
A BILL FOR AN ACT

RELATING TO CANNABIS.

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

1 PART I

2 SECTION 1. The legislature finds that the legal history of
3 cannabis or marijuana in the United States primarily addresses
4 the regulation of cannabis for medical use, and secondarily the
5 use of cannabis for personal or recreational purposes. By the
6 mid-1930's, cannabis was regulated as a drug in every state,
7 including thirty-five states that adopted the Uniform State
8 Narcotic Drug Act, which was subsequently replaced in 1970 with
9 the federal Uniform Controlled Substances Act. Under the
10 federal Uniform Controlled Substances Act, marijuana and
11 tetrahydrocannabinol, the primary psychoactive compound in
12 cannabis, are classified as schedule I controlled substances.

13 Notwithstanding the prospect of federal prosecution,
14 several states, including Hawaii, enacted medical cannabis laws.
15 Chapter 329, part IX, Hawaii Revised Statutes, was enacted to
16 create a medical use of cannabis exemption from criminal
17 sanctions. As of 2022, thirty-seven states and four U.S.



1 territories allow the use of cannabis for either or both medical
2 and personal purposes. Furthermore, chapter 329D, Hawaii
3 Revised Statutes, was enacted to establish medical cannabis
4 dispensaries authorized to operate beginning in July 2016. As
5 Hawaii expands its medical cannabis program through the use of
6 highly regulated and monitored dispensaries, more patients are
7 anticipated to consider medical cannabis as a viable treatment.

8 In addition to medical cannabis laws, some states and
9 jurisdictions have legalized or decriminalized cannabis.
10 Currently Alaska, Arizona, California, Colorado, Connecticut,
11 Delaware, District of Columbia, Hawaii, Illinois, Maine,
12 Maryland, Massachusetts, Michigan, Minnesota, Mississippi,
13 Missouri, Montana, Nebraska, Nevada, New Hampshire, New Mexico,
14 New York, North Carolina, North Dakota, Ohio, Oregon, Rhode
15 Island, South Dakota, Vermont, Virginia, and Washington have all
16 decriminalized cannabis in small amounts. In each state,
17 cannabis users no longer face jail time for the possession or
18 use of cannabis in the amount permitted by statute. Most
19 jurisdictions that decriminalized small amounts of cannabis
20 replaced incarceration or criminal charges with civil fines,



1 confiscation, drug education, or drug treatment, or made various
2 cannabis offenses the lowest priority for law enforcement.

3 In addition to the majority of states that have
4 decriminalized possession of cannabis, the federal government
5 has also signaled its approval of decriminalization at the
6 federal level. On December 4, 2020, the United States House of
7 Representatives passed the Marijuana Opportunity Reinvestment
8 and Expungement Act, or MORE Act, which removes cannabis from
9 the list of federally controlled substances and facilitates
10 cancelling low-level federal convictions and arrests related to
11 cannabis. This was the first time Congress has acted on the
12 issue of decriminalizing cannabis.

13 In 2012, voters in Colorado and Washington voted to
14 legalize and regulate the production, possession, and
15 distribution of cannabis for persons age twenty-one and older.
16 Following Colorado and Washington's lead, Alaska, California,
17 District of Columbia, Maine, Massachusetts, Michigan, Nevada,
18 Oregon, and Vermont subsequently legalized small amounts of
19 cannabis for adult recreational use. As of 2020, twenty-one
20 states and three United States territories have legalized
21 recreational cannabis.



1 Colorado was the first state to remove the prohibition on
2 commercial production of cannabis for general use. During the
3 first year of legal cannabis sales in 2014, Colorado collected
4 \$67,594,323 in taxes and fees from medical and retail cannabis.
5 As of November 2020, Colorado has collected \$1,563,063,859 in
6 total revenue from cannabis taxes and fees.

7 The legislature finds that the legalization of cannabis for
8 personal or recreational use is a natural, logical, and
9 reasonable outgrowth of the current science of cannabis and
10 attitude toward cannabis. The legislature further finds that
11 cannabis cultivation and sales hold potential for economic
12 development, increased tax revenues, and reduction in crime.

13 Accordingly, the purpose of this Act is to:

- 14 (1) Establish regulations for the cultivation, sale, and
15 personal use of small amounts of cannabis;
16 (2) Decriminalize and regulate small amounts of cannabis
17 for personal use;
18 (3) Establishes taxes for cannabis sales; and
19 (4) Reduce unregulated and illicit sales of cannabis by
20 unlicensed entities.

