
A BILL FOR AN ACT

RELATING TO HEALTH.

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

1 SECTION 1. On June 14, 2000, Act 228, Session Laws of
2 Hawaii, was signed into law, making Hawaii one of the first
3 states to permit the medical use of marijuana by registered
4 patients. No changes have been made to Hawaii's medical
5 marijuana law since its inception, while registered patients
6 have increased and more states have enacted more comprehensive
7 medical marijuana laws. Basically, the law allows for the
8 growing, transporting, and possession of marijuana for medical
9 purposes by qualified patients and caregivers.

10 The medical cannabis working group was tasked with
11 completing the mission originally assigned to the medical
12 cannabis task force under Act 29, Special Session of Hawaii
13 2009, which was enacted over a veto by the governor. The
14 medical cannabis task force was never convened; therefore, the
15 medical cannabis working group examined current state statutes,
16 state administrative rules, and all county policies and
17 procedures relating to the medical marijuana program and issues
18 and obstacles encountered by qualifying patients, physicians,



1 caregivers, and law enforcement officials. The medical cannabis
2 working group also compared and contrasted Hawaii's medical
3 marijuana program with all other states' medical marijuana
4 programs. According to the findings of the medical cannabis
5 working group in *Report to the Hawai'i State Legislature*,
6 February 2010, immediate actions should be taken by the
7 legislature to improve Hawaii's medical cannabis program.

8 Foremost, the medical cannabis working group recommends the
9 creation of a state regulated medical marijuana distribution
10 system so that qualifying patients have safe and reliable access
11 to medical marijuana. Currently, fourteen states have enacted
12 laws allowing the use of marijuana for medical purposes. In
13 addition, Maine, Rhode Island, New Jersey, New Mexico, Colorado,
14 Washington, D.C., and California have laws regulating the
15 distribution of medical marijuana to qualified patients. The
16 medical cannabis working group found after compiling patient,
17 caregiver, and physician information that patients do not have
18 access to a safe and legal supply of medicine. Rather, patients
19 are often forced to find black market sources where risk of
20 violence and robbery exist. Many patients receive low quality
21 cannabis which is ineffective as medication. Patients' physical
22 limitations and illness prevent or inhibit them from growing



1 medical cannabis. Further, it is almost impossible for most
2 patients and caregivers to acquire the expertise, time, and
3 intense cultivation skills to produce an adequate supply of
4 medical cannabis that is medically effective.

5 For purposes of health, public safety, and the social and
6 economic welfare of the State, a fully integrated cultivation
7 and distribution program would safely and more effectively
8 regulate access to medical marijuana and generate jobs and
9 revenue to provide resources for other state programs.

10 The purpose of this Act is to establish a licensing system
11 under the department of health for the distribution of medical
12 marijuana.

13 SECTION 2. Chapter 329, Hawaii Revised Statutes, is
14 amended by adding a new subpart to part IX to be appropriately
15 designated and to read as follows:

16 "B. Distribution Program for Medical Marijuana

17 §329-A Purpose. A program to regulate the distribution of
18 medical marijuana is in the interest of protecting the public's
19 health and safety and in the interest of promoting the economic
20 and social welfare of the State. The distribution program:

21 (1) Provides a safe and accessible distribution system for
22 qualifying patients by requiring qualifying patients



- 1 to designate a compassion center as their supplier of
2 medical marijuana;
- 3 (2) Establishes a class 1 medical marijuana compassion
4 center license for selling medical marijuana to
5 qualifying patients;
- 6 (3) Establishes a class 2 medical marijuana cultivation
7 license for cultivating and distributing medical
8 marijuana to class 1 licensees, and to sell medical
9 marijuana to class 3 licensees;
- 10 (4) Establishes a class 3 medical marijuana-infused
11 products manufacturing license for creating medical
12 marijuana-infused products to be distributed to
13 class 1 licensees for sale to qualifying patients;
- 14 (5) Collects from all licensees an initial licensing fee
15 of \$20,000 for a class 1 medical marijuana compassion
16 center license; \$10,000 for a class 2 medical
17 marijuana cultivation license; and \$10,000 for a
18 class 3 medical marijuana-infused products
19 manufacturing license;
- 20 (6) Establishes compassion centers on each island;
- 21 (7) Ensures that all medical marijuana distributed through
22 the distribution program is produced by licensees;



