, please refer to:
File:

December 23, 2024

The Honorable Ronald D. Kouchi,
President and Members of the Senate
Thirty-third State Legislature
State Capitol, Room 409
Honolulu, Hawaii 96813

The Honorable Nadine K. Nakamura,
Speaker
and Members of the House of
Representatives
Thirty-third State Legislature
State Capitol, Room 431
Honolulu, Hawaii 96813

Dear President Kouchi, Speaker Nakamura, and Members of the Legislature:

For your information and consideration, I am transmitting a copy of the Annual Report on the Medical Cannabis Dispensary Licensing System, pursuant to Act 241, Session Laws of Hawaii 2015.

In accordance with Section 93-16, Hawaii Revised Statutes, I am also informing you that the report may be viewed electronically at:

<https://health.hawaii.gov/opppd/departments-of-health-reports-to-2025-legislature/>

Sincerely,

A handwritten signature in black ink, appearing to read "Ken Fink".

Kenneth S. Fink, M.D., M.P.H., M.G.A.
Director of Health

Enclosures

c: Legislative Reference Bureau
Hawaii State Library System (2)
Hamilton Library

**REPORT TO THE THIRTY-THIRD LEGISLATURE
STATE OF HAWAII
2025**

**ANNUAL REPORT
MEDICAL CANNABIS DISPENSARY LICENSING SYSTEM**

Pursuant to Act 241, Session Laws of Hawaii, 2015,
Requesting the Department of Health to Submit an Annual Report on the Establishment
and Regulation of Medical Cannabis Production Centers and Dispensaries

**Prepared by:
DEPARTMENT OF HEALTH
STATE OF HAWAII**

January 2025

EXECUTIVE SUMMARY

Pursuant to Act 241, Session Laws of Hawaii, 2015, the Department of Health submits a report to the 2025 Legislature on the establishment and regulation of medical cannabis production centers and dispensaries that includes:

- (1) The number and location of production centers and dispensaries licensed;
- (2) The total licensing fees collected;
- (3) The total amount of taxes collected from production centers and dispensaries;
and
- (4) Any licensing violations determined by the department.

BACKGROUND

Act 241, Session Laws of Hawaii, 2015, codified as Chapter 329D, Hawaii Revised Statutes (HRS), established a regulated statewide dispensary system for medical cannabis to ensure safe and legal access to medical cannabis for qualifying patients. Section 329D-2, HRS, directed the Department of Health (DOH) to issue eight dispensary licenses statewide – three for the City and County of Honolulu, two each for the County of Hawaii and County of Maui, and one for the County of Kauai. Regulatory oversight of the licensees is the responsibility of the DOH Medical Cannabis Dispensary Licensing Section (MCDLS), Office of Medical Cannabis Control and Regulation.

Online applications for Medical Cannabis Dispensary Licenses were accepted from January 12, 2016 through January 29, 2016. A total of 66 applications were received. DOH announced selection of the eight dispensary licensees on April 29, 2016.

City and County of Honolulu

Aloha Green Holdings Inc.

Manoa Botanicals LLC

TCG Retro Market 1 LLC

County of Hawaii

Hawaiian Ethos LLC

Lau Ola LLC

County of Maui

Maui Wellness Group, LLC

Pono Life Sciences Maui LLC

County of Kauai

Green Aloha Ltd.

NUMBER AND LOCATION OF LICENSED FACILITIES

Each licensee is allowed to operate up to three production centers for cultivation, manufacturing, and packaging of cannabis and manufactured cannabis products.¹ Each licensee is also allowed to establish up to two retail dispensing locations and DOH may authorize two additional retail dispensing location per licensee to serve qualified patients in a rural or underserved geographical area.^{2, 3} Retail dispensing locations may not be co-located with production centers, and each production center may not hold more than seven thousand five hundred plants (7,500).^{4, 5} Licensees are capped at fifteen thousand (15,000) cannabis plants in total across all of their production centers. For security reasons, the location of production centers are not publicly disclosed.