21 PART II



1 SECTION 2. The Hawaii Revised Statutes is amended by
2 adding a new chapter to be appropriately designated and to read
3 as follows:

4 "CHAPTER A

5 LEGALIZATION OF CANNABIS FOR PERSONAL USE

6 SA-1 Definitions. As used in this chapter:

7 "Agency" means the Hawaii cannabis regulatory authority
8 established by section A-4.

9 "Cannabis" means all parts of the plant of the genus
10 cannabis, whether growing or not; the seeds thereof; the resin
11 extracted from any part of the plant; and every compound,
12 manufacture, salt, derivative, mixture, or preparation of the
13 plant, its seeds, or its resin, including cannabis concentrate.

14 "Cannabis" does not include industrial hemp; fiber produced from
15 the stalks; oil; or cake made from the seeds of the plant;
16 sterilized seed of the plant that is incapable of germination;
17 or the weight of any other ingredient combined with cannabis to
18 prepare topical or oral administrations, food, drink, or other
19 product. For purposes of this definition, "industrial hemp"
20 means the plant of the genus cannabis and any part of the plant,
21 whether growing or not, with a delta-9 tetrahydrocannabinol



1 concentration that does not exceed 0.3 per cent on a dry weight
2 basis.

3 "Cannabis accessories" means any equipment, products, or
4 materials of any kind that are used, intended for use, or
5 designed for use in planting, propagating, cultivating, growing,
6 harvesting, composting, manufacturing, compounding, converting,
7 producing, processing, preparing, testing, analyzing, packaging,
8 repackaging, storing, vaporizing, or containing cannabis, or for
9 ingesting, inhaling, or otherwise introducing cannabis into the
10 human body.

11 "Cannabis cultivation facility" means an entity licensed
12 under section A-6(b)(1).

13 "Cannabis establishment" means a cannabis cultivation
14 facility, cannabis testing facility, retail cannabis store, dual
15 use cannabis dispensary, or any other type of licensed cannabis-
16 related business.

17 "Cannabis products" means cannabis concentrate products and
18 products that comprise cannabis and other ingredients intended
19 for use or consumption and include but are not limited to edible
20 products, ointments, and tinctures.



1 "Cannabis testing facility" means an entity licensed under
2 section A-6(b)(3).

3 "Consumer" means a person who is twenty-one years of age or
4 older, and who is authorized by law to consume or use cannabis.

5 "Department" means the department of health.

6 "Dual use cannabis dispensary" means an entity licensed
7 under section A-6(b)(4).

8 "Executive director" means the cannabis regulation
9 oversight director appointed by the governor as provided in
10 section A-4(b).

11 "Final issuance of the rules" means the rules adopted by
12 the agency pursuant to section A-8 and shall not include any
13 emergency, provisional or interim rules, regulations,
14 requirements, orders, instructions, or procedures.

15 "License" means a license issued by the agency to authorize
16 the operation of a cannabis establishment.

17 "Licensee" means a person or entity licensed by the agency
18 pursuant to the provisions of this chapter.

19 "Medical cannabis dispensary" means a person licensed as a
20 medical cannabis dispensary under chapter 329D.



1 "Personal use" means an amount of cannabis not exceeding
2 thirty grams that is used for private, personal, or recreational
3 purposes by persons age twenty-one years or older. The term
4 personal use includes display, possession, transport, transfer,
5 or processing of cannabis or cannabis products.

6 "Pilot period" means the period defined in section A-7(b).

7 "Place", "premises", or "location" means the real estate,
8 together with any buildings or improvements thereon, designated
9 in the application for a license as the place at which the
10 cultivation, sale, or testing of cannabis shall be performed.

11 "Retail cannabis store" means an entity licensed under
12 section A-6(b)(2).

13 **§A-2 Personal use of cannabis.** (a) Notwithstanding any
14 law to the contrary, the personal use of cannabis by vaping or
15 smoking shall be regulated in accordance with chapter 328J.

16 (b) Personal use of cannabis shall not be the basis for
17 arrest, seizure, or forfeiture of assets.

18 (c) The possession, use, display, purchase, transfer, or
19 transport of cannabis, cannabis accessories, or cannabis
20 paraphernalia for personal use shall be immune from criminal
21 prosecution.



