

JAN 21 2022

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# A BILL FOR AN ACT

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RELATING TO CANNABIS.

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

1       SECTION 1. The legislature finds that amendments to  
2 chapter 329D, Hawaii Revised Statutes, are warranted to clarify  
3 legislative intent, ensure smooth administration of the medical  
4 cannabis dispensary system law, allow for adequate qualifying  
5 patient access based on experiences in other states that have a  
6 sensible medical cannabis program, and resolve other issues that  
7 have arisen under the existing law.

8       The purpose of this Act is to:

- 9       (1) Authorize the department of health to allow a licensed  
10       dispensary to purchase up to three thousand grams of  
11       medical cannabis or manufactured cannabis products  
12       from another licensed dispensary located on the same  
13       island to ensure ongoing qualifying patient access;  
14       (2) Increase the allowable number of production centers  
15       and retail dispensing locations per dispensary  
16       license;



- 1           (3) Limit where qualifying patients can obtain medical  
2           cannabis or manufactured cannabis products after  
3           December 31, 2022;
- 4           (4) Authorize the department of health to set the fee  
5           structure for the submission of applications for each  
6           additional production center and retail dispensing  
7           location and for dispensary-to-dispensary sales;
- 8           (5) Authorize the department of health or law enforcement,  
9           upon the request of the department, to conduct  
10          administrative inspections of registered grow sites to  
11          ensure compliance with cannabis plant limits;
- 12          (6) Clarify that so long as federal law prohibits the  
13          transportation of medical cannabis over a body of  
14          water, dispensary-to-dispensary sales may only occur  
15          between dispensaries located on the same island; and
- 16          (7) Clarify that the transport of cannabis to another  
17          county or island for the sole purposes of laboratory  
18          testing is permissible only if no certified laboratory  
19          is located in the county or on the island where the  
20          dispensary is located.



SECTION 2. Section 329-122, Hawaii Revised Statutes, is amended by amending subsection (f) to read as follows:

"(f) For the purposes of this section, "transport" means the transportation of cannabis, usable cannabis, or any manufactured cannabis product between:

(1) A qualifying patient and the qualifying patient's primary caregiver;

(2) A qualifying out-of-state patient under eighteen years of age and the caregiver of a qualifying out-of-state patient;

(3) The production centers and the retail dispensing locations under a dispensary licensee's license; ~~[or]~~

(4) Dispensaries as permitted by section 329D-6(r); provided that so long as federal law prohibits transportation of medical cannabis over a body of water, a selling dispensary may only sell and transport up to three thousand grams of cannabis or manufactured cannabis products to a purchasing dispensary located on the same island as the selling dispensary; or



1        [~~(4)~~] (5) A production center, retail dispensing location,  
2            qualifying patient, primary caregiver, qualifying out-  
3            of-state patient, or caregiver of a qualifying out-of-  
4            state patient and a certified laboratory for the  
5            purpose of laboratory testing; provided that a  
6            qualifying patient, primary caregiver, qualifying out-  
7            of-state patient, or caregiver of a qualifying out-of-  
8            state patient may only transport up to one gram of  
9            cannabis per test to a certified laboratory for  
10          laboratory testing and may only transport the product  
11          if the qualifying patient, primary caregiver,  
12          qualifying out-of-state patient, or caregiver of a  
13          qualifying out-of-state patient:

14          (A) Secures an appointment for testing at a certified  
15              laboratory;

16          (B) Obtains confirmation, which may be electronic,  
17              that includes the specific time and date of the  
18              appointment and a detailed description of the  
19              product and amount to be transported to the  
20              certified laboratory for the appointment; and



1 (C) Has the confirmation, which may be electronic,  
2 available during transport.