The first production centers were given a notice to proceed for cultivation on February 1, 2017. The first dispensary was given a notice to proceed to retail on August 8, 2017. As of December 10, 2024, there are a total of 38 operational licensed medical cannabis facilities statewide; 13 production centers and 25 retail locations (Table 1).

| Table 1. Licensed Medical Cannabis Facilities in Operation December 2024 | | | |
|---|----------------------|---|--------------------------|
| Licensee | Facilities | Address | Notice to Proceed |
| Aloha Green Holdings Inc. | Production Center #1 | --- | Feb. 1, 2017 |
| | Retail Location #1 | 1314 S. King Street, Honolulu, HI 96814 | Aug. 9, 2017 |
| | Retail Location #2 | 2113 Kalakaua Avenue, Honolulu, HI 96815 | Aug. 22, 2019 |
| | Retail Location #3 | 3131 N Nimitz Hwy, Honolulu, HI 96819 | Mar. 17, 2021 |
| | Retail Location #4 | 92-1047 Olani St, Unit 1-110 Kapolei, HI 96707 | June 29, 2023 |
| Manoa Botanicals LLC, dba Noa Botanicals | Production Center #1 | --- | Feb. 9, 2017 |
| | Retail Location #1 | 1308 Young Street, Honolulu, HI 96814 | Oct. 9, 2017 |
| | Retail Location #2 | 46-028 Kawa Street, Kaneohe, HI 96744 | Feb. 13, 2019 |

¹ §329D-2(f), HRS.

² §329D-2(g), HRS.

³ §329D-2(l), HRS.

⁴ §329D-2(i), HRS.

⁵ §329D-2(k), HRS.

| | | | |
|--|----------------------|---|---------------------------------|
| | Retail Location #3 | 98-302 Kamehameha Hwy, Aiea, HI 96701 | Sept. 24, 2020 |
| TCG Retro Market 1, LLC dba Cure Oahu | Production Center #1 | --- | Jun. 28, 2017 |
| | Retail Center #1 | 727 Kapahulu Avenue, Honolulu, HI 96816 | Mar. 17, 2018 |
| | Retail Center #2 | 4850 Kapolei Parkway, Building D, Unit 501, Kapolei, HI 96707 | Feb. 2, 2022 |
| | Retail Center #3 | 70 Kihapai Street Kailua, HI 96734 | December 5, 2024 |
| Hawaiian Ethos LLC | Production Center #1 | --- | Aug. 9, 2018 |
| | Production Center #2 | --- | May 29, 2019 |
| | Retail Location #1 | 73-5613 Olowalu Street, Suite 7, Kailua-Kona, HI 96740 | Jun. 24, 2019 |
| | Retail Location #2 | 64-1035 Mamalahoa Hwy, Suite J, Kamuela, HI 96743 | Feb. 3, 2020 |
| | Retail Location #3 | 578 Kanoelehua Avenue, Hilo, HI 96720 | Sept. 18, 2020 |
| Lau Ola LLC, dba Big Island Grown | Production Center #1 | --- | Oct. 3, 2018 |
| | Production Center #2 | --- | June 14, 2023 |
| | Retail Location #1 | 750 Kanoelehua Avenue, Suite 104, Hilo, HI 96720 | Jan. 14, 2019 |
| | Retail Location #2 | 74-5617 Pawai Place, Kailua-Kona, HI 96740 | Jul. 26, 2019 |
| | Retail Location #3 | 64-1040 Mamalahoa Highway, Kamuela, HI 96743 | Mar. 7, 2019 |
| Maui Wellness Group, LLC, dba Maui Grown Therapies | Production Center #1 | --- | Feb. 1, 2017 |
| | Retail Location #1 | 44 Paa Street, Kahului, HI 96732 | Aug. 8, 2017 |
| | Retail Location #2 | CLOSED | Mar. 12, 2021 Closed 08/2023 |
| | Retail Location #3 | 7 Aewa Place Kahului, HI 96732 | Mar. 23, 2022 |
| | Retail Location #4 | 1215 South Kihei Road, unit D-2 Kihei, HI 96753 | Nov. 17, 2023 |
| Pono Life Sciences Maui, LLC, | Production Center #1 | --- | Feb. 14, 2017 |
| | Production Center #2 | --- | Sep. 19, 2023 |

