

Honolulu, Hawaii

March 18, 2011

RE: S.B. No. 1458  
S.D. 2  
H.D. 1

Honorable Calvin K.Y. Say  
Speaker, House of Representatives  
Twenty-Sixth State Legislature  
Regular Session of 2011  
State of Hawaii

Sir:

Your Committees on Health and Public Safety & Military Affairs, to which was referred S.B. No. 1458, S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO HEALTH,"

beg leave to report as follows:

The purpose of this bill is to establish a licensing system within the Department of Health (DOH) to regulate the distribution of medical marijuana. Specifically, this bill:

- (1) Establishes three classes of licenses for the following purposes:
  - (A) A compassion center license for selling medical marijuana to qualifying patients;
  - (B) A medical marijuana cultivation license for cultivating and distributing medical marijuana to compassion care centers and to sell medical marijuana to manufacturers of medical marijuana-infused products; and
  - (C) A medical marijuana-infused products manufacturing license to create medical marijuana-infused products to be distributed to compassion care centers for sale to qualifying patients;



and

- (2) Establishes requirements for licensing and distribution, including limiting the number of each type of licensee on each island.

The Drug Policy Forum of Hawai'i, Drug Policy Action Group, Democratic Party of Hawai'i, American Civil Liberties Union of Hawaii, Big Island Chamber of Americans for Safe Access, Community Alliance on Prisons, National Association of Reformed Criminals, and numerous concerned individuals testified in support of this bill.

DOH; the Department of Public Safety; County of Kauai Office of the Prosecuting Attorney; Kauai Police Department; Maui Police Department; Hawai'i Policy Department; City and County of Honolulu Department of the Prosecuting Attorney; Hawaii Carpenters Union; Save Our Society From Drugs; Coalition for a Drug-Free Hawaii; Plumbers and Fitters Union, Local 675; Reliable Drug Testing Services, Inc.; and numerous concerned individuals opposed this measure. Kaiser Foundation Health Plan, Inc.; Pacific Wellness Coalition; Delta Construction Corporation; and several concerned individuals provided comments.

Your Committees have amended this bill by, among other things:

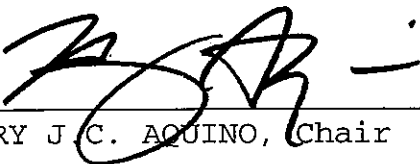
- (1) Reducing its scope to only include licensure for one compassion care center on the island of Maui as a five-year pilot program;
- (2) Allocating all fees collected to the County of Maui;
- (3) Requiring all food and other consumables sold on licensed premises to be regulated by DOH and the federal Food and Drug Administration;
- (4) Requiring the compassion care center to maintain photocopies of all filled prescriptions in a database available for review by law enforcement;
- (5) Establishing a 30 percent tax on medical marijuana products sold under the pilot program to be deposited into the general fund;

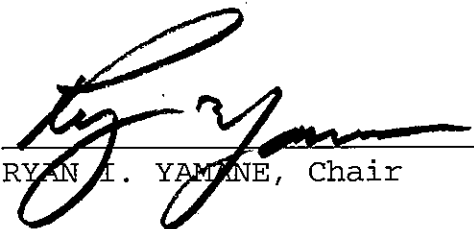


- (6) Requiring the compassion care center to be responsible for costs incurred for security and requiring a live video feed of its operations to be provided to law enforcement;
- (7) Requiring the compassion care center to be located no closer than 600 yards of any day care facility, preschool, or public or private school;
- (8) Prohibiting the use of medication on the premises of the facility;
- (9) Prohibiting medication from the compassion care center from being transported out of Maui County; and
- (10) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Health and Public Safety & Military Affairs that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1458, S.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1458, S.D. 2, H.D. 1, and be referred to the Committee on Judiciary.

Respectfully submitted on  
behalf of the members of the  
Committees on Health and Public  
Safety & Military Affairs,


  
HENRY J. C. AQUINO, Chair

  
RYAN I. YAMANE, Chair



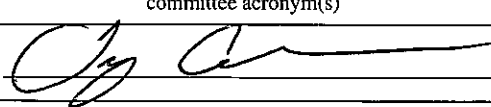
State of Hawaii  
House of Representatives  
The Twenty-sixth Legislature

Record of Votes of the Committee on Health

Bill/Resolution No.: <b>SB1458, SD2</b>	Committee Referral: <b>HLT/PBM, JUD, FIN</b>	Date: <b>3/15/2011</b>		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
HLT Members	Ayes	Ayes (WR)	Nays	Excused
1. YAMANE, Ryan I. (C)	✓			
2. MORIKAWA, Dee (VC)	✓			
3. BELATTI, Della Au		✓		
4. HANOHANO, Faye P.				✓
5. JORDAN, Jo				✓
6. LEE, Chris	✓			
7. MIZUNO, John M.	✓			
8. WOOLEY, Jessica	✓			
9. CHING, Corinne W.L.			✓	
10. PINE, Kymberly Marcos		✓		
<b>TOTAL (10)</b>	<b>5</b>	<b>2</b>	<b>1</b>	<b>2</b>
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. committee acronym(s)				
Vice Chair's or designee's signature: _____ 				
Distribution:    Original (White) – Committee    Duplicate (Yellow) – Chief Clerk's Office    Duplicate (Pink) – HMSO				

State of Hawaii  
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Record of Votes of the Committee on Public Safety & Military Affairs

Bill/Resolution No.: SB 1458 SD2	Committee Referral: HLT/PBM, JUD, FIN	Date: 3/15/2011		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
PBM Members	Ayes	Ayes (WR)	Nays	Excused
1. AQUINO, Henry J.C. (C)	✓			
2. CULLEN, Ty (VC)	✓			
3. ICHIYAMA, Linda	✓			
4. LEE, Marilyn B.			✓	
5. LUKE, Sylvia	✓			
6. SAIKI, Scott K.				✓
7. SOUKI, Joseph M.				✓
8. TAKAI, K. Mark				✓
9. TAKUMI, Roy M.		✓		
10. YAMASHITA, Kyle T.	✓			
11. FONTAINE, George R.			✓	
12. JOHANSON, Aaron Ling			✓	
TOTAL (12)	5	1	3	3
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. committee acronym(s)				
Vice Chair's or designee's signature: 				
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