3 For purposes of interisland transportation, "transport" of  
4 cannabis, usable cannabis, or any manufactured cannabis product,  
5 by any means is allowable only between dispensaries as permitted  
6 by section 329D-6(r) and between a production center or retail  
7 dispensing location and a certified laboratory for the sole  
8 purpose of laboratory testing pursuant to section 329D-8, as  
9 permitted under section 329D-6(m) and subject to section  
10 329D-6(j), and with the understanding that state law and its  
11 protections do not apply outside of the jurisdictional limits of  
12 the State[-]; provided that so long as federal law prohibits  
13 transportation of medical cannabis over a body of water, a  
14 selling dispensary may only sell and transport up to three  
15 thousand grams of cannabis or manufactured cannabis products to  
16 a purchasing dispensary located on the same island as the  
17 selling dispensary. Allowable transport pursuant to this  
18 section does not include interisland transportation by any means  
19 or for any purpose between a [~~qualified~~] qualifying patient,  
20 primary caregiver, qualifying out-of-state patient, or caregiver  
21 of a qualifying out-of-state patient and any other entity or



1 individual, including an individual who is a ~~[qualified]~~  
2 qualifying patient, primary caregiver, qualifying out-of-state  
3 patient, or caregiver of a qualifying out-of-state patient."

4 SECTION 3. Section 329-130, Hawaii Revised Statutes, is  
5 amended by amending subsection (a) to read as follows:

6 "(a) After December 31, ~~[2023,]~~ 2022, a qualifying patient  
7 shall obtain medical cannabis or manufactured cannabis products  
8 only:

9 (1) From a dispensary licensed pursuant to chapter 329D;  
10 provided that the cannabis shall be purchased and paid  
11 for at the time of purchase; or

12 (2) By cultivating cannabis in an amount that does not  
13 exceed an adequate supply for the qualifying patient,  
14 pursuant to section 329-122; provided that each  
15 location used to cultivate cannabis shall be used by  
16 no more than five qualifying patients~~[-]~~; and provided  
17 further that the department, or law enforcement upon  
18 the request of the department, may make inspections,  
19 including onsite inspections for criminal and  
20 administrative purposes, of registered grow sites to



1           verify compliance with the requirements of this  
2           chapter pursuant to authority under this chapter.

3   After December 31, 2023, no primary caregiver shall be  
4   authorized to cultivate cannabis for any qualifying patient."

5           SECTION 4. Section 329D-1, Hawaii Revised Statutes, is  
6   amended by amending the definitions of "medical cannabis  
7   dispensary" or "dispensary" and "medical cannabis production  
8   center" or "production center" to read as follows:

9           "Medical cannabis dispensary" or "dispensary" means a  
10   person licensed by the State pursuant to this chapter to own,  
11   operate, or subcontract up to [~~two~~] \_\_\_\_\_ production centers  
12   and up to [~~two~~] \_\_\_\_\_ retail dispensing locations.

13           "Medical cannabis production center" or "production center"  
14   means a farm or facility wholly owned, operated, or  
15   subcontracted by a person licensed by the State pursuant to this  
16   chapter as a medical cannabis dispensary that produces cannabis  
17   and manufactured cannabis products [~~selely~~] to supply cannabis  
18   and manufactured cannabis products to one or more of the retail  
19   dispensing locations of [~~the~~] any licensed medical cannabis  
20   dispensary."



SECTION 5. Section 329D-2, Hawaii Revised Statutes, is amended by amending subsections (f) and (g) to read as follows:

"(f) Up to [~~two~~] \_\_\_\_\_ production centers shall be allowed under each dispensary license; provided that, except as otherwise specified in subsection (k), each production center shall be limited to no more than three thousand cannabis plants. For purposes of this subsection, "plant" means a cannabis plant that is greater than twelve vertical inches in height from where the base of the stalk emerges from the growth medium to the tallest point of the plant, or greater than twelve horizontal inches in width from the end of one branch to the end of another branch; provided that multiple stalks emanating from the same root ball or root system shall be considered part of the same single plant.

(g) A dispensary licensee may establish up to [~~two~~] \_\_\_\_\_ retail dispensing locations under the licensee's dispensary license, except as otherwise specified in subsection (l)."

SECTION 6. Section 329D-4, Hawaii Revised Statutes, is amended as follows:

1. By amending subsection (c) to read:





1       "(c) A nonrefundable application fee [~~of \$5,000~~] for each  
2 license application shall be submitted to the department by  
3 certified or cashier's check. Within seven days of approval, a  
4 dispensary license fee [~~of \$75,000~~] for each license approved  
5 shall be submitted to the department by certified or cashier's  
6 check or the department shall issue a license to the next  
7 qualified applicant."