- 1 (8) Ensures that class 1 licensed centers provide medical
2 marijuana exclusively to qualifying patients and
3 primary caregivers, and to other non-Hawaii qualifying
4 patients holding a temporary registration certificate;
- 5 (9) Establishes a system whereby licensees may sell
6 medical marijuana to other licensees;
- 7 (10) Prohibits any person who has had a felony drug
8 conviction or any person convicted of any felony in
9 the immediately preceding five years from obtaining or
10 renewing a license;
- 11 (11) Prohibits individuals who are less than twenty-one
12 years of age from being an employee or director of a
13 licensed facility;
- 14 (12) Establishes inspection criteria for the business
15 premises of medical marijuana licensees;
- 16 (13) Requires licensees to submit annual reports of their
17 financial transactions to the department;
- 18 (14) Requires licensees to pay a quarterly special sales
19 tax to the department of taxation in the amount of
20 fifteen per cent of gross revenue, to be deposited
21 into the state general fund;



- 1 (15) Ensures that class 1 licensees are permitted to
- 2 possess sufficient medical marijuana or marijuana
- 3 plants to reasonably guarantee an adequate supply;
- 4 (16) Establishes security procedures to monitor medical
- 5 marijuana; and
- 6 (17) Allows out-of-state visitors who are qualifying
- 7 patients or primary caregivers in their home state to
- 8 obtain a temporary registration certificate upon
- 9 payment of an administrative fee.

10 **§329-B Definitions.** As used in this subpart:

11 "Compassion center" means a class 1 medical marijuana
12 compassion center licensee, other than the qualifying patient
13 and the qualifying patient's physician, who has agreed to be the
14 primary caregiver of the qualifying patient.

15 "Department" means the department of health.

16 "Distribution program" means a licensing system under the
17 department of health for the distribution of medical marijuana.

18 "Medical marijuana" means marijuana for medical use by a
19 qualified patient upon issuance of a written certification by a
20 licensed physician to the qualified patient pursuant to
21 subpart A.



1 "Medical marijuana-infused product" means a product that
2 contains medical marijuana and is intended for medical use by
3 means other than smoking. The term includes edible products,
4 ointments, and tinctures.

5 §329-C Distribution program for medical marijuana. No
6 later than August 7, 2012, the department shall establish,
7 administer, and implement a distribution program for medical
8 marijuana.

9 329-D Licensure. (a) No business or non-profit entity
10 shall cultivate, distribute, manufacture, or sell marijuana for
11 medical use or manufacture a medical marijuana-infused product
12 without a license issued by the department. The department may
13 suspend or revoke any license that is not in substantial
14 compliance with this subpart. The medical use of marijuana
15 under subpart A shall not require a license.

16 (b) The department shall assess fees for medical marijuana
17 licensure as follows:

18 (1) An annual fee of \$20,000 for the issuance of a class 1
19 medical marijuana compassion center license and a fee
20 for annual renewal of a class 1 license in the same
21 amount;



1 (2) An annual fee of \$10,000 for issuance of a class 2
2 medical marijuana cultivation license and a fee for
3 annual renewal of a class 2 license in the same
4 amount; and

5 (3) An annual fee of \$10,000 for issuance of a class 3
6 medical marijuana-infused products manufacturing
7 license and a fee for annual renewal of a class 3
8 license in the same amount;

9 provided that all fees collected shall be used to defray the
10 expenses of the department in administering this subpart.

11 (c) The amount of marijuana that may be sold for medical
12 use or in a medical marijuana-infused product at any one time to
13 a qualifying patient or primary caregiver for use by a
14 qualifying patient shall not exceed an adequate supply, as
15 defined in section 329-121.

16 (d) Medical marijuana and medical marijuana-infused
17 products shall not be used or consumed on any business premises
18 of a licensee.

