

STAND. COM. REP. NO.

2504

Honolulu, Hawaii

FEB 16 2018

RE: S.B. No. 2651  
S.D. 1

Honorable Ronald D. Kouchi  
President of the Senate  
Twenty-Ninth State Legislature  
Regular Session of 2018  
State of Hawaii

Sir:

Your Committee on Commerce, Consumer Protection, and Health,  
to which was referred S.B. No. 2651 entitled:

"A BILL FOR AN ACT RELATING TO MEDICAL CANNABIS  
DISPENSARIES,"

begs leave to report as follows:

The purpose and intent of this measure is to specify certain felonies that will preclude employment at medical cannabis dispensaries, rather than make ineligible for employment all individuals who have been convicted of any felony.

Your Committee received testimony in support of this measure from the Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, Hawaii Educational Association for Licensed Therapeutic Healthcare, Drug Policy Forum of Hawaii, Maui Grown Therapies, Kine Bottles, Patients Without Time, and one individual. Your Committee received testimony in opposition to this measure from the Department of the Prosecuting Attorney of the City and County of Honolulu. Your Committee received comments on this measure from the Department of the Attorney General, Department of Health, and two individuals.

Your Committee finds that existing law prohibits a medical cannabis dispensary from hiring any person convicted of a felony, a categorical prohibition that is applied regardless of the nature of the crime, or how long ago the crime occurred. Your Committee



is well aware of the need to maintain a high standard for public safety regarding employment at medical cannabis dispensaries. However, your Committee is also cognizant of the fact that the circumstances and severity of felony offenses vary widely. Thus, a broad prohibition from employment against anyone with a felony conviction may be unduly restrictive. Accordingly, this measure specifies certain felonies that will preclude employment at medical cannabis dispensaries, rather than rendering ineligible for employment all individuals with a felony conviction.

However, your Committee has heard the concerns that this measure, as introduced, may have unintended consequences by allowing medical cannabis dispensaries to hire individuals convicted of the most serious felonies. Your Committee understands these concerns and concludes amendments to this measure are necessary to specify those felonies that will fall under a blanket prohibition against employment at a medical cannabis dispensary.

Accordingly, your Committee has amended this measure by:

- (1) Clarifying that medical cannabis dispensaries shall deny employment to any individual who has been convicted of:
  - (A) A class A or class B felony; or
  - (B) A class C felony involving trafficking, distributing, or promoting a schedule I or II drug other than cannabis within the last ten years;
- (2) Clarifying that medical cannabis dispensaries may deny employment to any individual who has been convicted of a class C felony involving:
  - (A) Fraud, deceit, misrepresentation, embezzlement, or theft; or
  - (B) Endangering the welfare of a minor;
- (3) Inserting an effective date of July 1, 2050, to encourage further discussion; and



- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2651, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2651, S.D. 1, and be referred to your Committee on Judiciary.

Respectfully submitted on  
behalf of the members of the  
Committee on Commerce, Consumer  
Protection, and Health,



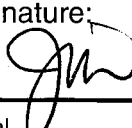
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ROSALYN H. BAKER, Chair



The Senate  
Twenty-Ninth Legislature  
State of Hawai'i

**Record of Votes**  
**Committee on Commerce, Consumer Protection, and Health**  
**CPH**

Bill / Resolution No.:* <b>SB 2651</b>	Committee Referral: <b>CPH, JPC</b>	Date: <b>2/13/18</b>		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
BAKER, Rosalyn H. (C)	/			
TOKUDA, Jill N. (VC)	/			
CHANG, Stanley	/			
ESPERO, Will				/
IHARA, Jr., Les		/		
NISHIHARA, Clarence K.	/			
RUDERMAN, Russell E.	/			
<b>TOTAL</b>	<b>5</b>	<b>1</b>		<b>1</b>
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <div style="text-align:center; font-size: 2em; font-family: cursive;">  </div>				
<b>Distribution:</b> Original    Yellow    Pink    Goldenrod File with Committee Report    Clerk's Office    Drafting Agency    Committee File Copy				

\*Only one measure per Record of Votes