STAND. COM. REP. NO.

1409

Honolulu, Hawaii

, 2021

MAR 25

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 Consumer Protection & Commerce, to which was referred S.B. No. 1139, S.D. 2, H.D. 1, 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:

- (1) Authorize the Department of Health to adopt administrative rules to establish patient registration fees for medical cannabis qualifying patients beginning in fiscal year 2022;
- (2) Require the Office of Medical Cannabis Control and Regulation to convene a task force to explore the development of a dual system program of the legalization of cannabis and the impacts of legalization of cannabis on qualifying patients; and
- (3) Appropriate monies from the Medical Cannabis Registry and Regulation Special Fund for Office of Medical Cannabis Control and Regulation positions and operations.

2021-2749 SB1139 HD1 HSCR HMSO

Your Committee received testimony in support of this measure from the Department of Health, Akamai Cannabis Clinic, Hawai'i Cannabis Industry Association, and Big Island Grown Dispensaries. Your Committee received testimony in opposition to this measure from Patients Without Time and one individual.

Your Committee finds that the financial constraints caused by the COVID-19 pandemic resulted in the elimination of six critical full-time positions within the Office of Medical Cannabis Control and Regulation. The Office no longer has administrative staff, which are fundamental to the effective and efficient operations of the Medical Cannabis Patient Registry Program and Medical Cannabis Dispensary Program. Administrative and program staff are needed to meet current statutory requirements and the need for administrative and programmatic support will only increase as the landscape for medical cannabis grows and evolves. This measure allows the Department of Health to establish patient registration fees through administrative rules, which would give the Office the financial flexibility it needs to support its ongoing operating costs.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1139, S.D. 2, H.D. 1, and recommends that it be referred to your Committee on Finance.

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

AARON LYNG JOHANSON, Chair

State of Hawaii House of Representatives The Thirty-first Legislature

HSOR 1409

Record of Votes of the Committee on Consumer Protection & Commerce

Bill/Resolution No.: SB 1139 SD 2 HD 1	Committee Referral: HHH, CPC, FIN			Date: 3 (23 21		
☐ The committee is reconsidering its previous decision on the measure.						
The recommendation is to: Pass, unamended (as is) Pass, with amendments (HD) Hold Pass short form bill with HD to recommit for future public hearing (recommit)						
CPC Members		Ayes	Ayes (W	R)	Nays	Excused
1. JOHANSON, Aaron Ling (C)		V				
2. KITAGAWA, Lisa (VC)		V				
						: :
3. AQUINO, Henry J.C.		V				
4. HAR, Sharon E.					<u> </u>	
4. HAR, Sharon E.						4
5. HASHEM, Mark J.		V				<u> </u>
6. KONG, Sam Satoru	make fundaments to a comment amount of the	V		<u> </u>		
7. MIZUNO, John M.		V				
				/// - ///		
8. MORIKAWA, Dee		V		110/254 V () 1 BH (113 + 131 335		and the state of t
9. ONISHI, Richard H.K.		\checkmark		*		
10 TADNAC David A					<u> </u>	
10. TARNAS, David A.						
11. MATSUMOTO, Lauren	15					
II. MANUSCRICTO, Zuuron						
TOTAL (11)		11	0		0	0
The recommendation is: Adopted If joint referral, did not support recommendation. committee acronym(s)						
Vice Chair's or designee's signature:						
Distribution: Original (White) - Committee Duplicate (Yellow) - Chief Clerk's Office Duplicate (Pink) - HMSO						