19 (e) No licensee shall be subject to criminal prosecution
20 for activities conducted in compliance with this subpart.

21 (f) There is established the following classes of licenses
22 and requirements for each class of license:



- 1 (1) Class 1 medical marijuana compassion center license.
- 2 (A) A class 1 license may be issued to a business or
- 3 nonprofit entity to sell marijuana for medical
- 4 use by a registered qualifying patient; provided
- 5 that the sale occurs on the licensee's business
- 6 premises;
- 7 (B) A class 1 licensee may sell medical marijuana
- 8 obtained from a class 2 licensee; provided that
- 9 the marijuana is cultivated on the premises of
- 10 the class 2 licensee;
- 11 (C) A class 1 licensee may sell marijuana purchased
- 12 from another class 1 licensee whose marijuana was
- 13 cultivated by a class 2 licensee; provided that
- 14 the marijuana is cultivated on the premises of
- 15 the class 2 licensee;
- 16 (D) A class 1 licensee may contract with a class 3
- 17 licensee to sell medical marijuana-infused
- 18 products that are prepackaged and labeled so as
- 19 to clearly indicate all of the following:
- 20 (i) That the product contains marijuana for
- 21 medical use;



- 1 (ii) That the product is manufactured without any
- 2 regulatory oversight for health, safety, or
- 3 efficacy; and
- 4 (iii) That there may be health risks associated
- 5 with the consumption or use of the product;
- 6 (E) Prior to initiating a sale to a qualified
- 7 patient, a trained employee of a class 1 licensee
- 8 making the sale shall verify that the purchaser
- 9 is a qualified patient who has a valid written
- 10 certification under section 329-123 and presents
- 11 a valid picture identification card that matches
- 12 the name on the written certification;
- 13 (F) All marijuana sold by a class 1 licensee shall be
- 14 labeled with a list of all chemical additives,
- 15 including nonorganic pesticides, herbicides, and
- 16 fertilizers, that were used in the cultivation
- 17 and the production of the marijuana; and
- 18 (G) Qualifying patients shall designate a class 1
- 19 licensee as their supplier of medical marijuana.
- 20 (2) Class 2 medical marijuana cultivation license.
- 21 (A) A class 2 license may be issued to a business or
- 22 nonprofit entity to cultivate medical marijuana;



- 1 (B) The medical marijuana shall be cultivated on the
2 class 2 licensees' business premises;
- 3 (C) An application for a license under this paragraph
4 shall include plans and specifications for the
5 land and any buildings used to cultivate medical
6 marijuana;
- 7 (D) The business premises of a class 2 licensee may
8 not be contiguous to a licensed class 1 medical
9 marijuana compassion center;
- 10 (E) A class 2 licensee shall designate a class 1
11 licensee or a class 3 licensee as the business or
12 nonprofit entity to which the class 2 licensee
13 provides medical marijuana;
- 14 (F) A class 2 licensee shall be limited to
15 cultivating marijuana in quantities not greater
16 than an adequate supply, as defined in section
17 329-121, for qualifying patients for the sole
18 purpose of selling medical marijuana for lawful
19 use to qualifying patients that have designated a
20 class 1 center licensee as the primary compassion
21 center for the qualifying patient;



- 1 (G) Medical marijuana cultivation by a class 2
- 2 licensee shall be limited to an area of the
- 3 licensee's business premises that is restricted
- 4 solely for the purpose of cultivation of medical
- 5 marijuana and excludes entrance by the general
- 6 public. The restricted area shall be demarcated
- 7 from the rest of the premises and clearly
- 8 identified as having restricted access by
- 9 conspicuous signage; and
- 10 (H) No class 2 licensee shall sell directly to a
- 11 qualifying patient.
- 12 (3) Class 3 medical marijuana-infused products
- 13 manufacturing license.
- 14 (A) A class 3 license may be issued to a business or
- 15 nonprofit entity to manufacture marijuana-infused
- 16 products, including hashish, consumable products,
- 17 and tinctures for sale that contain any amount of
- 18 medical marijuana;
- 19 (B) Medical marijuana-infused products shall be
- 20 prepared on the business premises that are used
- 21 exclusively for the manufacture and preparation
- 22 of medical marijuana-infused products;



