

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 LINN JOHANSON, Chair