| | | | |
|-----------------------|-------------------------|--|----------------|
| dba Pono Life Maui | Retail Location #1 | 415 Dairy Road, Kahului, HI 96732 | Sept. 27, 2017 |
| | Retail Location #2 | 60 Ulupono St #8 Lahaina, HI 96761 | May 16, 2024 |
| | Retail Location #3 | 149 Hana Highway, unit #2 Paia, HI 96779 | Nov. 21, 2022 |
| | Retail Location #4 | 95 E. Lipoa St. Kihei, HI 96753 | Oct. 10, 2023 |
| Green Aloha, Ltd. | Production Center #1 | --- | June 20, 2017 |
| | Retail Location #1 | 4-1565 Kuhio Highway, #3, Kapaa, HI 96746 | May 18, 2018 |
| | Retail Location #2 | 2827 Poipu Road Koloa, HI 96756 | Sep. 16, 2022 |

INSPECTIONS CONDUCTED 2024

| County | Licensee | Facilities | JAN | FEB | MAR | APR | MAY | JUN | JUL | AUG | SEP | OCT | NOV | DEC |
|--------|--------------------|---|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| Hawaii | Lau Ola | Production Center 1 | X | | X | | X | | X | | X | | X | |
| Hawaii | Lau Ola | Production Center 2 & 2.B | X | | X | | X | | X | | X | | X | |
| Hawaii | Lau Ola | Retail Center 1 - Hilo | X | | | X | | | X | | | X | | |
| Hawaii | Lau Ola | Retail Center 2 - Kona | | | X | | | X | | | X | | | X |
| Hawaii | Lau Ola | Retail Center 3 - Waimea | X | | | | X | | X | | X | | | X |
| Hawaii | Hawaiian Ethos | Production Center 1 - Waimea | X | | X | | X | | X | | X | | X | |
| Hawaii | Hawaiian Ethos | Production Center 2 - Kona | | X | | X | | X | | X | X | | X | |
| Hawaii | Hawaiian Ethos | Retail Center 1 - Kona | | X | | | X | | | X | X | | | X |
| Hawaii | Hawaiian Ethos | Retail Center 2 - Waimea | X | | | X | | | X | | X | | | X |
| Hawaii | Hawaiian Ethos | Retail Center 3 - Hilo | X | | | X | | | X | | | X | | |
| County | Licensee | Facilities | JAN | FEB | MAR | APR | MAY | JUN | JUL | AUG | SEP | OCT | NOV | DEC |
| Oahu | Manoa Botanicals | Production Center 1 (Decommissioned 5/31/23) | | | | | | | | | | | | |
| Oahu | Manoa Botanicals | Production Center 1 (Changed PC2 & 2.B back to PC1) | | X | | | X | | X | | X | | X | |
| Oahu | Manoa Botanicals | Retail Center 1 - Young Street | | | X | | | X | | | X | | X | |
| Oahu | Manoa Botanicals | Retail Center 2 - Kaneohe | | | X | | | X | | | X | | X | |
| Oahu | Manoa Botanicals | Retail Center 3 - Aiea | | | X | | | X | | | X | | X | |
| Oahu | Manoa Botanicals | Retail Center 4 - Waikiki (IN PROCESS) | | | | | | | | | | | | |
| Oahu | Aloha Green | Production Center 1 (PC2 Decommissioned in 2019) | | X | | X | | X | | X | | X | | X |
| Oahu | Aloha Green | Retail Center 1 - King Street | X | | | X | | | X | | | X | | |