1 (d) The possession, growing, processing, or transporting
2 of no more than six cannabis plants, with three or fewer being
3 mature, flowering plants, and possession of the cannabis
4 produced by the plants on the premises where the plants are
5 grown shall not be subject to criminal prosecution; provided
6 that the growing takes place in an enclosed and locked space and
7 is not conducted openly or publicly, and that the plants are not
8 made available for sale.

9 (e) The transfer of thirty grams or less of cannabis
10 without remuneration to a person who is twenty-one years of age
11 or older shall be permitted.

12 (f) The transfer of cannabis with remuneration to a person
13 who is twenty-one years of age or older, including transfer with
14 a delayed payment or in return for reciprocal gifts, items, or
15 services of value, shall be prohibited except as otherwise
16 provided in this chapter.

17 (g) The consumption of cannabis products by a person who
18 is twenty-one years of age or older shall be permitted; provided
19 that consumption of flavored e-liquids and juices containing
20 cannabis for vaporizing devices shall be prohibited.



1 (h) Assisting, advising, or abetting another person who is
2 twenty-one years of age or older in any actions described in
3 this section shall be permitted.

4 (i) Personal use of cannabis shall be prohibited on public
5 highways, public sidewalks, federal property, and any location
6 where the consumption of alcohol or smoking is prohibited.

7 **§A-3 Lawful operation of cannabis establishments.** (a)

8 Notwithstanding any law to the contrary; except as otherwise
9 provided in this chapter or in rules adopted pursuant to this
10 chapter, the following acts shall be permitted and shall not
11 constitute a criminal offense or be the basis for search,
12 seizure, or forfeiture of assets of a person who is twenty-one
13 years of age or older:

14 (1) Manufacturing, possessing, or purchasing cannabis
15 accessories or selling cannabis accessories to a
16 person who is twenty-one years of age or older;

17 (2) Possessing, displaying, or transporting cannabis or
18 cannabis products; purchasing cannabis from a cannabis
19 cultivation facility or dual use cannabis dispensary;
20 or selling cannabis or cannabis products to consumers;
21 provided that the person has obtained a current, valid



1 license to operate a dual use cannabis dispensary or
2 retail cannabis store or is acting in the capacity of
3 an owner, employee, or agent of a licensed dual use
4 cannabis dispensary or retail cannabis store;

5 (3) Cultivating, harvesting, processing, packaging,
6 transporting, displaying, or possessing cannabis;
7 delivering or transferring cannabis to a dual use
8 cannabis dispensary or cannabis testing facility;
9 selling cannabis to a dual use cannabis dispensary,
10 cannabis cultivation facility or retail cannabis
11 store; or purchasing cannabis from a dual use cannabis
12 dispensary or cannabis cultivation facility; provided
13 that the person has obtained a current, valid license
14 to operate a dual use cannabis dispensary or cannabis
15 cultivation facility or is acting in the capacity of
16 an owner, employee, or agent of a licensed dual use
17 cannabis dispensary or cannabis cultivation facility;

18 (4) Possessing, processing, repackaging, storing,
19 transporting, displaying, transferring, or delivering
20 cannabis or cannabis products; provided that the
21 person has obtained a current, valid license to



1 operate a cannabis testing facility or is acting in
2 the capacity as an owner, employee, or agent of a
3 licensed cannabis testing facility; or

4 (5) Leasing or otherwise allowing the use of property
5 owned, occupied, or controlled by any person,
6 corporation, or other entity for any of the activities
7 conducted lawfully in accordance with this section.

8 (b) Cannabis products shall be contained in generic
9 packaging that uses only black lettering and contains no colors,
10 pictures, cartoons, or images that may appeal to children and
11 youth; provided that the agency shall adopt rules pursuant to
12 section A-8 to implement restrictions on labeling requirements
13 for cannabis and cannabis products sold or distributed by a
14 cannabis establishment.

15 (c) Cannabis advertising shall be prohibited near youth-
16 centered areas, including but not limited to:

- 17 (1) State and private parks;
18 (2) Schools;
19 (3) Recreational facilities;
20 (4) Public transit stations; and
21 (5) Bus stops;



1 provided that the agency shall adopt rules pursuant to section
2 A-8 to implement restrictions on the advertising and display of
3 cannabis and cannabis products.

4 **§A-4 Hawaii cannabis regulatory authority; established.**

5 (a) There is hereby established an independent agency known as
6 the Hawaii cannabis regulatory authority. The purpose of the
7 agency is to oversee the regulation and licensing of cannabis
8 pursuant to this chapter and upon transfer of powers pursuant to
9 the provisions of subsection (c), to exercise primary
10 responsibility to oversee the regulation and licensing of all
11 cannabis use including medical use. The agency shall be attached
12 to the department of health for administrative purposes. The
13 agency shall be a public body and a body corporate and politic.

