



STATE OF HAWAII
DEPARTMENT OF HEALTH
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**Testimony in SUPPORT of SB1380
RELATING TO MEDICAL CANNABIS.**

SENATOR JARRETT KEOHOKALOLE, CHAIR
SENATE COMMITTEE ON COMMERCE AND CONSUMER PROTECTION
Hearing Date: Wednesday, 2-15-23 Room Number: 229

- 1 **Fiscal Implications:** N/A.
- 2 **Department Testimony:** The Department of Health (DOH) The Department of Health (DOH)
- 3 Office of Medical Cannabis
- 4 Control and Regulation (OMCCR) strongly supports SB1380 which proposes to amend chapter
- 5 329D, HRS, by adding a new definition for “waiting room,” removing the requirement for
- 6 rulemaking pursuant to chapter 91 for dispensary-to-dispensary sales and clarifying that each day
- 7 of a violation of chapter 329D, HRS, or chapter 11-850, HAR, is a separate violation. Addition
- 8 of a definition for “waiting room” will better serve the needs of qualifying patients by allowing
- 9 caregivers to assist patients into retail dispensary locations. Removing the requirement that rules
- 10 for dispensary-to-dispensary sales be adopted pursuant to chapter 91 will allow OMCCR to
- 11 maintain interim rule-making authority, which remains critical for timely response to public
- 12 health and safety concerns. Clarifying that each day of a violation of chapter 329D, HRS, or
- 13 chapter 11-850, HAR, is a separate violation will better protect patient and public safety by
- 14 facilitating enforcement of dispensary compliance. Together, these amendments will enhance

1 the efficiency of DOH in regulating the licensed dispensaries while improving patient and public
2 safety.

3 Thank you for the opportunity to testify.

4 **Offered Amendments:** N/A

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GOVERNMENT STRATEGIES

A LIMITED LIABILITY LAW PARTNERSHIP

DATE: February 14, 2023

TO: Senator Jarrett Keohokalole
Chair, Committee on Commerce and Consumer Protection

FROM: Jena Matila

RE: **S.B. 1380, Relating to Medical Cannabis**
Hearing Date: Wednesday, February 15, 2023 at 9:40 a.m.
Conference Room: 229 & Videoconference

Dear Chair Keohokalole, Vice Chair Fukunaga, and members of the Committee on Commerce and Consumer Protection:

We submit this testimony on behalf of Cure Oahu in **support** of S.B. 1380. Cure Oahu is a vertically integrated licensed dispensary that has been operating in the State of Hawaii since 2018, with two retail locations in the Kapahulu and Kapolei areas.

Cure Oahu supports S.B. 1380, which clarifies violations of chapter 329D and amends the rule-making authority for dispensary-to-dispensary sales and defines “waiting room” within a medical cannabis retail dispensary and allows primary caregivers, qualifying out-of-state patients, and caregivers of a qualifying out-of-state patient to access the waiting room.

We support amending the rule-making authority to exempt the department from Chapter 91 administrative procedures and allow the implementation of Act 309 SLH 2022 which authorizes a dispensary to purchase cannabis and manufactured cannabis products from another dispensary in a manner prescribed by department rules adopted pursuant to §329D-6. Implementing wholesale rules is important so as not to further delay implementation of the law and ensure continued access to cannabis for medical use.

Finally, we understand the significant role caregivers play in assisting patients with managing their well-being and supports efforts to make dispensary visits more convenient and comfortable.

Thank you for the opportunity to submit testimony in support of this bill.



February 13, 2023

To: Senator Jarett Keohokalole, Chair
Senator Carol Fukunaga, Vice Chair
Members of the Senate Committee on Commerce and Consumer Protection

From: David C. Cole, General Manager

Re: TESTIMONY IN SUPPORT OF SB1380 WITH PROPOSED AMENDMENTS

Maui Grown Therapies (MGT) is licensed by DOH pursuant to HRS 329D to cultivate, manufacture and dispense medical cannabis products and services to registered patients. In 2022, MGT served 5,364 unique patients on Maui.

MGT supports SB 1380 because it makes sensible accommodations for prospective and existing patients in the medical cannabis dispensary program based on experience to date.

Reflecting on our five years of experience serving patients, MGT believes that additional measures are needed to address unmet patient needs by lowering administrative barriers that patients have experienced since the program's inception. Specifically, we propose amendments to the bill to enhance patient centered services while reducing patient costs.