- 1 (C) A class 3 licensee shall have a written contract
- 2 with a class 2 licensee to obtain medical
- 3 marijuana to manufacture and prepare medical
- 4 marijuana-infused products. The contract shall
- 5 at a minimum set forth the total amount of
- 6 medical marijuana obtained from the class 2
- 7 licensee for use in the manufacturing and
- 8 preparation process;
- 9 (D) A class 3 licensee shall have a written contract
- 10 with a class 1 licensee;
- 11 (E) All premises on which medical marijuana-infused
- 12 products are manufactured shall meet applicable
- 13 state and county sanitation standards applicable
- 14 to the production of food products;
- 15 (F) All medical marijuana-infused products shall be
- 16 sealed and conspicuously labeled to indicate that
- 17 the product contains marijuana and list all other
- 18 ingredients and the number of grams of medical
- 19 marijuana infused in the product; and
- 20 (G) All class 3 licensees shall be limited to
- 21 production in a properly licensed industrial or



1 commercial warehouse or a properly licensed
2 commercial kitchen.

3 (g) A licensee under any class shall not be permitted to
4 transfer a license.

5 (h) No applicant for a license shall be eligible for
6 issuance or renewal of a license under this section if:

7 (1) The issuance or renewal fee for the license has not
8 been paid within thirty days of the payment due date;

9 (2) The applicant's criminal history check indicates that
10 the applicant has been convicted of any felony drug
11 offense or any felony in the immediately preceding
12 five years from obtaining a license;

13 (3) The applicant is under twenty-one years of age;

14 (4) The applicant failed to pay any taxes, interest, or
15 penalties due to a government agency or failed to pay
16 any amount due to a government agency pursuant to a
17 judgment or order; or

18 (5) The applicant is a law enforcement officer or an
19 employee of the department of public safety or the
20 department.

21 (i) The department shall conduct a criminal history record
22 check under chapter 846 on each applicant for a license or



1 renewal of a license and on other persons associated with the
2 applicant as specified in this section.

3 (j) Any medical marijuana shall be labeled at all times
4 with at least a listing of the type of strain and the non-
5 organic ingredients used to grow the marijuana.

6 **329-E Recordkeeping requirements.** Every licensee shall
7 keep a complete set of all records of the business transactions
8 of the licensee regarding medical marijuana, including
9 dispensing records and patients' registry information. The
10 records shall be subject to inspection by the department and the
11 department of taxation at any time during normal business hours.
12 The department and the department of taxation may conduct an
13 audit of the licensee's business records.

14 All records relating to a transaction shall be kept by the
15 licensee for a period of not less than five years following that
16 transaction; provided that all records shall be kept
17 confidential.

18 **§329-F Inspection.** The business premises of any licensee
19 shall be subject to reasonable inspection by the department;
20 provided that the department shall give reasonable notice of an
21 inspection. The department may review the licensees'
22 confidential records, including dispensing records identified by



1 a qualifying patient's registry number to protect
2 confidentiality.

3 **§329-G Taxation of medical marijuana sales.** (a) All
4 sales of medical marijuana between licensees of any class shall
5 be subject to state income tax under chapter 235, state excise
6 tax under chapter 237, and a special sales tax under subsection
7 (c).

8 (b) For purposes of this section, a licensee shall
9 maintain required records of sales and income for purposes of
10 chapters 235 and 237.

11 (c) All sales of medical marijuana shall be subject to a
12 special sales tax of fifteen per cent to be deposited into the
13 general fund.

14 **§329-H Security of licensed premises for public safety**
15 **concerns.** (a) All licensees shall implement appropriate
16 security and safety measures to deter and prevent the theft of
17 marijuana and the unauthorized entrance onto the licensee's
18 business premises.

19 (b) All licensees shall:

20 (1) Install a security camera surveillance system with
21 seventy-two hours of storage capacity;



1 (2) Install an alarm system for break-ins that is
2 connected to an alarm company to alert law enforcement
3 of break-ins; and

4 (3) Store marijuana in a locked area on the premises.

