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# A BILL FOR AN ACT

RELATING TO HAWAIIAN AFFAIRS.

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

1       SECTION 1. The legislature finds that article XII, section  
2   2, of the Hawaii State Constitution states in part: "The State  
3   and its people do further agree and declare that the spirit of  
4   the Hawaiian Homes Commission Act looking to the continuance of  
5   the Hawaiian homes projects for the further rehabilitation of  
6   the Hawaiian race shall be faithfully carried out". Affording  
7   the opportunity to utilize lands designated for agriculture by  
8   the department of Hawaiian home lands would allow for increased  
9   revenue for both beneficiaries and the department of Hawaiian  
10  home lands.

11       The purpose of this Act is to:

- 12       (1) Increase the number of medical cannabis dispensaries  
13             in the State by requiring the department of health to  
14             issue eight dispensary licenses to the department of  
15             Hawaiian home lands;
- 16       (2) Require the department of Hawaiian home lands to study  
17             the feasibility and revenue to be generated by medical



1 cannabis dispensaries, limited gaming, and other  
2 potential revenue-generating options on Hawaiian home  
3 lands.

4 SECTION 2. Chapter 329D, Hawaii Revised Statutes, is  
5 amended by adding a new section to be appropriately designated  
6 and to read as follows:

7 "§329D- Medical cannabis dispensaries on Hawaiian home  
8 lands. (a) The department shall issue to the department of  
9 Hawaiian home lands eight dispensary licenses; provided that two  
10 dispensary licenses shall be issued for the city and county of  
11 Honolulu; three dispensary licenses shall be issued for the  
12 county of Hawaii with one for east Hawaii, one for north Hawaii,  
13 and one for west Hawaii; two dispensary licenses shall be issued  
14 for the county of Maui, one for Maui and one for Molokai; and  
15 one dispensary license shall be issued for the county of Kauai.

16 (b) The department shall advise and assist the department  
17 of Hawaiian home lands in establishing a license application  
18 procedure and verification process in accordance with section  
19 329D-4 and the selection process in accordance with section  
20 329D-5 to include the criteria of section 329D-7(3).



1        (c) Each application for a dispensary license shall  
2        include both an individual applicant and an applying entity.  
3        The application shall be submitted to the department of Hawaiian  
4        home lands and shall include supporting documentation to  
5        establish:

6        (1) That the individual applicant:

7                (A) Is native Hawaiian, as defined in section 201 of  
8                the Hawaiian Homes Commission Act, 1920;

9                (B) Has been a legal resident of the State for not  
10               less than five years preceding the date of  
11               application;

12               (C) Is not less than eighteen years of age; and

13               (D) Has had no felony convictions;

14        (2) That the applying entity:

15               (A) Has been organized under the laws of the State;

16               (B) Has a Hawaii tax identification number;

17               (C) Has a department of commerce and consumer affairs  
18               business registration division number and suffix;

19               (D) Has a federal employer identification number;

20               (E) Is not less than fifty-one per cent held by  
21               native Hawaiians, as defined in section 201 of



1           the Hawaiian Homes Commission Act, 1920, or  
2           entities wholly controlled by native Hawaiians,  
3           as defined in section 201 of the Hawaiian Homes  
4           Commission Act, 1920, who have been Hawaii legal  
5           residents for not less than five years  
6           immediately preceding the date the application  
7           was submitted;

8           (F) Has financial resources under its control of not  
9           less than \$1,000,000 for the license applied for,  
10           plus not less than \$100,000 for each retail  
11           dispensing location allowed under the license  
12           applied for, in the form of bank statements or  
13           escrow accounts, and that the financial resources  
14           have been under the control of the applying  
15           entity for not less than ninety days immediately  
16           preceding the date the application was submitted;  
17           and

18           (G) Is composed of principals or members, each of  
19           whom has no felony convictions.



1 A dispensary license shall not be sold or otherwise transferred  
2 from one person to another person. No person may be granted  
3 more than one dispensary license.

4 (d) Medical cannabis production centers and dispensaries  
5 on Hawaiian home lands shall not be subject to county zoning,  
6 ordinances, rules, or regulations."

7 SECTION 3. The department of Hawaiian home lands shall  
8 conduct a study on the feasibility and revenue to be generated  
9 by:

10 (1) Medical cannabis dispensaries on Hawaiian home lands;

11 (2) Limited gaming, in the form of a single gaming  
12 facility on Hawaiian home lands designated for  
13 commercial use; and

14 (3) Other potential revenue-generating options on Hawaiian  
15 home lands,

16 to address historic funding shortfalls exacerbated by the  
17 economic shutdown from the coronavirus disease 2019 (COVID-19)  
18 pandemic.

19 (b) The study shall consider public-private partnership  
20 options, cost estimates, and other implementation requirements.



1 (c) The department shall submit a report of its findings  
2 and recommendations, including any proposed legislation, to the  
3 legislature no later than twenty days prior to the convening of  
4 the regular session of 2022.

5 SECTION 4. The provisions of the amendments made by this  
6 Act to the Hawaiian Homes Commission Act, 1920, as amended, are  
7 declared to be severable, and if any section, sentence, clause,  
8 or phrase, or the application thereof to any person or  
9 circumstances is held ineffective because there is a requirement  
10 of having the consent of the United States to take effect, then  
11 that portion only shall take effect upon the granting of consent  
12 by the United States and effectiveness of the remainder of these  
13 amendments or the application thereof shall not be affected.

14 SECTION 5. New statutory material is underscored.

15 SECTION 6. This Act shall take effect on July 1, 2050.



**Report Title:**

DHHL; DOH; Medical Cannabis; Dispensaries; Gaming; Study

**Description:**

Requires the Department of Health to issue medical cannabis dispensary licenses to the Department of Hawaiian Home Lands, allowing for increased revenue for beneficiaries. Requires the Department of Hawaiian Home Lands to study the feasibility and revenue to be generated by medical cannabis dispensaries, limited gaming, and other potential revenue-generating options on Hawaiian home lands. Effective 7/1/2050. (SD3)

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

