

Honolulu, Hawaii

March 4, 2016

RE: H.B. No. 2707

H.D. 1

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Eighth State Legislature
Regular Session of 2016
State of Hawaii

Sir:

Your Committee on Finance, to which was referred H.B. No. 2707, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO MEDICAL MARIJUANA,"

begs leave to report as follows:

The purpose of this measure is to improve the operation and oversight of the State's medical marijuana program. Among other things, this measure:

- (1) Establishes the Medical Marijuana Advisory Commission to advise the Department of Health and report to the Legislature regarding the oversight, operation, and regulation of medical marijuana;
- (2) Amends various definitions and provisions establishing procedures and restrictions regarding medical marijuana dispensary operations, products, paraphernalia, data collection, transportation, and testing;
- (3) Clarifies the prescriptive authority and responsibilities of health care professionals and advanced practice registered nurses regarding medical marijuana use;
- (4) Clarifies business procedures for dispensaries, including excluding dispensaries from enterprise zone tax exemptions and setting restrictions for dispensaries



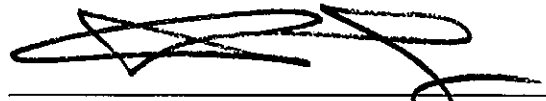
in the utilization of subcontracting operators and service contractors;

- (5) Excludes medical marijuana from certain federal tax and state general excise tax provisions; and
- (6) Authorizes certain University of Hawaii branches to conduct marijuana-related testing and research.

The University of Hawaii System, NuWayve Unlimited, Drug Policy Action Group, Hawaii Dispensary Alliance, Drug Policy Forum of Hawaii, Hawaii Association of Professional Nurses, and many individuals provided testimony in support of the measure. The Honolulu Police Department, Coalition for a Drug-Free Hawaii, and a few individuals provided testimony in opposition. The Department of Health, Department of Taxation, Department of Business, Economic Development, and Tourism, Department of the Attorney General, Board of Nursing, Tax Foundation of Hawaii, and an individual provided comments.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2707, H.D. 1, and recommends that it pass Third Reading.

Respectfully submitted on
behalf of the members of the
Committee on Finance,



SYLVIA LUKE, Chair