5 **§329-I Miscellaneous security measures.** (a) No class 1
6 medical marijuana compassion center licensee, class 2 medical
7 marijuana cultivation licensee, or class 3 medical marijuana-
8 infused products manufacturing licensee shall be located within
9 three hundred feet of any day care facility, public or private
10 school, or another class 1, class 2, or class 3 licensee
11 facility.

12 **§329-J Protections afforded licensees of program.** All
13 class 1, class 2, and class 3 licensees, including their
14 directors, agents, and employees shall be exempt from state
15 criminal prosecution for possession, production, delivery, and
16 transportation of marijuana; aiding and abetting another in the
17 possession, production, delivery, and transportation of
18 marijuana; or any other criminal offense in which possession,
19 production, delivery, or transportation of marijuana is an
20 element, if the activities are in substantial compliance with
21 this subpart; provided that the following activities shall be
22 subject to criminal prosecution:



- 1 (1) Driving a motor vehicle while under the influence of
2 marijuana;
- 3 (2) Engaging in the production, possession, or
4 distribution of marijuana in public view;
- 5 (3) Delivering marijuana to any individual whom the
6 deliverer knows or should have known does not possess
7 a written certification;
- 8 (4) Manufacturing or distributing marijuana at an address
9 not registered with the department; and
- 10 (5) Failing to report otherwise legal sales of medical
11 marijuana to the department.

12 **§329-K Criminal history record check.** (a) No person who
13 has had a felony drug conviction or who has been convicted of
14 any felony in the immediately preceding five years shall be
15 eligible to obtain or renew any license under this subpart.

16 (b) Every applicant for a license or renewal of a license,
17 including the applicant's employees, directors, owners,
18 principals, partners, and stockholders shall undergo a criminal
19 history record check under section 846-2.7.

20 **§329-L Rules.** The department may adopt rules pursuant to
21 chapter 91 necessary to carry out the purposes of this subpart."



1 SECTION 3. Section 328-14, Hawaii Revised Statutes, is
2 amended to read as follows:

3 "§328-14 Drugs or devices deemed adulterated when. (a) A
4 drug or device shall be deemed to be adulterated:

5 (1) (A) If it consists in whole or in part of any filthy,
6 putrid, or decomposed substance; or

7 (B) (i) If it has been produced, prepared, packed,
8 or held under insanitary conditions whereby
9 it may have been contaminated with filth, or
10 whereby it may have been rendered injurious
11 to health; or

12 (ii) If the methods used in, or the facilities or
13 controls used for, its manufacture,
14 processing, packing, or holding do not
15 conform to or are not operated or
16 administered in conformity with current good
17 manufacturing practice to assure that the
18 drug or device meets the requirements of
19 this part as to safety and has the identity
20 and strength, and meets the quality and
21 purity characteristics which it purports or
22 is represented to possess; or



1 (C) If its container is composed, in whole or in
2 part, of any poisonous or deleterious substance
3 which may render the contents injurious to
4 health; or

5 (D) If:
6 (i) It bears or contains, for purposes of
7 coloring only, a color additive which is
8 unsafe within the meaning of the Federal
9 Act; or

10 (ii) It is a color additive, the intended use of
11 which is for purposes of coloring only, and
12 is unsafe within the meaning of the Federal
13 Act;

14 (2) If it purports to be or is represented as a drug the
15 name of which is recognized in an official compendium,
16 and its strength differs from, or its quality or
17 purity falls below, the standard set forth in the
18 compendium. Such a determination as to strength,
19 quality, or purity shall be made in accordance with
20 the tests or methods of assay set forth in the
21 compendium, or in the absence of or inadequacy of
22 these tests or methods of assay, those prescribed