14 (b) The agency shall be led by an executive director,
15 appointed by the governor pursuant to section 26-34.

16 (c) All powers, duties, and responsibilities of the
17 department of health, including the office of medical cannabis
18 control and regulation, with respect to the regulation,
19 administration, and enforcement of the provisions of chapter
20 329D shall be transferred to the agency, except for the
21 administration of registry identification cards to qualified



1 patients and primary caregivers and powers delegated to the
2 department of health pursuant to this chapter or by the agency's
3 rules.

4 (d) The employment, appointment, promotion, transfer,
5 demotion, discharge, and job descriptions of all officers and
6 employees of or under the jurisdiction of the office of medical
7 cannabis control and regulation shall be transferred to the
8 agency subject to the approval of the director of health and to
9 applicable personnel laws.

10 (e) The agency shall report annually to the governor and
11 the legislature on the regulation of cannabis establishments,
12 including but not limited to the number and location of cannabis
13 establishments licensed by license type, the total licensing
14 fees collected, the total amount of taxes collected from
15 cannabis establishments, and any licensing violations determined
16 by the agency.

17 **§A-5 Powers; generally.** The agency shall have all the
18 powers necessary and reasonable to carry out and effectuate its
19 purposes, including but not limited to the power to:

20 (1) Sue and be sued;

21 (2) Adopt, use, and alter at will a common seal;



- 1 (3) Make and execute contracts and all other instruments
2 necessary or convenient for the exercise of its powers
3 and functions under this chapter;
- 4 (4) Make and alter bylaws for its organization and
5 internal management;
- 6 (5) Adopt, amend, or repeal rules and regulations for the
7 implementation, administration, and enforcement of
8 this chapter, which rules shall be in conformance with
9 chapter 91;
- 10 (6) Through its executive director appoint officers,
11 agents, and employees, prescribe their duties and
12 qualifications, and fix their salaries, without regard
13 to chapter 76;
- 14 (7) Determine which applicants shall be awarded licenses;
- 15 (8) Deny an application or limit, condition, restrict,
16 revoke, or suspend any license;
- 17 (9) Determine and establish the process and methodology by
18 which licenses shall be awarded by the agency;
- 19 (10) Appear on its own behalf before boards, commissions,
20 departments, or other agencies of municipal, state, or
21 federal government;



- 1 (11) Review data and market conditions prior to the
2 adoption of rules pursuant to this chapter and on a
3 periodic basis thereafter to determine the maximum
4 number of licenses that may be issued in order to meet
5 estimated production demand and facilitate a reduction
6 in the unauthorized distribution of cannabis;
- 7 (12) Conduct and administer procedures and hearings in
8 compliance with chapter 91 for the adoption of rules
9 and review of the issuance, denial, or revocation of
10 licenses or violation of this chapter or the rules
11 adopted pursuant to this chapter;
- 12 (13) Impose and collect fees, sanctions and administrative
13 penalties, as authorized by this chapter and
14 established by rule, and for a violation of any rule
15 adopted by the agency;
- 16 (14) Conduct investigations into the qualifications of all
17 applicants for employment by the agency and all
18 applicants for licensure pursuant to this chapter;
- 19 (15) Inspect cannabis establishments and have access to all
20 equipment and supplies in a cannabis establishment for
21 the purpose of ensuring and enforcing compliance with



- 1 this chapter, and all rules and regulations adopted
2 pursuant to this chapter;
- 3 (16) Require that the books and financial or other records
4 or statements of a licensee be kept in a manner that
5 the agency deems proper;
- 6 (17) Establish adjudicatory procedures and conduct
7 adjudicatory proceedings pursuant to chapter 91;
- 8 (18) Maintain an official internet website for the agency;
- 9 (19) Form advisory boards and submit any matter to an
10 advisory board for study, review, or recommendation;
- 11 (20) Delegate any administrative, procedural, or
12 operational matter to the executive director;
- 13 (21) Issue temporary emergency orders, directives, or
14 instructions, with or without prior notice or hearing,
15 in an instance in which the public health or safety is
16 in substantial or imminent danger as it relates to the
17 activities, conduct, or practices of a licensee or as
18 a result of a defective or dangerous product offered
19 for sale by a licensee; and



1 (22) Do any and all things necessary to carry out its
2 purposes and exercise the powers given and granted in
3 this chapter.