| Oahu | Aloha Green | Retail Center 2 - Waikiki | X | | | X | | | X | | | X | | |
| Oahu | Aloha Green | Retail Center 3 - Nimitz | | | X | | | X | | | X | | | X |
| Oahu | Aloha Green | Retail Center 4 - Kapolei | | | X | | | X | | | X | | | X |
| Oahu | Cure Oahu | Production Center 1 - Haleiwa | X | | X | | | X | | X | | X | | |
| Oahu | Cure Oahu | Retail Center 1 - Kapahulu | X | | | X | | | X | | | X | | |
| Oahu | Cure Oahu | Retail Center 2 - Kapolei | | | X | | | X | | | X | | | X |
| Oahu | Cure Oahu | Retail Center 3 - Kailua (IN PROCESS) | | | | | | | | | | | | |
| County | Licensee | Facilities | JAN | FEB | MAR | APR | MAY | JUN | JUL | AUG | SEP | OCT | NOV | DEC |
| Kauai | Green Aloha | Production Center 1 - Kapaa | X | | X | | X | | X | | X | | X | |
| Kauai | Green Aloha | Production Center 2 (IN PROCESS) | | | | | | | | | | | | |
| Kauai | Green Aloha | Retail Center 1 - Kapaa | X | | X | | X | | X | | X | | X | |
| Kauai | Green Aloha | Retail Center 2 - Poipu | X | | X | | X | | X | | X | | X | |
| County | Licensee | Facilities | JAN | FEB | MAR | APR | MAY | JUN | JUL | AUG | SEP | OCT | NOV | DEC |
| Maui | Pono Life Sciences | Production Center 1 - Wailuku | X | | | X | | X | | X | | X | | X |
| Maui | Pono Life Sciences | Production Center 2 - Kihei (NOT OPERATIONAL YET) | | X | | | | X | | | | X | | X |
| Maui | Pono Life Sciences | Retail Center 1 - Kahului | | | | X | | X | | | X | | X | |
| Maui | Pono Life Sciences | Retail Center 2 - Lahaina | | | | | | | X | | | X | | |
| Maui | Pono Life Sciences | Retail Center 3 - Paia | | | | X | | X | | | X | | X | |
| Maui | Pono Life Sciences | Retail Center 4 - Kihei | | X | | | | X | | | X | | X | |
| Maui | Maui Wellness | Production Center 1, 1C.D & 2 - Kula | X | | | X | | X | | X | | X | | X |
| Maui | Maui Wellness | Retail Center 1 - Wailuku | X | | | X | | | X | X | | | X | |
| Maui | Maui Wellness | Retail Center 2 - Lahaina (CLOSED DUE TO WILDFIRES) | | | | | | | | | | | | |
| Maui | Maui Wellness | Retail Center 3 - Pukalani | X | | | X | | | X | | | X | | |
| Maui | Maui Wellness | Retail Center 4 - Kihei | | X | | | | X | | | X | | | X |

LICENSING FEES COLLECTED

MCDLS collected an initial licensing fee of \$75,000 from each of the eight licensees in May 2016.

An annual \$50,000 renewal fee was collected from each licensee in 2017, 2018, 2019, 2020, and 2022.

In 2023 a new licensing fee schedule was introduced consisting of four factors. The factors, listed below, were used to determine the License renewal fee for each licensee.

