A BILL FOR AN ACT

RELATING TO MEDICAL CANNABIS.

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

- 1 SECTION 1. Section 329-121, Hawaii Revised Statutes, is
- 2 amended by amending the definition of "written certification" to
- 3 read as follows:
- 4 ""Written certification" means the qualifying patient's
- 5 medical records or a statement signed by a qualifying patient's
- 6 physician or advanced practice registered nurse, stating that in
- 7 the physician's or advanced practice registered nurse's
- 8 professional opinion, the qualifying patient has a debilitating
- 9 medical condition and the potential benefits of the medical use
- 10 of cannabis would likely outweigh the health risks for the
- 11 qualifying patient. The department of health may require,
- 12 through its rulemaking authority, that all written
- 13 certifications comply with a designated form. "Written
- 14 certifications" are valid for one year from the time of signing;
- 15 provided that the department of health may allow for the
- 16 validity of any written certification for [up to] three years if
- 17 the qualifying patient's physician or advanced practice

- 1 registered nurse states that the patient's debilitating medical
- 2 condition is chronic in nature."
- 3 SECTION 2. Section 329-123, Hawaii Revised Statutes, is
- 4 amended by amending subsection (a) to read as follows:
- 5 "(a) Physicians or advanced practice registered nurses who
- 6 issue written certifications shall provide, in each written
- 7 certification, the name, address, patient identification number,
- 8 and other identifying information of the qualifying patient.
- 9 The department of health shall require, in rules adopted
- 10 pursuant to chapter 91, that all written certifications comply
- 11 with a designated form completed by or on behalf of a qualifying
- 12 patient. The form shall require information from the applicant,
- 13 primary caregiver, and physician or advanced practice registered
- 14 nurse as specifically required or permitted by this chapter.
- 15 The form shall require the address of the location where the
- 16 cannabis is grown and shall appear on the registry card issued
- 17 by the department of health. The certifying physician or
- 18 advanced practice registered nurse shall be required to have a
- 19 [bona fide] physician-patient relationship or [bona fide]
- 20 advanced practice registered nurse-patient relationship, as
- 21 applicable, with the qualifying patient. All current active

1 medical cannabis permits shall be honored through their expiration date." 2 SECTION 3. Section 329-126, Hawaii Revised Statutes, is 3 4 amended to read as follows: 5 "§329-126 Protections afforded to a treating physician or 6 advanced practice registered nurse. (a) No physician or 7 advanced practice registered nurse shall be subject to arrest or 8 prosecution, penalized in any manner, or denied any right or 9 privilege for providing written certification for the medical 10 use of cannabis for a qualifying patient; provided that: 11 (1) The physician or advanced practice registered nurse 12 has diagnosed the patient as having a debilitating 13 medical condition, as defined in section 329-121; 14 (2) The physician or advanced practice registered nurse 15 has explained the potential risks and benefits of the 16 medical use of cannabis, as required under section 17 329-122; 18 (3) The written certification is based upon the 19 physician's or advanced practice registered nurse's 20 professional opinion after having completed a full 21 assessment of the patient's medical history and

1	C	urrent medical condition made in the course of a		
2	[bona fide] physician-patient relationship or [bona		
3	£	ide] advanced practice registered nurse-patient		
4	r	elationship, as applicable; and		
5	(4) T	he physician or advanced practice registered nurse		
6	h	as complied with the registration requirements of		
7	s	ection 329-123.		
8	(b) F	or purposes of this section, a [bona fide] physician-		
9	patient rel	ationship may be established via telehealth, as		
10	defined in	section 453-1.3(j), and a [bona fide] advanced		
11	practice registered nurse-patient relationship may be			
12	established via telehealth, as defined in section 457-2;			
13	provided that treatment recommendations that include certifying			
14	a patient f	or the medical use of cannabis via telehealth shall		
15	be allowed	only after an initial in-person consultation between		
16	the certify	ing physician or advanced practice registered nurse		
17	and the pat	ient."		
18	SECTIO	N 4. Section 329D-1, Hawaii Revised Statutes, is		
19	amended as	follows:		
20	1. By	adding a new definition to be appropriately inserted		
21	and to read	as follows:		