8       2. By amending subsection (n) to read:

9       "(n) A dispensary license may be renewed annually by  
10 payment of an annual renewal fee [~~of \$50,000~~] and subject to  
11 verification by the department through an unannounced inspection  
12 that the individual licensee and entity licensee continue to  
13 meet all licensing requirements from the date the initial  
14 licenses were issued."

15       SECTION 7. Section 329D-6, Hawaii Revised Statutes, is  
16 amended to read as follows:

17       "**§329D-6 Dispensary operations.** (a) No person shall  
18 operate a dispensary, nor engage in the production, manufacture,  
19 or sale of cannabis or manufactured cannabis products, unless  
20 the person has obtained a license from the department pursuant  
21 to this chapter.



1 (b) No dispensary licensee, its officers, employees, or  
2 agents shall provide written certification for the use of  
3 medical cannabis or manufactured cannabis products for any  
4 person.

5 (c) No person under the age of twenty-one shall be  
6 employed by a dispensary licensee.

7 (d) Notwithstanding any other law to the contrary,  
8 including but not limited to sections 378-2 and 378-2.5,  
9 dispensaries:

10 (1) Shall deny employment to any individual who has been:

11 (A) Convicted of murder in any degree;

12 (B) Convicted of a class A or class B felony; or

13 (C) Convicted of a class C felony involving

14 trafficking, distributing, or promoting a

15 schedule I or II controlled substance other than

16 cannabis within the last ten years; and

17 (2) May deny employment to any individual who has been  
18 convicted of a class C felony involving:

19 (A) Fraud, deceit, misrepresentation, embezzlement,  
20 or theft; or

21 (B) Endangering the welfare of a minor.



1 Employment under this chapter shall be exempt from section  
2 378-2(a)(1), as it relates to arrest and court record  
3 discrimination, and section 378-2.5.

4 (e) Retail dispensing locations shall not be open for  
5 retail sales before 8:00 a.m. or after 8:00 p.m., Hawaii-  
6 Aleutian Standard Time, Monday through Sunday.

7 (f) All dispensary facilities, including but not limited  
8 to production centers and retail dispensing locations, shall be  
9 enclosed indoor facilities and shall maintain twenty-four hour  
10 security measures, including but not limited to an alarm system,  
11 video monitoring and recording on the premises, and exterior  
12 lighting. A dispensary licensee who intends to utilize, as a  
13 production center, an enclosed indoor facility that includes a  
14 roof that is partially or completely transparent or translucent,  
15 as provided under section 329D-1, shall notify the department of  
16 that intention [~~prior to~~] before altering or constructing the  
17 facility. Production centers shall remain locked at all times.  
18 Retail dispensing locations shall remain locked at all times,  
19 other than business hours as authorized by subsection (e), and  
20 shall only be opened for authorized persons.



1 (g) In all dispensary facilities, only the licensee, if an  
2 individual, registered employees of the dispensary licensee,  
3 registered employees of a subcontracted production center or  
4 retail dispensing location, employees of a certified laboratory  
5 for testing purposes, state employees authorized by the director  
6 of health, and law enforcement and other government officials  
7 acting in their official capacity shall be permitted to touch or  
8 handle any cannabis or manufactured cannabis products, except  
9 that a qualifying patient, primary caregiver, qualifying out-of-  
10 state patient, or caregiver of a qualifying out-of-state patient  
11 may receive manufactured cannabis products at a retail  
12 dispensing location following completion of a sale.

13 (h) A dispensary shall provide the department with the  
14 address, tax map key number, and a copy of the premises lease,  
15 if applicable, of the proposed location of a production center  
16 allowed under a license for a county ~~[not]~~ no later than thirty  
17 days ~~[prior to]~~ before any medical cannabis or manufactured  
18 cannabis products being produced or manufactured at that  
19 production center.

20 (i) A dispensary shall provide the department with the  
21 address, tax map key number, and a copy of the premises lease,



1 if applicable, of the proposed location of each retail  
2 dispensing location allowed under a license [~~not~~] no less than  
3 sixty days [~~prior to~~] before opening for business.

