

STAND. COM. REP. NO.

1048

Honolulu, Hawaii

MAR 19 , 2021

RE: S.B. No. 1139
S.D. 2
H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirty-First State Legislature
Regular Session of 2021
State of Hawaii

Sir:

Your Committee on Health, Human Services, & Homelessness, to which was referred S.B. No. 1139, S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO THE OFFICE OF MEDICAL CANNABIS CONTROL AND REGULATION,"

begs leave to report as follows:

The purpose of this measure is to allow the Department of Health to fully operationalize the Office of Medical Cannabis Control and Regulation to ensure patient access and regulatory oversight of the licensed dispensaries by:

- (1) Authorizing the Department of Health to adopt administrative rules to establish patient registration fees beginning in fiscal year 2022;
- (2) Appropriating monies from the Medical Cannabis Registry and Regulation Special Fund for Office of Medical Cannabis Control and Regulation positions and operations; and
- (3) Establishing, hiring, and filling three new permanent full-time equivalent positions funded by the Medical Cannabis Registry and Regulation Special Fund.

2021-2444 SB1139 HD1 HSCR HMSO



Your Committee received testimony in support of this measure from the Department of Health and Hawai'i Cannabis Industry Association. Your Committee received comments on this measure from the Akamai Cannabis Clinic.

Your Committee finds that, in order to mitigate budget shortfalls caused by the COVID-19 pandemic, the Office of Medical Cannabis Control and Regulation was required to cut six full-time positions, which included the Office's administrative staff. Your Committee further finds that using the Medical Cannabis Registry and Regulation Special Fund to finance some of those positions will enable the Office of Medical Cannabis Control and Regulation to hire administrative personnel to support the Office's programmatic efforts.

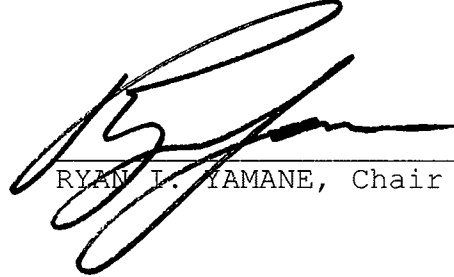
Your Committee has amended this measure by:

- (1) Clarifying that the appropriated funds shall be used to provide administrative support to the Office of Medical Cannabis Control and Regulation in addition to funding positions and operations;
- (2) Reducing the number of new full-time equivalent positions established from three to one;
- (3) Requiring the Office of Medical Cannabis Control and Regulation to convene a task force to explore the impact of legalizing cannabis on qualifying medical cannabis patients;
- (4) Changing the effective date to July 1, 2060, to encourage further discussion; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health, Human Services, & Homelessness that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1139, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1139, S.D. 2, H.D. 1, and be referred to your Committee on Consumer Protection & Commerce.



Respectfully submitted on
behalf of the members of the
Committee on Health, Human
Services, & Homelessness,



RYAN L. YAMANE, Chair