1	""Waiting room" means a designated area at the public
2	entrance of a retail dispensing location that may be accessed by
3	a member of the general public who is waiting for, assisting, or
4	accompanying a qualifying patient, primary caregiver, qualifying
5	out-of-state patient, or caregiver of a qualifying out-of-state
6	patient who enters or remains on the premises of a retail
7	dispensing location for the purpose of a transaction conducted
8	pursuant to sections 329D-6 and 329D-13, provided that the
9	storage, display, and retail sale of cannabis and manufactured
10	cannabis products shall be prohibited within the waiting room
11	area."
12	2. By amending the definition of "manufactured cannabis
13	product" to read as follows:
14	""Manufactured cannabis product" means [any]:
15	(1) Any capsule, lozenge, oil or oil extract, tincture,
16	ointment or skin lotion, pill, transdermal patch, or
17	pre-filled and sealed container used to aerosolize and
18	deliver cannabis orally[-] or by inhalation, such as
19	an inhaler [or], nebulizer, or device that provides
20	safe pulmonary administration, that has been
21	manufactured using cannabis $[-]$;

1	(2) Edible cannabis products;
2	(3) Pre-rolled cannabis flower products; or [any]
3	(4) Any other products as specified by the department
4	pursuant to section 329D-10(a)(11)."
5	SECTION 5. Section 329D-6, Hawaii Revised Statutes, is
6	amended by amending subsection (r) to read as follows:
7	"(r) The department may authorize a dispensary to purchase
8	cannabis and manufactured cannabis products from another
9	dispensary in a manner prescribed by the department by rules
10	adopted pursuant to [this chapter and chapter 91;] section 329D-
11	27; provided that:
12	(1) The purchasing dispensary establishes to the
13	department's satisfaction that:
14	(A) The purchase is necessary to ensure that
15	qualifying patients have continuous access to
16	cannabis for medical use; or
17	(B) The cannabis and manufactured cannabis products
18	are for medical, scientific, or other legitimate
19	purposes approved by the State;
20	(2) The selling dispensary may transport no more than
21	eight hundred ounces of cannabis or manufactured

	cannabis products to the purchasing dispensary within
	a thirty-day period[+] or other amounts with prior
	approval by the department;
(3)	The cannabis and manufactured cannabis products are
	transported between the dispensaries for medical,
	scientific, or other legitimate purposes approved by
	the State; and
(4)	Nothing in this subsection shall relieve any
	dispensary of its responsibilities and obligations
	under this chapter and chapter 329."
SECT	ION 6. Section 329D-7, Hawaii Revised Statutes, is
amended to	o read as follows:
"§32	9D-7 Medical cannabis dispensary rules. The
departmen	t shall establish standards with respect to:
(1)	The number of medical cannabis dispensaries that shall
	be permitted to operate in the State;
(2)	A fee structure for:
	(A) The submission of applications and renewals of
	licenses to dispensaries; provided that the
	department shall consider the market conditions
	SECT amended to "\$32: department (1)

1			in each county in determining the license renewal
2			fee amounts;
3		(B)	The submission of applications for each
4			additional production center; and
5		(C)	Dispensary-to-dispensary sales authorized by
6			section 329D-6(r);
7	(3)	Crit	eria and procedures for the consideration and
8		sele	ection, based on merit, of applications for
9		lice	ensure of dispensaries; provided that the criteria
10		shal	l include but not be limited to an applicant's:
11		(A)	Ability to operate a business;
12		(B)	Financial stability and access to financial
13			resources; provided that applicants for medical
14			cannabis dispensary licenses shall provide
15	,		documentation that demonstrates control of not
16			less than \$1,000,000 in the form of escrow
17			accounts, letters of credit, surety bonds, bank
18			statements, lines of credit, or the equivalent to
19			begin operating the dispensary;
20		(C)	Ability to comply with the security requirements
21			developed pursuant to paragraph (6);

1		(D)	Capacity to meet the needs of qualifying patients
2			and qualifying out-of-state patients;
3		(E)	Ability to comply with criminal background check
4			requirements developed pursuant to paragraph (8);
5			and
6		(F)	Ability to comply with inventory controls
7			developed pursuant to paragraph (13);
8	(4)	Spec	ific requirements regarding annual audits and
9		repo	rts required from each production center and
10		disp	ensary licensed pursuant to this chapter;
11	(5)	Proc	edures for announced and unannounced inspections
12		by t	he department or its agents of production centers
13		and	dispensaries licensed pursuant to this chapter;
14		prov	ided that inspections for license renewals shall
15		be u	nannounced;
16	(6)	Secu	rity requirements for the operation of production
17		cent	ers and retail dispensing locations; provided
18		that	, at a minimum, the following shall be required:
19		(A)	For production centers:

1	(i)	Video monitoring and recording of the
2		premises; provided that recordings shall be
3		retained for fifty days;
4	(ii)	Fencing that surrounds the premises and that
5		is sufficient to reasonably deter intruders
6		and prevent anyone outside the premises from
7		viewing any cannabis in any form;
8	(iii)	An alarm system; and
9	(iv)	Other reasonable security measures to deter
10		or prevent intruders, as deemed necessary by
11		the department;
12	(B) For	retail dispensing locations:
13	(i)	Presentation of a valid government-issued
14		photo identification and a valid
15		identification as issued by the department
16		pursuant to section 329-123 by a qualifying
17		patient or caregiver, or section 329-123.5
18		by a qualifying out-of-state patient or
19		caregiver of a qualifying out-of-state
20		patient, upon entering the premises;

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1		(ii) Video monitoring and recording of the
2		premises; provided that recording shall be
3		retained for fifty days;
4		(iii) An alarm system;
5		(iv) Exterior lighting; and
6		(v) Other reasonable security measures as deemed
7		necessary by the department;
8	(7)	Security requirements for the transportation of
9		cannabis and manufactured cannabis products between
10		production centers and retail dispensing locations and
11		between a production center, retail dispensing
12		location, qualifying patient, primary caregiver,
13		qualifying out-of-state patient, or caregiver of a
14		qualifying out-of-state patient and a certified
15		laboratory, pursuant to section 329-122(f);
16	(8)	Standards and criminal background checks to ensure the
17		reputable and responsible character and fitness of all
18		license applicants, licensees, employees,
19		subcontractors and their employees, and prospective
20		employees of medical cannabis dispensaries to operate
21		a dispensary; provided that the standards, at a

1		minimum, shall exclude from licensure or employment
2		any person convicted of any felony;
3	(9)	The training and certification of operators and
4		employees of production centers and dispensaries;
5	(10)	The types of manufactured cannabis products that
6		dispensaries shall be authorized to manufacture and
7		sell pursuant to sections 329D-9 and 329D-10;
8	(11)	Laboratory standards related to testing cannabis and
9		manufactured cannabis products for content,
10		contamination, and consistency;
11	(12)	The quantities of cannabis and manufactured cannabis
12		products that a dispensary may sell or provide to a
13		qualifying patient, primary caregiver, qualifying out-
14		of-state patient, or caregiver of a qualifying out-of-
15		state patient; provided that no dispensary shall sell
16		or provide to a qualifying patient, primary caregiver,
17		qualifying out-of-state patient, or caregiver of a
18		qualifying out-of-state patient any combination of
19		cannabis and manufactured products that:

1		(A)	During a period of fifteen consecutive days,
2			exceeds the equivalent of four ounces of
3			cannabis; or
4		(B)	During a period of thirty consecutive days,
5			exceeds the equivalent of eight ounces of
6			cannabis;
7	(13)	Disp	ensary and production center inventory controls to
8		prev	ent the unauthorized diversion of cannabis or
9		manu	factured cannabis products or the distribution of
10		cann	abis or manufactured cannabis products to a
11		qual	ifying patient, primary caregiver, qualifying out-
12		of-s	tate patient, or caregiver of a qualifying out-of-
13		stat	e patient in quantities that exceed limits
14		esta	blished by this chapter; provided that the
15		cont	rols, at a minimum, shall include:
16		(A)	A computer software tracking system as specified
17			in section 329D-6(j) and (k); and
18		(B)	Product packaging standards sufficient to allow
19			law enforcement personnel to reasonably determine
20			the contents of an unopened package;

1	(14)	Limitation to the size or format of signs placed
2		outside a retail dispensing location or production
3		center; provided that the signage limitations, at a
4		minimum, shall comply with section 329D-6(o)(2) and
5		shall not include the image of a cartoon character or
6		other design intended to appeal to children;
7	(15)	The disposal or destruction of unwanted or unused
8		cannabis and manufactured cannabis products;
9	(16)	The enforcement of the following prohibitions against:
10		(A) The sale or provision of cannabis or manufactured
11		cannabis products to unauthorized persons;
12		(B) The sale or provision of cannabis or manufactured
13		cannabis products to a qualifying patient,
14		primary caregiver, qualifying out-of-state
15		patient, or caregiver of a qualifying out-of-
16		state patient in quantities that exceed limits
17		established by this chapter;
18		(C) Any use or consumption of cannabis or
19		manufactured cannabis products on the premises of
20		a retail dispensing location or production
21		center; and