4 (j) The department shall establish, maintain, and control  
5 a computer software tracking system that shall have real time,  
6 twenty-four-hour access to the data of all dispensaries.

7 (1) The computer software tracking system shall collect  
8 data relating to:

9 (A) The total amount of cannabis in possession of all  
10 dispensaries from either seed or immature plant  
11 state, including all plants that are derived from  
12 cuttings or cloning, until the cannabis, cannabis  
13 plants, or manufactured cannabis product is sold  
14 or destroyed pursuant to section 329D-7;

15 (B) The total amount of manufactured cannabis product  
16 inventory, including the equivalent physical  
17 weight of cannabis that is used to manufacture  
18 manufactured cannabis products, purchased by a  
19 qualifying patient, primary caregiver, qualifying  
20 out-of-state patient, and caregiver of a  
21 qualifying out-of-state patient from all retail



1           dispensing locations in the State in any fifteen-  
2           day period;

3           (C) The amount of waste produced by each plant at  
4           harvest; and

5           (D) The transport of cannabis and manufactured  
6           cannabis products between production centers and  
7           retail dispensing locations[7] and as permitted  
8           by subsection (r), including tracking  
9           identification issued by the tracking system, the  
10          identity of the person transporting the cannabis  
11          or manufactured cannabis products, and the make,  
12          model, and license number of the vehicle being  
13          used for the transport;

14          (2) The procurement of the computer software tracking  
15          system established pursuant to this subsection shall  
16          be exempt from chapter 103D; provided that:

17          (A) The department shall publicly solicit at least  
18          three proposals for the computer software  
19          tracking system; and



1           (B) The selection of the computer software tracking  
2                   system shall be approved by the director of the  
3                   department and the chief information officer; and

4       (3) Notwithstanding any other provision of this subsection  
5       to the contrary, once the department has authorized a  
6       licensed dispensary to commence sales of cannabis or  
7       manufactured cannabis products, if the department's  
8       computer software tracking system is inoperable or is  
9       not functioning properly, as an alternative to  
10      requiring dispensaries to temporarily cease  
11      operations, the department may implement an alternate  
12      tracking system that will enable a qualifying patient,  
13      primary caregiver, qualifying out-of-state patient,  
14      and caregiver of a qualifying out-of-state patient to  
15      purchase cannabis or manufactured cannabis products  
16      from a licensed dispensary on a temporary basis. The  
17      department shall seek input regarding the alternate  
18      tracking system from medical cannabis licensees. The  
19      alternate tracking system may operate as follows:



1           (A) The department may immediately notify all  
2           licensed dispensaries that the computer software  
3           tracking system is inoperable; and

4           (B) Once the computer software tracking system is  
5           operational and functioning to meet the  
6           requirements of this subsection, the department  
7           may notify all licensed dispensaries, and the  
8           alternate tracking system in this subsection  
9           shall be discontinued.

10          (k) A dispensary licensed pursuant to this chapter shall  
11          purchase, operate, and maintain a computer software tracking  
12          system that shall:

13           (1) Interface with the department's computer software  
14           tracking system established pursuant to subsection  
15           (j);

16           (2) Allow each licensed dispensary's production center to  
17           submit to the department in real time, by automatic  
18           identification and data capture, all cannabis,  
19           cannabis plants, and manufactured cannabis product  
20           inventory in possession of that dispensary from either  
21           seed or immature plant state, including all plants





1           that are derived from cuttings or cloning, until the  
2           cannabis or manufactured cannabis product is sold or  
3           destroyed pursuant to section 329D-7;

4       (3) Allow the licensed dispensary's retail dispensing  
5           location to submit to the department in real time for  
6           the total amount of cannabis and manufactured cannabis  
7           product purchased by a qualifying patient, primary  
8           caregiver, qualifying out-of-state patient, and  
9           caregiver of a qualifying out-of-state patient from  
10          the dispensary's retail dispensing locations in the  
11          State in any fifteen day period; provided that the  
12          software tracking system shall impose an automatic  
13          stopper in real time, which cannot be overridden, on  
14          any further purchases of cannabis or manufactured  
15          cannabis products, if the maximum allowable amount of  
16          cannabis has already been purchased for the applicable  
17          fifteen day period; provided further that additional  
18          purchases shall not be permitted until the next  
19          applicable period; and

20       (4) Allow the licensed dispensary to submit all data  
21          required by this subsection to the department and



1 permit the department to access the data if the  
2 department's computer software tracking system is not  
3 functioning properly and sales are made pursuant to  
4 the alternate tracking system under subsection (j).