1. Base fee for production center(s)
2. Base fee for retail center(s)
3. Discount percentage based on market conditions in each county
4. Discount percentage based on market share

The total collected for the License renewal fee for 2024 totaled **\$961,250**.

| Year | Amount |
|----------------------|--------------------|
| 2016 | \$600,000 |
| 2017 | \$400,000 |
| 2018 | \$400,000 |
| 2019 | \$400,000 |
| 2020 | \$400,000 |
| 2021 | \$400,000 |
| 2022 | \$400,000 |
| 2023 | \$885,250 |
| 2024 | \$961,250 |
| Total to-date | \$4,826,500 |

TAXES COLLECTED

Excise Taxes

A 4% general excise tax is assessed on cannabis and manufactured cannabis products purchased at the licensed dispensaries by qualifying registered patients. The City and County of Honolulu, County of Kauai, and County of Hawaii have current additional 0.5% surcharges which brings the excise tax rate to 4.5% for these counties.⁷ The County of Maui has not adopted a county surcharge.

| Year | Amount |
|-------------|-------------------|
| 2016 | No licensee sales |
| 2017 | \$99,871 |
| 2018 | \$572,170 |
| 2019 | \$1,201,168 |
| 2020 | \$2,023,138 |

⁶ Source: DOH Medical Cannabis Dispensary Licensing Section, Office of Medical Cannabis Control and Regulation.

⁷ Source: [General Excise Tax \(GET\) Information | Department of Taxation \(hawaii.gov\)](#)

⁸ Source: BioTrack THC™ Electronic Seed-to-Sale Tracking System.

| | |
|----------------------|---------------------|
| 2021 | \$2,568,947 |
| 2022 | \$2,428,035 |
| 2023 | \$2,588,588 |
| 2024 | \$2,937,877 |
| Total to-date | \$14,419,794 |

Income Taxes

The eight dispensary licensees are structured as either a limited liability company or an S corporation and therefore do not pay state or federal income taxes.

**Table 4. All Licensing Violations
February 2017 through December 2024**

| HAR or HRS Section Violated | Frequency | | | | | | | 2024 |
|--------------------------------|-----------|------|------|------|------|------|------|------|
| | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | |
| HAR 11-850-2 | | | | | | | | 1 |
| HAR 11-850-6 | 0 | 0 | 1 | 0 | 0 | 0 | 0 | |
| HAR 11-850-17 | 0 | 0 | 0 | 0 | 0 | 1 | 0 | |
| HAR 11-850-21 | 0 | 0 | 0 | 2 | 0 | 1 | 0 | |
| HAR 11-850-22 | 0 | 0 | 0 | 0 | 0 | 0 | 1 | |
| HAR 11-850-32 | 0 | 3 | 0 | 0 | 0 | 0 | 0 | |
| HAR 11-850-33(c)(8) | 1 | 3 | 1 | 2 | 0 | 6 | 1 | 3 |
| HAR 11-850-34(c) | 0 | 1 | 3 | 3 | 0 | 0 | 0 | 4 |
| HAR 11-850-36(h) | 2 | 0 | 0 | 2 | 3 | 5 | 14 | 2 |
| HAR 11-850-37 | 0 | 0 | 1 | 0 | 0 | 0 | 0 | |
| HAR 11-850-39 | 0 | 2 | 0 | 0 | 0 | 0 | 0 | |
| HAR 11-850-41 | 0 | 6 | 4 | 0 | 0 | 0 | 0 | |
| HAR 11-850-42 | 0 | 0 | 0 | 0 | 32 | 0 | 0 | |
| HAR 11-850-43 | 1 | 3 | 24 | 1 | 0 | 0 | 2 | |
| HAR 11-850-51 | | | | | | | | 1 |
| HAR 11-850-51(a)(3) | | | | | | | | 1 |
| HAR 11-850-51(a)(1)(e) | | | | | | | | 3 |
| HAR 11-850-51(e) | 1 | 4 | 4 | 8 | 3 | 48 | 13 | 3 |
| HAR 11-850-52(1) | 3 | 9 | 5 | 1 | 12 | 4 | 0 | 4 |
| HAR 11-850-61(a) | 0 | 1 | 0 | 15 | 49 | 5 | 15 | 5 |
| HAR 11-850-71(a) | 0 | 0 | 0 | 0 | 0 | 0 | 6 | 1 |
| HAR 11-850-72(d)(1)(b) | 0 | 0 | 0 | 0 | 0 | 0 | 21 | 2 |
| HAR 11-850-72(e) | | | | | | | | 1 |
| HAR 11-850-75 | 0 | 0 | 0 | 1 | 3 | 5 | 0 | |
| HAR 11-850-76(f) | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 1 |
| HAR 11-850-91 | 0 | 0 | 0 | 0 | 1 | 2 | 12 | |