4 **SA-6 Licenses.** (a) Licenses may be granted by the agency
5 as provided in this section.

6 (b) The agency may issue any of the following licenses:

7 (1) Cannabis cultivation facility licenses, which shall
8 authorize the licensee to cultivate, process, prepare,
9 label, and package cannabis and cannabis products for
10 sale to retail cannabis stores and dual use cannabis
11 dispensaries; to purchase or take possession of
12 cannabis from other licensed cannabis cultivation
13 facilities or dual use cannabis dispensaries; and to
14 transfer possession of and sell cannabis and cannabis
15 products to retail cannabis stores and dual use
16 cannabis dispensaries;

17 (2) Retail cannabis store licenses, which shall authorize
18 the licensee to purchase or take possession of
19 cannabis or cannabis products from a cannabis
20 cultivation facility or dual use cannabis dispensary



1 and to sell cannabis and cannabis products to
2 consumers on premises approved by the agency;

3 (3) Cannabis testing facility licenses, which shall
4 authorize the licensee to develop, research, or test
5 cannabis and cannabis products for that facility or
6 another licensee; and

7 (4) Dual use cannabis licenses, which shall authorize the
8 licensee to cultivate, process, manufacture,
9 transport, and sell cannabis and cannabis products for
10 both medical and personal use; to purchase or take
11 possession of cannabis or cannabis products from a
12 cannabis cultivation facility or dual use cannabis
13 dispensary; and to transfer possession of and sell
14 cannabis and cannabis products to retail cannabis
15 stores, other dual use cannabis dispensaries, and
16 consumers.

17 (c) The agency may establish additional license types and
18 grant temporary licenses of any type specified in subsection
19 (b), in accordance with conditions set forth in the rules
20 adopted pursuant to this chapter.



1 (d) Except as otherwise permitted by this chapter or the
2 rules adopted pursuant to this chapter, no person shall be
3 granted or have any interest in a license in more than one of
4 the following categories: dual use cannabis license, cannabis
5 cultivation facility license, retail cannabis store license, or
6 cannabis testing facility license. As used in this subsection,
7 "interest" means an equity ownership interest or partial equity
8 ownership interest or any other type of financial interest,
9 including but not limited to being an investor or serving in a
10 management position.

11 (e) No cannabis shall be sold or otherwise marketed
12 pursuant to this chapter that has not first been tested by a
13 cannabis testing laboratory and determined to meet the agency's
14 testing requirements set forth in the rules adopted pursuant to
15 this chapter or chapter 329D.

16 (f) Each license granted by the agency shall designate the
17 location where the business of the licensee will be conducted.
18 Except as otherwise permitted by the rules adopted pursuant to
19 this chapter, no license shall be transferable from one person
20 to another or from one location to another.



1 (g) The privilege of any licensee to cultivate, transport,
2 sell, or test cannabis or cannabis products shall extend to the
3 licensee and to all agents and employees of the licensee for the
4 purpose of operating under the license. The licensee may be
5 held liable for any violation of this chapter or the rules
6 adopted pursuant to this chapter by the agents or employees in
7 connection with their employment.

8 **SA-7 Pilot period.** (a) Except as provided in subsection
9 (b), there shall be a pilot period prior to the issuance of new
10 licenses until the date that is the later of:

11 (1) Two years following the effective date of this
12 chapter; or

13 (2) The final issuance of the rules.

14 (b) Notwithstanding subsection (a), during the pilot
15 period from the effective date of this chapter until final
16 issuance of the rules, any licensed medical cannabis dispensary
17 under chapter 329D shall be permitted to cultivate, process,
18 manufacture, transport, and sell cannabis and cannabis products
19 under this chapter as a dual use cannabis dispensary.

20 (c) The agency shall utilize the pilot period to monitor
21 and study relevant data, market conditions, and regulations to



1 inform, develop, and adopt final rules or statutory
2 recommendations to effectuate the purpose of this chapter.

3 (d) During the pilot period, dual use cannabis
4 dispensaries shall comply with directives of state agencies,
5 departments, and offices exercising regulatory authority
6 pursuant to subsection (e), and directives provided or issued by
7 the agency to protect public health and public safety. Failure
8 to comply with the rules or directives may result in the
9 revocation or suspension of the authorization granted under
10 subsection (b).