5 (l) No free samples of cannabis or manufactured cannabis  
6 products shall be provided at any time, and no consumption of  
7 cannabis or manufactured cannabis products shall be permitted on  
8 any dispensary premises.

9 (m) [A] Except as permitted pursuant to subsection (r), a  
10 dispensary shall not transport cannabis or manufactured cannabis  
11 products to another county or another island; provided that this  
12 subsection shall not apply to the transportation of cannabis or  
13 any manufactured cannabis product solely for the purposes of  
14 laboratory testing pursuant to section 329D-8, and subject to  
15 subsection (j) [7], if no certified laboratory is located in the  
16 county or on the island where the dispensary is located;  
17 provided further that a dispensary shall only transport samples  
18 of cannabis and manufactured cannabis products for laboratory  
19 testing for purposes of this subsection in an amount and manner  
20 prescribed by the department, in rules adopted pursuant to this  
21 chapter, and with the understanding that state law and its



1 protections do not apply outside of the jurisdictional limits of  
2 the State.

3 (n) A dispensary shall be prohibited from off-premises  
4 delivery of cannabis or manufactured cannabis products to a  
5 qualifying patient, primary caregiver, qualifying out-of-state  
6 patient, or caregiver of a qualifying out-of-state patient.

7 (o) A dispensary shall not:

8 (1) Display cannabis or manufactured cannabis products in  
9 windows or in public view; or

10 (2) Post any signage other than a single sign no greater  
11 than one thousand six hundred square inches bearing  
12 only the business or trade name in text without any  
13 pictures or illustrations; provided that if any  
14 applicable law or ordinance restricting outdoor  
15 signage is more restrictive, that law or ordinance  
16 shall govern.

17 (p) No cannabis or manufactured cannabis products shall be  
18 transported to, from, or within any federal fort or arsenal,  
19 national park or forest, any other federal enclave, or any other  
20 property possessed or occupied by the federal government.



1       (q) A dispensary licensed pursuant to this chapter shall  
2 be prohibited from providing written certification pursuant to  
3 section 329-122 for the use of medical cannabis for any person.

4       (r) The department may permit a dispensary to purchase  
5 cannabis and manufactured cannabis products from another  
6 dispensary in a manner prescribed by the department by rules  
7 adopted pursuant to this chapter and chapter 91; provided that:

8       (1) The purchasing dispensary provides sufficient  
9 justification that purchase of the cannabis and  
10 manufactured cannabis products from another dispensary  
11 is necessary to ensure ongoing qualifying patient  
12 access;

13       (2) The selling dispensary may only transport up to three  
14 thousand grams of cannabis or manufactured cannabis  
15 products to a purchasing dispensary located on the  
16 same island as the selling dispensary; and

17       (3) Nothing in this subsection shall relieve any  
18 dispensary of its responsibilities and obligations  
19 under this chapter and chapter 329."

20       SECTION 8. Section 329D-7, Hawaii Revised Statutes, is  
21 amended to read as follows:



1       "§329D-7 Medical cannabis dispensary rules. The  
2 department shall establish standards with respect to:

3       (1) The number of medical cannabis dispensaries that shall  
4       be permitted to operate in the State;

5       (2) A fee structure for ~~[the]~~:

6       (A) The submission of applications and renewals of  
7       licenses to dispensaries; [~~provided that the~~  
8       ~~department shall consider the market conditions~~  
9       ~~in each county in determining the license renewal~~  
10       ~~fee amounts;]~~

11       (B) The submission of applications for each  
12       additional production center and each additional  
13       retail dispensing location; and