1. **Improved access to authorized providers.** Currently, patients may obtain written authorization for medical cannabis use only from a physician or advanced practice registered nurse with whom they enjoy a “bona fide” relationship. Although that term is not defined by statute, many patients, especially kupuna, have relationships with multiple health care providers and specialists as their medical needs change. Moreover, when a provider discontinues issuing certifications due to retirement, relocation, or death, patients may be without ready access to an authorized provider.



While the statute authorizes three-year certifications for chronic debilitating conditions, DOH has thus far limited certifications to two years. As a result, patients with chronic conditions, particularly kupuna, must renew of their certifications more frequently than the statute requires. Requiring an already overburdened DOH to determine whether a 'bona fide' relationship exists, or that a chronic condition merits a two or three year certification, only erects further barriers to patient services that the program was intended to overcome.

We therefore propose that SB1380 be amended to allow qualifying patients to choose any state licensed physician or APRN that determines that the patient suffers from a debilitating medical condition. We further request that written certifications by for chronic conditions will be valid for three years.

2. **Patient Education.** HRS 329D-26 requires DOH to conduct a continuing education program regarding the medical cannabis program that targets, among others, physicians, and patients. However, in reality, DOH possesses neither the expertise nor the resources needed for this purpose.

Our proposed amendments relieve DOH of the burden of supervising the provision of educational services by authorizing dispensaries, in conjunction with certifying physicians and APRNs, to provide educational services regarding the medical cannabis program, including guiding patients through the patient registration and renewal process.

Mahalo for your consideration.

SB-1380

Submitted on: 2/14/2023 12:05:34 AM

Testimony for CPN on 2/15/2023 9:40:00 AM

Submitted By	Organization	Testifier Position	Testify
Ann Chung	Testifying for Pono Life	Support	Written Testimony Only

Comments:

In SUPPORT of SB1380.

Implementing wholesale rules is important to avoid further delay in implementation of the law, ensure continued access to cannabis for medical use, and allow the department to more efficiently regulate dispensaries.

Committee on Commerce and Consumer Protection
Senator Jarrett Keohokalole, Chair
Senator Carol Fukunaga, Vice Chair

February 15, 2023
9:40 a.m.
Conference Room 229

Thank you for the opportunity to submit testimony on [SB1380](#). We are requesting the committee amend SB 1380 in the same way the House amended its companion bill, [HB1082](#).

HB1082 was amended in the House to include the language of [HB696](#), a bill that provided for more transparency in the medical marijuana program by reporting on the data collected by the state tracking system and requiring certain integrations and use.

Transparency and accurate data collection is key to a successful and safe cannabis tracking system. To accomplish this in a more robust way, HB1082 makes changes to the current reporting and access structure in the following ways.

Giving the department of taxation access to the data assists in tax collections and serves the state well when performing routine audits. Data from the system can confirm sales tax, excise tax, and assist in routine business audits.

Allowing banks and other financial institutions certain access helps promote banking for industry members. Banks must follow federal Financial Crimes Enforcement Network (FinCEN) guidelines and must be able to verify that customer transactions are transparent, properly recorded, and conducted exclusively by licensed players in the regulated market. Self-reporting is an option but may not be a viable solution for larger institutions. This access has encouraged more banking options for the cannabis industry in other states.

Requiring the state tracking system to provide integration for other enterprise software systems allows businesses to use other third-party systems of their choice, whether a point-of-sale system or another inventory system. If the system of choice integrates with the centralized state tracking system, the Department of Health, Office of Medical Cannabis Control and Regulation, will have the information they need.

Finally, Metrc believes the reporting required in HB1082 is important information for policy makers to have and that transparency in the marketplace is always a good thing. The current reporting done by the Department focuses on patient registry data. While it is important to understand the demand for medical cannabis products, it is also important to understand the supply and any trends related to public health. Having this insight into the supply chain could help prioritize policy decisions, especially as the program grows or adult use of cannabis is allowed.

The state tracking system can be an integral part of providing this information. The information is already being collected, why not report on it and use it for policy making decisions.

About Metrc

Metrc the leading and most experienced track and trace technology solution used in the US. Metrc designed the first track and trace system in close collaboration with regulators in Colorado in 2011 and now provides this critical component of cannabis regulatory systems to 23 jurisdictions (21 states, DC and Guam) throughout the country. Track and trace systems are critical to providing and promoting safe, transparent, and secure marketplaces in the cannabis space.