11 (e) During the pilot period, the agency may prescribe the
12 forms, procedures, and requirements as necessary to facilitate
13 the operation of medical cannabis dispensaries as dual use
14 cannabis dispensaries. The prescription of the necessary forms,
15 procedures, and requirements shall be exempt from chapter 91.

16 (f) All prospective and approved dual use cannabis
17 dispensaries under this chapter shall maintain compliance with
18 the provisions of chapter 329D during the pilot period until
19 final issuance of the rules, except transfer of cannabis for
20 personal use shall be exempt from sections 329D-11(a)(3), 329D-
21 11(a)(9)(B)(i), 329D-13, and 329D-15.



1 (g) Forms, procedures, and requirements relating to this
2 pilot period may be amended by the agency until final issuance
3 of the rules, at which time the forms, procedures, and
4 requirements shall be superseded by the agency's final rules.

5 **§A-8 Regulation of cannabis; rules.** (a) The agency shall
6 adopt rules pursuant to chapter 91 necessary for implementation
7 of this chapter. The rules shall include:

8 (1) Procedures for the application, issuance, renewal,
9 denial, suspension, or revocation of a license to
10 operate a cannabis establishment; provided that any
11 license to be issued shall be issued no later than
12 thirty days after receipt of an application;

13 (2) A schedule of application, licensing, and renewal
14 fees; provided that application fees shall not exceed
15 \$10,000, adjusted annually for inflation, unless the
16 department determines a greater fee is necessary to
17 carry out its responsibilities under this section;

18 (3) Qualifications for licensure that are directly and
19 demonstrably related to the operation of a cannabis
20 establishment;



- 1 (4) Security requirements for the premises of cannabis
2 establishments;
- 3 (5) Requirements to prevent the sale or diversion of
4 cannabis and cannabis products to persons under the
5 age of twenty-one;
- 6 (6) Labeling requirements for cannabis and cannabis
7 products sold or distributed by a cannabis
8 establishment;
- 9 (7) Health and safety regulations and standards for the
10 manufacture of cannabis products and the cultivation
11 of cannabis;
- 12 (8) Restrictions on the number of licenses that may be
13 approved under this chapter. The agency shall give
14 consideration to geography, socio-economic conditions,
15 and other factors that may impact communities where
16 cannabis establishments are located;
- 17 (9) Restrictions on the advertising and display of
18 cannabis and cannabis products;
- 19 (10) Civil penalties for the failure to comply with rules
20 adopted pursuant to this section; and



1 (11) Specific penalties such as the imposition of fines or
2 suspension or revocation of a license.

3 (b) In order to ensure that individual privacy is
4 protected, the agency shall not require a consumer purchasing
5 cannabis for personal use to provide a retail cannabis store or
6 dual use cannabis dispensary with personal information other
7 than government issued identification to determine the
8 consumer's age. A retail cannabis store or dual use cannabis
9 dispensary shall not be required to acquire and record personal
10 information about consumers purchasing cannabis for personal
11 use.

12 (c) If an application for a license under this section is
13 denied, the applicant shall be notified in writing of the
14 specific reason for the denial. The applicant may be entitled
15 to resubmit the application at any time after denial of the
16 initial application.

17 **SA-9 Tracking.** The authority shall track the cultivation,
18 processing, and sale of cannabis and cannabis products.

19 **SA-10 Effect on employers.** This chapter shall not be
20 construed to:



- 1 (1) Require an employer to permit or accommodate the use,
- 2 consumption, possession, transfer, display, transport,
- 3 sale, or growing of cannabis in the workplace; or
- 4 (2) Affect the ability of an employer to have policies
- 5 restricting the use of cannabis by employees.

6 **SA-11 Effect on intoxicated driving laws.** This chapter
7 shall not be construed as a defense, exemption, or immunity from
8 chapter 291E.

9 **SA-12 Effect on medical cannabis law.** This chapter shall
10 not be construed to affect medical use of cannabis as provided
11 in chapter 329 and shall not be deemed to expand the medical use
12 of cannabis beyond the uses provided in chapter 329.

13 **SA-13 Effect on medical cannabis dispensary law.** This
14 chapter shall not be construed to affect the dispensing of
15 medical cannabis as provided in chapter 329D and shall not be
16 deemed to expand the dispensing of medical cannabis beyond the
17 uses provided in chapter 329D.