1		(D) The distribution of cannabis or manufactured
2		cannabis products, for free, on the premises of a
3		retail dispensing location or production center;
4	(17)	The establishment of a range of penalties for
5		violations of this chapter or rule adopted thereto;
6		[and]
7	(18)	A process to recognize and register patients who are
8		authorized to purchase, possess, and use medical
9		cannabis in another state, a United States territory,
10		or the District of Columbia as qualifying out-of-state
11		patients; provided that this registration process may
12		commence no sooner than January 1, 2018[+]; and
13	(19)	Security requirements and restrictions regarding
14		waiting rooms, including but not limited to:
15		(A) Security measures to prevent unauthorized access
16		to any area within the retail dispensing location
17		outside of the waiting room;
18		(B) Restrictions on marketing and advertising within
19		the waiting room;
20		(C) Restrictions on signage within the waiting room;

1		(D) Other reasonable security measures or
2		restrictions as deemed necessary by the
3		department."
4	SECT	ION 7. Section 329D-10, Hawaii Revised Statutes, is
5	amended by	y amending subsection (a) to read as follows:
6	"(a)	The types of medical cannabis products that may be
7	manufactu	red and distributed pursuant to this chapter shall be
8	limited to	0:
9	(1)	Capsules;
10	(2)	Lozenges;
11	(3)	Pills;
12	(4)	Oils and oil extracts;
13	(5)	Tinctures;
14	(6)	Ointments and skin lotions;
15	(7)	Transdermal patches;
16	(8)	Pre-filled and sealed containers used to aerosolize
17		and deliver cannabis orally[$_{7}$] or by inhalation, such
18		as [with] an inhaler [or], nebulizer[+], or device
19		that provides safe pulmonary administration; provided
20		that [containers]:

1	(A)	Containers need not be manufactured by the
2		licensed dispensary but shall be filled with
3		cannabis, cannabis oils, or cannabis extracts
4		manufactured by the licensed dispensary[+] or
5		purchased from another dispensary pursuant to
6		section 329D-6(r); but shall not contain
7		nicotine, tobacco-related products, or any other
8		non-cannabis derived products; and [shall-be
9		designed to be used with devices used to provide
10		safe pulmonary administration of manufactured
11		cannabis products;
12	(9) Đevi	ces]
13	<u>(B)</u>	For devices that provide safe pulmonary
14		administration[; provided that]:
15	[-(A)-]	(i) The heating element of the device, if any,
16		[is] shall be made of inert materials such as
17		glass, ceramic, or stainless steel, and not of
18		plastic or rubber;
19	[(B)]	(ii) The device [is] shall be distributed solely
20		for use with single-use, pre-filled, tamper-

1		resistant, sealed containers that do not contain
2		nicotine or other tobacco products;
3	[(C)	The device is used to aerosolize and deliver
4		cannabis by inhalation, such as an inhaler,
5		medical-grade nebulizer, or other similar medical
6		grade volitization device;
7	(D)]	(iii) There [is] shall be a temperature control
8		on the device that is regulated to prevent the
9		combustion of cannabis oil; and
10	[(E)]	(iv) The device need not be manufactured by the
11		licensed dispensary;
12	(9) Pre-	rolled cannabis flower products, as specified by
13	the	department;
14	(10) [Oth	er products, including edible Edible cannabis
15	prod	ucts, as specified by the department; and
16	(11) Othe	r products as specified by the department."
17	SECTION 8	. Section 329D-15, Hawaii Revised Statutes, is
18	amended by ame	nding subsection (a) to read as follows:
19	"(a) No	person shall intentionally or knowingly enter or
20	remain upon th	e premises of a medical cannabis retail dispensing
21	location unles	s the individual is:

1	(1)	An individual licensee or registered employee of the
2		dispensary;
3	(2)	A qualifying patient, primary caregiver, qualifying
4		out-of-state patient, or caregiver of a qualifying
5		out-of-state patient;
6	(3)	A government employee or official acting in the
7		person's official capacity; or
8	(4)	Previously included on a current department-approved
9		list provided to the department by the licensee of
10		those persons who are allowed into that dispensary's
11		facilities for a specific purpose for that dispensary,
12		including but not limited to construction,
13		maintenance, repairs, legal counsel, providers of
14		paratransit or other assistive services required by a
15		qualifying patient, primary caregiver, qualifying out-
16		of-state patient, or caregiver of a qualifying out-of-
17		state patient to access a retail dispensary location,
18		or investors; provided that;
19		(A) The person has been individually approved by the
20		department to be included on the list;