1 under authority of the Federal Act. No drug defined
2 in an official compendium shall be deemed to be
3 adulterated under this paragraph because it differs
4 from the standard of strength, quality, or purity
5 therefor set forth in the compendium, if its
6 difference in strength, quality, or purity from that
7 standard is plainly stated on its label. Whenever a
8 drug is recognized in both the United States
9 Pharmacopoeia and the Homeopathic Pharmacopoeia of the
10 United States it shall be subject to the requirements
11 of the United States Pharmacopoeia unless it is
12 labeled and offered for sale as a homeopathic drug, in
13 which case it shall be subject to the Homeopathic
14 Pharmacopoeia of the United States and not those of
15 the United States Pharmacopoeia;

16 (3) If it is not subject to paragraph (2) and its strength
17 differs from, or its purity or quality falls below,
18 that which it purports or is represented to possess;

19 or

20 (4) If it is a drug and any substance has been [~~A~~] mixed
21 or packed therewith so as to reduce its quality or



1 strength; or [~~B~~] substituted wholly or in part
2 therefor.

3 (b) A medical marijuana-infused product, as defined in
4 section 329-B, shall be exempt from this section if the food is
5 labeled as containing marijuana for medical use and specifies
6 the potency and quantity of the grams of the active
7 ingredients."

8 SECTION 4. Part IX of chapter 329, Hawaii Revised
9 Statutes, is amended by designating sections 329-121 to 329-128
10 as subpart A, entitled "General Provisions".

11 SECTION 5. Section 329-121, Hawaii Revised Statutes, is
12 amended by amending the definition of "adequate supply" to read
13 as follows:

14 "Adequate supply" means an amount of marijuana jointly
15 possessed between the qualifying patient and the primary
16 caregiver or jointly possessed by the qualifying patient and a
17 compassion center as defined in section 329-B, that is not more
18 than is reasonably necessary to assure the uninterrupted
19 availability of marijuana for the purpose of alleviating the
20 symptoms or effects of a qualifying patient's debilitating
21 medical condition; provided that an "adequate supply" shall not
22 exceed [~~three mature~~]:



- 1 (1) Seven marijuana plants, [~~four immature marijuana~~
2 plants,] and [~~one ounce] six ounces of usable
3 marijuana per [~~each mature plant.~~] compassion center
4 per registered patient per fourteen day period; and
5 (2) Seven marijuana plants and two ounces of usable
6 marijuana per each plant for a qualifying patient."~~

7 SECTION 6. Section 329-123, Hawaii Revised Statutes, is
8 amended by amending to read as follows:

9 "[+]§329-123[+] **Registration requirements.** (a)
10 Physicians who issue written certifications shall register the
11 names, addresses, patient identification numbers, and other
12 identifying information of the patients issued written
13 certifications with the department of public safety.

14 (b) Qualifying patients shall register with the department
15 of public safety. Such registration shall be effective until
16 the expiration of the certificate issued by the physician.
17 Every qualifying patient shall provide sufficient identifying
18 information to establish personal identity of the qualifying
19 patient and the primary caregiver[+] or the qualifying patient
20 and the compassion center as defined in section 329-B.

21 Qualifying patients shall report changes in information within
22 five working days. Every qualifying patient shall have only one



1 primary caregiver or compassion center at any given time. The
2 department shall then issue to the qualifying patient a
3 registration certificate, and may charge a reasonable fee not to
4 exceed \$25.

5 (c) Primary caregivers shall register with the department
6 of public safety. Every primary caregiver shall be responsible
7 for the care of only one qualifying patient at any given time.

8 (d) Upon an inquiry by a law enforcement agent, the
9 department of public safety shall verify whether the particular
10 qualifying patient has registered with the department and may
11 provide reasonable access to the registry information for
12 official law enforcement purposes.

13 (e) For purposes of subpart B, the department shall allow
14 out-of-state visitors who are qualifying patients or primary
15 caregivers in their home state to obtain a temporary
16 registration certificate; provided that there shall be assessed
17 and collected an administrative fee of \$100 for the length of
18 time of the visit."