| | | | | | | | | |
|--------------------------|----------|-----------|-----------|-----------|------------|-----------|------------|-----------|
| HAR 11-850-92 | 0 | 3 | 0 | 1 | 3 | 3 | 1 | |
| HAR 11-850-93 | 0 | 0 | 1 | 3 | 1 | 0 | 0 | |
| HAR 11-850-113 | 0 | 0 | 0 | 0 | 0 | 0 | 6 | |
| HAR 11-850-116 | 0 | 0 | 0 | 0 | 0 | 0 | 3 | |
| HAR 11-850-128 | | | | | | | | 1 |
| HAR 11-850-131 | 0 | 0 | 0 | 0 | 0 | 0 | 21 | 1 |
| HAR 11-850-141 | | | | | | | | 2 |
| HAR 11-850-142(a)(1) | 0 | 0 | 0 | 0 | 0 | 0 | 6 | 1 |
| HAR 11-850-143(j) | 0 | 0 | 0 | 0 | 0 | 0 | 12 | 3 |
| HAR 11-850-143(b)(3) | | | | | | | | 6 |
| HAR 11-850-143(b)(2) | | | | | | | | 2 |
| HAR 11-850-143(b)(2)(a) | | | | | | | | 1 |
| HAR 11-850-143(b)(2)(b) | | | | | | | | 3 |
| HAR 11-850-143(b)(5) | | | | | | | | 1 |
| HAR 11-850-143(b)(7) | | | | | | | | 1 |
| HAR 11-850-143(b)(8) | | | | | | | | 4 |
| HAR 11-850-143(b)(9) | | | | | | | | 1 |
| HAR 11-850-143(b)(10) | | | | | | | | 2 |
| HAR 11-850-143(b)(10)(f) | | | | | | | | 2 |
| HAR 11-850-143(c)(1) | | | | | | | | 1 |
| HAR 11-850-143(d)(2) | | | | | | | | 1 |
| HAR 11-850-143(2)(a) | | | | | | | | 3 |
| HAR 11-850-143(j) | | | | | | | | 3 |
| HAR 11-850-144 | | | | | | | | 2 |
| HAR 11-850-144(b)(1) | | | | | | | | 1 |
| HAR 11-850-144(b)(1)(a) | | | | | | | | 1 |
| HAR 11-850-145 | 0 | 0 | 0 | 0 | 0 | 0 | 1 | |
| HRS 329D-6 | 0 | 0 | 0 | 0 | 1 | 0 | 0 | |
| HRS 329D-10 | 0 | 1 | 5 | 2 | 3 | 0 | 0 | |
| HRS 329D-22 | 0 | 1 | 0 | 1 | 0 | 2 | 0 | |
| Total | 8 | 37 | 49 | 42 | 111 | 87 | 136 | 75 |

Review of 2024 Violations

For the period from January 1, 2024, through December 1, 2024, DOH identified a total of 75 licensing violations. The most common violations involved sections 11-850-143 (Labeling for retail sale), Hawaii Administrative Rules (HAR).

The Office of Medical Cannabis Control and Regulation (OMCCR) initiated an improved reporting format in 2024. The Written Notice of Findings (WNOF) was developed to better communicate the findings from inspections to the medical cannabis licensees. This new reporting format also allows the OMCCR to better track violations and to better review any actions enacted by the medical cannabis licensees to resolve the reported violations.