1	(B)	The person is at least twenty-one years of age,
2		as verified by a valid government issued
3		identification card;
4	(C)	The department has confirmed that the person has
5		no felony convictions;
6	(D)	The person is escorted by an individual licensee
7		or registered employee of the dispensary at all
8		times while in the dispensary facility;
9	(E)	The person is only permitted within those
10		portions of the dispensary facility as necessary
11		to fulfill the person's purpose for entering;
12	(F)	The person is only permitted within the
13		dispensary facility during the times and for the
14		duration necessary to fulfill the person's
15		purpose for entering;
16	(G)	The dispensary shall keep an accurate record of
17		each person's first and last name, date and times
18		upon entering and exiting the dispensary
19		facility, purpose for entering, and the identity
20		of the escort; and

Ţ	(H) The approved list shall be effective for one year
2	from the date of the department approval $[-]$;
3	provided that a member of the general public may enter or remain
4	within the waiting room of a retail dispensing location."
5	SECTION 9. Section 329D-21, Hawaii Revised Statutes, is
6	amended by amending subsection (b) to read as follows:
7	"(b) Any person who violates any of the provisions of this
8	chapter or the rules adopted pursuant thereto shall be fined not
9	less than \$100 nor more than \$1,000 for each [violation.]
10	separate violation. Each day on which a violation occurs or
11	continues shall be counted as a separate violation."
12	SECTION 10. Section 329D-26, Hawaii Revised Statutes, is
13	amended to read as follows:
14	"[+]§329D-26[+] Public education. [\(\frac{a}{a}\)\) The department]
15	Medical cannabis dispensaries, in conjunction with physicians
16	and advanced practice registered nurses who issue written
17	certifications pursuant to section 329-123, shall conduct a
18	continuing education and training program to explain and clarify
19	the purposes and requirements of this chapter or to provide
20	substance abuse prevention and education. The program shall
21	target community partner agencies, physicians and other health

- 1 care providers, patients and caregivers, law enforcement
- 2 agencies, law and policy makers, and the general public.
- 3 [(b) The department shall employ at least one full-time
- 4 staff member whose qualifications and duties include the
- 5 provision of medical cannabis health education.] "
- 6 SECTION 11. Statutory material to be repealed is bracketed
- 7 and stricken. New statutory material is underscored.
- 8 SECTION 12. This Act shall take effect on June 30, 2050.

Report Title:

Medical Cannabis Dispensary System; Physician-Patient Relationship; Advanced Practice Registered Nurse-Patient Relationship; Written Certification; Waiting room; Violations; Continuing Education

Description:

Requires that written certifications for a patient with a chronic condition be valid for three years. Removes the requirement that a certifying physician or advanced practice registered nurse have a "bona fide" physician-patient or advanced practice registered nurse-patient relationship to certify that a patient has a debilitating medical condition pursuant to chapter 329, Hawaii Revised Statutes. Amends the definition of "manufactured cannabis product" to include devices that provides safe pulmonary administration, edible cannabis products, and pre-rolled cannabis flower products. "waiting room" within a medical cannabis retail dispensary. Allows primary caregivers, qualifying out-of-state patients, and caregivers of a qualifying out-of-state patient to access the waiting room. Allows selling dispensaries to transport not more than eight hundred ounces of cannabis or manufactured cannabis products to purchasing dispensaries within a thirty-day period, or other amounts with prior approval of the Department of Clarifies the types of medical cannabis products that may be manufactured and distributed pursuant to the State's medical cannabis dispensary system. Clarifies that each day of a violation of chapter 329D, Hawaii Revised Statutes, is a separate violation. Amends the rule-making authority for dispensary-to-dispensary sales. Requires medical cannabis dispensaries, in conjunction with physicians and advanced practice registered nurses who issue written certifications pursuant to section 329-123, Hawaii Revised Statutes, to conduct the continuing education and training program required by section 329D-26, Hawaii Revised Statutes, rather than the Department of Health. Effective 6/30/2050. (SD1)

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