19 SECTION 7. Section 846-2.7, Hawaii Revised Statutes, is
20 amended by amending subsection (b) to read as follows:

21 "(b) Criminal history record checks may be conducted by:



- 1 (1) The department on operators of adult foster homes or
2 developmental disabilities domiciliary homes and their
3 employees, as provided by section 333F-22;
- 4 (2) The department on prospective employees, persons
5 seeking to serve as providers, or subcontractors in
6 positions that place them in direct contact with
7 clients when providing non-witnessed direct mental
8 health services as provided by section 321-171.5;
- 9 (3) The department on all applicants for licensure for,
10 operators for, and prospective employees, and
11 volunteers at one or more of the following: skilled
12 nursing facility, intermediate care facility, adult
13 residential care home, expanded adult residential care
14 home, assisted living facility, home health agent,
15 hospice, adult day health center, special treatment
16 facility, therapeutic living program, intermediate
17 care facility for the mentally retarded, hospital,
18 rural health center and rehabilitation agent, and, in
19 the case of any of the above-related facilities
20 operating in a private residence, on any adult living
21 in the facility other than the client as provided by
22 section 321-15.2;



- 1 (4) The department of education on employees, prospective
2 employees, and teacher trainees in any public school
3 in positions that necessitate close proximity to
4 children as provided by section 302A-601.5;
- 5 (5) The counties on employees and prospective employees
6 who may be in positions that place them in close
7 proximity to children in recreation or child care
8 programs and services;
- 9 (6) The county liquor commissions on applicants for liquor
10 licenses as provided by section 281-53.5;
- 11 (7) The department of human services on operators and
12 employees of child caring institutions, child placing
13 organizations, and foster boarding homes as provided
14 by section 346-17;
- 15 (8) The department of human services on prospective
16 adoptive parents as established under section
17 346-19.7;
- 18 (9) The department of human services on applicants to
19 operate child care facilities, prospective employees
20 of the applicant, and new employees of the provider
21 after registration or licensure as provided by section
22 346-154;



- 1 (10) The department of human services on persons exempt
2 pursuant to section 346-152 to be eligible to provide
3 child care and receive child care subsidies as
4 provided by section 346-152.5;
- 5 (11) The department of human services on operators and
6 employees of home and community-based case management
7 agencies and operators and other adults, except for
8 adults in care, residing in foster family homes as
9 provided by section 346-335;
- 10 (12) The department of human services on staff members of
11 the Hawaii youth correctional facility as provided by
12 section 352-5.5;
- 13 (13) The department of human services on employees,
14 prospective employees, and volunteers of contracted
15 providers and subcontractors in positions that place
16 them in close proximity to youth when providing
17 services on behalf of the office or the Hawaii youth
18 correctional facility as provided by section 352D-4.3;
- 19 (14) The judiciary on employees and applicants at detention
20 and shelter facilities as provided by section 571-34;
- 21 (15) The department of public safety on employees and
22 prospective employees who are directly involved with



1 the treatment and care of persons committed to a
2 correctional facility or who possess police powers
3 including the power of arrest as provided by section
4 353C-5;

5 (16) The department of health on each applicant for a
6 license or renewal of a license under section 329-K,
7 and on the applicant's employees, directors, owners,
8 principals, partners, and stockholders;

9 ~~[(16)]~~ (17) The department on applicants for private
10 detective or private guard licensure as provided by
11 section 463-9;

12 ~~[(17)]~~ (18) Private schools and designated organizations on
13 employees and prospective employees who may be in
14 positions that necessitate close proximity to
15 children; provided that private schools and designated
16 organizations receive only indications of the states
17 from which the national criminal history record
18 information was provided pursuant to section 302C-1;

19 ~~[(18)]~~ (19) The public library system on employees and
20 prospective employees whose positions place them in
21 close proximity to children as provided by section
22 302A-601.5;



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1 [~~19~~] (20) The State or any of its branches, political
2 subdivisions, or agencies on applicants and employees
3 holding a position that has the same type of contact
4 with children, vulnerable adults, or persons committed
5 to a correctional facility as other public employees
6 who hold positions that are authorized by law to
7 require criminal history record checks as a condition
8 of employment as provided by section 78-2.7;

9 [~~20~~] (21) The department of human services on licensed
10 adult day care center operators, employees, new
11 employees, subcontracted service providers and their
12 employees, and adult volunteers as provided by section
13 346-97;