A review of the violations from 2024 show a significant jump in violations related to the labeling of medical cannabis products. These violations are due to a targeted effort by the OMCCR after it was determined that none of the medical cannabis licensees had correct labeling on their medical cannabis products. The OMCCR conducted specific training to combat the issues with labeling to include the issuance of the “Package and Label Requirements, HAR 11-850 and HRS 329D”. After the medical cannabis licensees had been notified and trained, OMCCR Surveyors stressed the review of packaging and labeling for medical cannabis products during their inspections.

Notables

On March 27, 2024, Governor Green approved amendments to Hawai'i Administrative Rules (HAR), Chapter 11-850 (Interim Rules) Medical Cannabis Dispensaries to add pre-rolled cannabis flower products, also known as “pre-rolls,” as a manufactured cannabis product which may be produced and dispensed through licensed medical cannabis dispensaries in the state. These changes were made in accordance with Act 108 SLH 2023 and became effective on April 5, 2024.

On November 26, 2024, Governor Green approved amendments to Hawai'i Administrative Rules (HAR), Chapter 11-37 (Interim Rules) Hemp Processing and Manufactured Hemp Products. These amendments include language to allow for gummies and beverages to contain low concentration of tetrahydrocannabinol derived from hemp. The amendments also include language to allow for permitted hemp processors to produce crude extract from hemp biomass. This crude extract, while not fit for consumption, is allowed to be sold to other permitted hemp processors to be utilized in the production of manufactured hemp products. These changes were made in accordance with Act 263 SLH 2023 and became effective on December 6, 2024.

Conclusions and Recommendations

The rapid expansion of the medical cannabis industry in Hawaii has significantly increased the demand for regulatory oversight by the Office of Medical Cannabis Control and Regulation (OMCCR). The opening of new production centers and dispensaries, the expansion of production capacities, and the increasing complexity of cannabis manufacturing, including the emergence of new products and processes, have strained OMCCR's ability to conduct comprehensive and safe inspections. Additionally, the recent responsibility for regulating manufactured hemp products has further stretched the capacity of the office. The growth in the number of facilities, the sophistication of cannabis production methods, and the rise of unregulated cannabis and cannabinoid hemp retailers have all contributed to the need for increased resources, training, and oversight.

Recommendations

1. Increase Staffing Capacity

- **Action:** Expand the number of surveyor positions beyond the current cap of five (5) surveyors and one (1) Dispensary Licensing Supervisor.
- **Rationale:** The current staffing levels are inadequate to manage the growing number of facilities, increasing complexity of processes, and additional hemp regulatory duties.

2. Enhance Training Programs

- **Action:** Provide targeted training for surveyors in good manufacturing practices (GMP), laboratory testing, and emerging cannabis extraction methods.
- **Rationale:** Up-to-date training will ensure that surveyors are equipped to evaluate new manufacturing techniques and product safety, thereby protecting patients and consumers.

3. Expand Inspection Scope

- **Action:** Include cannabinoid hemp retailers in the regular inspection schedule.
- **Rationale:** The rapid growth of cannabinoid hemp and illicit cannabis retailers pose potential risks to public health and safety. Formal inspections will ensure compliance with safety and environmental standards.

4. Develop a Long-Term Resource Plan

- **Action:** Collaborate with state authorities to establish a sustainable resource allocation plan, including funding for additional staff, training programs, and inspection tools.
- **Rationale:** A structured plan will support the long-term effectiveness of OMCCR's regulatory activities and ensure the agency can meet increasing demands.

5. Public Education and Collaboration

- **Action:** Expand educational outreach to licensees, cannabinoid hemp retailers, and the public about regulatory expectations and product safety standards.

- **Rationale:** Clear communication will promote voluntary compliance and reduce the likelihood of regulatory violations.

Final Note

To ensure the health and safety of Hawaii's citizens and the sustainability of the medical cannabis industry, OMCCR must address these challenges proactively. Securing the necessary resources and implementing these recommendations will enable the office to fulfill its mission of providing access to safe, effective, and responsibly manufactured medical cannabis.