18 **SA-14 Effect on property rights.** Condominium associations
19 may restrict or prohibit the smoking of cannabis in the same
20 manner they may restrict or prohibit the smoking of tobacco on
21 the property. This chapter shall not be construed to prohibit a



1 person, employer, school, hospital, detention facility,
2 corporation, or any other entity who occupies, owns, or controls
3 a property from prohibiting or otherwise regulating the
4 possession, consumption, use, display, transfer, distribution,
5 sale, transportation, or growing of cannabis on or in that
6 property."

7 PART III

8 SECTION 3. Chapter 706, Hawaii Revised Statutes, is
9 amended by adding a new section to be appropriately designated
10 and to read as follows:

11 "§706- Marijuana offenders; resentencing; expungement;
12 sealing. (1) Records relating to the arrest, criminal charge,
13 or conviction of a person for an offense under chapter 329, part
14 IV of chapter 712, or any other offense, the basis of which is
15 an act permitted by chapter A or decriminalized under Act ,
16 Session Laws of Hawaii 2023, including the possession or
17 distribution of marijuana, shall be ordered expunged in
18 accordance with the provisions of this section.

19 (2) No later than December 31, 2025, the attorney general,
20 in collaboration with the judiciary and county prosecuting
21 attorneys, shall determine the offenses that meet the criteria



1 for expungement set forth in subsection (1). The county
2 prosecuting attorneys shall issue a written notice to persons
3 with records that qualify for expungement under subsection (1).
4 Once offenses have been identified, but no later than January 1,
5 2026, the attorney general (in cases of an arrest for or charge
6 with but not a conviction of a crime) and the appropriate court
7 of record (in cases of conviction and pursuant to procedures
8 established by the judiciary) shall order the automatic
9 expungement of the records relating to the arrest, criminal
10 charge, or conviction, as appropriate.

11 (3) A person convicted for an offense under chapter 329,
12 part IV of chapter 712, or any other offense, the basis of which
13 is an act permitted by chapter A or decriminalized under
14 Act _____, Session Laws of Hawaii 2023, including the possession
15 or distribution of marijuana, shall have the right to petition
16 at any time and without limitation to the number of petitions a
17 convicted person may file, with the appropriate court of record
18 for review and adjustment of the sentence.

19 (4) Any expungement order issued pursuant to this section
20 shall be sealed.



1 (5) Eligibility pursuant to this section shall be granted
2 notwithstanding the existence of:

3 (a) Prior arrests or convictions;

4 (b) Pending criminal proceedings; or

5 (c) Outstanding court-imposed or court-related fees,
6 fines, costs, assessments, or charges.

7 (6) Any outstanding fees, fines, costs, assessments, or
8 charges related to the eligible conviction shall be waived.

9 (7) Nothing in this section shall be construed to restrict
10 or modify a person's right to have the person's records
11 expunged, except as otherwise may be provided by law, or
12 diminish or abrogate any rights or remedies otherwise available
13 to the person.

14 (8) Nothing in this section shall be construed to require
15 the court or any agency to reimburse any petitioner for fines,
16 fees, and costs previously incurred, paid, or collected in
17 association with the eligible conviction.

18 (9) The existence of convictions in other counts within
19 the same case that are not eligible for expungement pursuant to
20 this section or other applicable laws shall not prevent any
21 conviction otherwise eligible for expungement under this section



1 from being expunged pursuant to this section. In such
2 circumstances, the court shall make clear in its order which
3 counts are expunged and which counts are not expunged or remain
4 convictions. In such circumstances, notwithstanding
5 subsection (5), any expungement pursuant to this subsection
6 shall not affect the records related to any count or conviction
7 in the same case that are not eligible for expungement.

8 (10) Any conviction ordered expunged pursuant to this
9 section shall not be considered as a prior conviction when
10 determining the sentence to be imposed for any subsequent crime.

11 (11) In any application for employment, license, or other
12 civil right or privilege, or any appearance as a witness, a
13 person whose conviction of a crime has been expunged pursuant to
14 this chapter may state that the person has never been convicted
15 of the crime; provided that, if the person is an applicant for a
16 law enforcement agency position, for admission to the bar of any
17 court, an applicant for a teaching certificate, or the operator
18 or employee of an early childhood education facility, the person
19 shall disclose the fact of a conviction.