14 [~~21~~] (22) The department of human services on purchase of
15 service contracted and subcontracted service providers
16 and their employees serving clients of the adult and
17 community care services branch, as provided by section
18 346-97;

19 [~~22~~] (23) The department of human services on foster
20 grandparent program, retired and senior volunteer
21 program, senior companion program, and respite



1 companion program participants as provided by section
2 346-97;

3 ~~[(23)]~~ (24) The department of human services on contracted
4 and subcontracted service providers and their current
5 and prospective employees that provide home and
6 community-based services under Section 1915(c) of the
7 Social Security Act (Title 42 United States Code
8 Section 1396n(c)), or under any other applicable
9 section or sections of the Social Security Act for the
10 purposes of providing home and community-based
11 services, as provided by section 346-97;

12 ~~[(24)]~~ (25) The department on proposed directors and
13 executive officers of a bank, savings bank, savings
14 and loan association, trust company, and depository
15 financial services loan company as provided by section
16 412:3-201;

17 ~~[(25)]~~ (26) The department on proposed directors and
18 executive officers of a nondepository financial
19 services loan company as provided by section
20 412:3-301;



1 ~~[(26)]~~ (27) The department on the original chartering
2 applicants and proposed executive officers of a credit
3 union as provided by section 412:10-103;

4 ~~[(27)]~~ (28) The department on:
5 (A) Each principal of every non-corporate applicant
6 for a money transmitter license; and
7 (B) The executive officers, key shareholders, and
8 managers in charge of a money transmitter's
9 activities of every corporate applicant for a
10 money transmitter license,
11 as provided by section 489D-9;

12 ~~[(28)]~~ (29) The department on applicants for licensure and
13 persons licensed under title 24;

14 ~~[(29)]~~ (30) The Hawaii health systems corporation on:
15 (A) Employees;
16 (B) Applicants seeking employment;
17 (C) Current or prospective members of the corporation
18 board or regional system board; or
19 (D) Current or prospective volunteers, providers, or
20 contractors,
21 in any of the corporation's health facilities as
22 provided by section 323F-5.5;



1 ~~[(30)]~~ (31) The department on an applicant for a mortgage
2 loan originator's license as provided by chapter 454F;
3 and

4 ~~[(31)]~~ (32) Any other organization, entity, or the State,
5 its branches, political subdivisions, or agencies as
6 may be authorized by state law."

7 SECTION 8. Chapter 329, part IX, subpart A, Hawaii Revised
8 Statutes, is amended by substituting the term "subpart" wherever
9 the term "part" appears, as the context requires.

10 SECTION 9. If any provision of this Act, or the
11 application thereof to any person or circumstance is held
12 invalid, the invalidity does not affect other provisions or
13 applications of the Act, which can be given effect without the
14 invalid provision or application, and to this end the provisions
15 of this Act are severable.

16 SECTION 10. This Act does not affect rights and duties
17 that matured, penalties that were incurred, and proceedings that
18 were begun before its effective date.

19 SECTION 11. In codifying the new sections added by
20 section 2 of this Act, the revisor of statutes shall substitute
21 appropriate section numbers for the letters used in designating
22 the new sections in this Act.

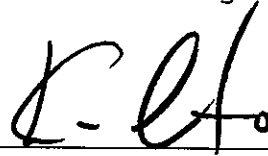


1 SECTION 12. Statutory material to be repealed is bracketed
2 and stricken. New statutory material is underscored.

3 SECTION 13. This Act shall take effect on August 7, 2012.

4

INTRODUCED BY: _____



JAN 24 2011



Report Title:

Health; Medical Marijuana

Description:

Creates three classes of medical marijuana licenses: class 1 medical marijuana compassion center license for the sale of medical marijuana to qualified patients; class 2 medical marijuana cultivation license; class 3 medical marijuana-infused products manufacturing license. Specifies requirements for each class. Makes medical marijuana sales subject to income and excise taxes. Establishes a special marijuana sales tax on sales of medical marijuana. Establishes a fee for issuance and renewal of a license and a special marijuana sales tax. Takes effect 8/7/2012.

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