14       (C) Dispensary-to-dispensary sales;  
15       provided that the department shall consider market  
16       conditions in each county in determining the license  
17       renewal fee amounts;

18       (3) Criteria and procedures for the consideration and  
19       selection, based on merit, of applications for  
20       licensure of dispensaries; provided that the criteria  
21       shall include but not be limited to an applicant's:



- 1 (A) Ability to operate a business;
- 2 (B) Financial stability and access to financial
- 3 resources; provided that applicants for medical
- 4 cannabis dispensary licenses shall provide
- 5 documentation that demonstrates control of not
- 6 less than \$1,000,000 in the form of escrow
- 7 accounts, letters of credit, surety bonds, bank
- 8 statements, lines of credit or the equivalent to
- 9 begin operating the dispensary;
- 10 (C) Ability to comply with the security requirements
- 11 developed pursuant to paragraph (6);
- 12 (D) Capacity to meet the needs of qualifying patients
- 13 and qualifying out-of-state patients;
- 14 (E) Ability to comply with criminal background check
- 15 requirements developed pursuant to paragraph (8);
- 16 and
- 17 (F) Ability to comply with inventory controls
- 18 developed pursuant to paragraph (13);
- 19 (4) Specific requirements regarding annual audits and
- 20 reports required from each production center and
- 21 dispensary licensed pursuant to this chapter;



1           (5) Procedures for announced and unannounced inspections  
2           by the department or its agents of production centers  
3           and dispensaries licensed pursuant to this chapter;  
4           provided that inspections for license renewals shall  
5           be unannounced;

6           (6) Security requirements for the operation of production  
7           centers and retail dispensing locations; provided  
8           that, at a minimum, the following shall be required:

9           (A) For production centers:

10               (i) Video monitoring and recording of the  
11               premises; provided that recordings shall be  
12               retained for fifty days;

13               (ii) Fencing that surrounds the premises and that  
14               is sufficient to reasonably deter intruders  
15               and prevent anyone outside the premises from  
16               viewing any cannabis in any form;

17               (iii) An alarm system; and

18               (iv) Other reasonable security measures to deter  
19               or prevent intruders, as deemed necessary by  
20               the department;

21           (B) For retail dispensing locations:



(i) Presentation of a valid government-issued photo identification and a valid identification as issued by the department pursuant to section 329-123 by a qualifying patient or caregiver, or section 329-123.5 by a qualifying out-of-state patient or caregiver of a qualifying out-of-state patient, upon entering the premises;

(ii) Video monitoring and recording of the premises; provided that recordings shall be retained for fifty days;

(iii) An alarm system;

(iv) Exterior lighting; and

(v) Other reasonable security measures as deemed necessary by the department;

(7) Security requirements for the transportation of cannabis and manufactured cannabis products between production centers and retail dispensing locations, between dispensaries as permitted by section 329D-6(r), and between a production center, retail dispensing location, qualifying patient, primary





- 1            caregiver, qualifying out-of-state patient, or  
2            caregiver of a qualifying out-of-state patient and a  
3            certified laboratory, pursuant to section 329-122(f);
- 4            (8) Standards and criminal background checks to ensure the  
5            reputable and responsible character and fitness of all  
6            license applicants, licensees, employees,  
7            subcontractors and their employees, and prospective  
8            employees of medical cannabis dispensaries to operate  
9            a dispensary; provided that the standards, at a  
10           minimum, shall exclude from licensure or employment  
11           any person convicted of any felony;
- 12           (9) The training and certification of operators and  
13           employees of production centers and dispensaries;
- 14           (10) The types of manufactured cannabis products that  
15           dispensaries shall be authorized to manufacture and  
16           sell pursuant to sections 329D-9 and 329D-10;
- 17           (11) Laboratory standards related to testing cannabis and  
18           manufactured cannabis products for content,  
19           contamination, and consistency;
- 20           (12) The quantities of cannabis and manufactured cannabis  
21           products that a dispensary may sell or provide to a



1           qualifying patient, primary caregiver, qualifying out-  
2           of-state patient, or caregiver of a qualifying out-of-  
3           state patient; provided that no dispensary shall sell  
4           or provide to a qualifying patient, primary caregiver,  
5           qualifying out-of-state patient, or caregiver of a  
6           qualifying out-of-state patient any combination of  
7           cannabis and manufactured products that:

8           (A)   During a period of fifteen consecutive days,  
9                   exceeds the equivalent of four ounces of  
10                  cannabis; or

11          (B)   During a period of thirty consecutive days,  
12                  exceeds the equivalent of eight ounces of  
13                  cannabis;

14          (13)   Dispensary and production center inventory controls to  
15                  prevent the unauthorized diversion of cannabis or  
16                  manufactured cannabis products or the distribution of  
17                  cannabis or manufactured cannabis products to a  
18                  qualifying patient, primary caregiver, qualifying out-  
19                  of-state patient, or caregiver of a qualifying out-of-  
20                  state patient in quantities that exceed limits



1 established by this chapter; provided that the  
2 controls, at a minimum, shall include:

3 (A) A computer software tracking system as specified  
4 in section 329D-6(j) and (k); and

5 (B) Product packaging standards sufficient to allow  
6 law enforcement personnel to reasonably determine  
7 the contents of an unopened package;

8 (14) Limitation to the size or format of signs placed  
9 outside a retail dispensing location or production  
10 center; provided that the signage limitations, at a  
11 minimum, shall comply with section 329D-6(o)(2) and  
12 shall not include the image of a cartoon character or  
13 other design intended to appeal to children;

14 (15) The disposal or destruction of unwanted or unused  
15 cannabis and manufactured cannabis products;

16 (16) The enforcement of the following prohibitions against:

17 (A) The sale or provision of cannabis or manufactured  
18 cannabis products to unauthorized persons;

19 (B) The sale or provision of cannabis or manufactured  
20 cannabis products to a qualifying patient,  
21 primary caregiver, qualifying out-of-state



1 patient, or caregiver of a qualifying out-of-  
2 state patient in quantities that exceed limits  
3 established by this chapter;

4 (C) Any use or consumption of cannabis or  
5 manufactured cannabis products on the premises of  
6 a retail dispensing location or production  
7 center; and

8 (D) The distribution of cannabis or manufactured  
9 cannabis products, for free, on the premises of a  
10 retail dispensing location or production center;

11 (17) The establishment of a range of penalties for  
12 violations of this chapter or rule adopted thereto;  
13 and

14 (18) A process to recognize and register patients who are  
15 authorized to purchase, possess, and use medical  
16 cannabis in another state, a United States territory,  
17 or the District of Columbia as qualifying out-of-state  
18 patients; provided that this registration process may  
19 commence no sooner than January 1, 2018."

20 SECTION 9. Section 329D-9, Hawaii Revised Statutes, is  
21 amended by amending subsection (b) to read as follows:



1        "(b) The department shall establish health, safety, [and  
2 ~~sanitation~~] manufacturing, and product stability standards  
3 regarding the manufacture of manufactured cannabis products."

4        SECTION 10. Statutory material to be repealed is bracketed  
5 and stricken. New statutory material is underscored.

6        SECTION 11. This Act shall take effect on July 1, 2022.

7

INTRODUCED BY: Rosalyn H. Birk



# S.B. NO. 2273

**Report Title:**

Medical Cannabis; Dispensary; Dispensary-to-Dispensary Sales;  
License; Department of Health

**Description:**

Authorizes the Department of Health to allow a licensed dispensary to purchase up to three thousand grams of medical cannabis or manufactured cannabis products from another licensed dispensary to ensure ongoing qualifying patient access. Increases the allowable number of production centers and retail dispensing locations per dispensary license. Places certain limits on where qualifying patients can obtain medical cannabis or manufactured cannabis products after 12/31/22. Authorizes the Department of Health to set fee structures for the submission of applications for each additional production center and retail dispensing location and for dispensary-to-dispensary sales. Permits inspections of registered grow sites by Department of Health or law enforcement to verify compliance with cannabis plant limits for cultivation by qualifying patients. Limits dispensary-to-dispensary sales to those located on the same island, as long as federal law prohibits the transportation of medical cannabis over a body of water. Effective 7/1/2022.

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