20 (12) Whenever the records of any conviction of a person
21 have been expunged under the provisions of this section, any



1 custodian of the records of conviction relating to that crime
2 shall not disclose the existence of the records upon inquiry
3 from any source, unless the inquiry is that of the person whose
4 record was expunged; that of a bar admission, character and
5 fitness, or disciplinary committee, board, or agency, or court
6 which is considering a bar admission, character and fitness, or
7 disciplinary matter; that of the board of education; or that of
8 any law enforcement agency, when the nature and character of the
9 offense in which an individual is to be charged would be
10 affected by virtue of the person having been previously
11 convicted or adjudicated of the same offense. The custodian of
12 any records that have been expunged pursuant to the provisions
13 of this section shall only release or allow access to those
14 records for the purposes specified in this subsection or by
15 order of a court.

16 (13) The judiciary and its employees and agents and the
17 department of the attorney general and its employees and agents
18 are immune from any civil liability for any act of commission or
19 omission, taken in good faith, arising out of and in the course
20 of participation in, or assistance with the expungement
21 procedures set forth in this section. This immunity shall be in



1 addition to and not in limitation of any other immunity provided
2 by law.

3 (14) The attorney general may adopt rules to effectuate
4 the purposes of this section."

5 SECTION 4. Chapter 712, Hawaii Revised Statutes, is
6 amended by adding a new section to part IV to be appropriately
7 designated and to read as follows:

8 "§712- Legalization of marijuana. The following acts
9 shall be exempt from arrest, prosecution, and criminal
10 culpability under this part:

- 11 (1) Any act permitted under section A-2;
- 12 (2) Any act permitted under section A-3; and
- 13 (3) An act of any person who is appropriately and
14 currently licensed if the act requires a license under chapter
15 A."

16 SECTION 5. Section 235-2.4, Hawaii Revised Statutes, is
17 amended by amending subsection (v) to read as follows:

18 "(v) Section 280E (with respect to expenditures in
19 connection with the illegal sale of drugs) of the Internal
20 Revenue Code shall be operative for the purposes of this



1 chapter, except that section 280E shall not be operative with
2 respect to ~~[the]~~:

3 (1) The production and sale of medical cannabis and
4 manufactured cannabis products by dispensaries
5 licensed under chapter 329D and their subcontractors,
6 as defined in section 329D-1[-]; and

7 (2) Any activity authorized by chapter A."

8 SECTION 6. Section 712-1244, Hawaii Revised Statutes, is
9 amended by amending subsection (1) to read as follows:

10 "(1) [A] Except as otherwise provided in chapter A, a
11 person commits the offense of promoting a harmful drug in the
12 first degree if the person knowingly:

13 (a) Possesses one hundred or more capsules or tablets or
14 dosage units containing one or more of the harmful
15 drugs or one or more of the marijuana concentrates, or
16 any combination thereof;

17 (b) Possesses one or more preparations, compounds,
18 mixtures, or substances, of an aggregate weight of one
19 ounce or more containing one or more of the harmful
20 drugs or one or more of the marijuana concentrates, or
21 any combination thereof;



1 (c) Distributes twenty-five or more capsules or tablets or
2 dosage units containing one or more of the harmful
3 drugs or one or more of the marijuana concentrates, or
4 any combination thereof;

5 (d) Distributes one or more preparations, compounds,
6 mixtures, or substances, of an aggregate weight of
7 one-eighth ounce or more, containing one or more of
8 the harmful drugs or one or more of the marijuana
9 concentrates, or any combination thereof; or

10 (e) Distributes any harmful drug or any marijuana
11 concentrate in any amount to a minor."

12 SECTION 7. Section 712-1245, Hawaii Revised Statutes, is
13 amended by amending subsection (1) to read as follows:

14 "(1) [A] Except as otherwise provided in chapter A, a
15 person commits the offense of promoting a harmful drug in the
16 second degree if the person knowingly:

17 (a) Possesses fifty or more capsules or tablets or dosage
18 units containing one or more of the harmful drugs or
19 one or more of the marijuana concentrates, or any
20 combination thereof;



1 (b) Possesses one or more preparations, compounds,
2 mixtures, or substances, of an aggregate weight of
3 one- eighth ounce or more, containing one or more of
4 the harmful drugs or one or more of the marijuana
5 concentrates, or any combination thereof; or :

6 (c) Distributes any harmful drug or any marijuana
7 concentrate in any amount."

8 SECTION 8. Section 712-1246, Hawaii Revised Statutes, is
9 amended by amending subsection (1) to read as follows:

10 "(1) [A] Except as otherwise provided in chapter A, a
11 person commits the offense of promoting a harmful drug in the
12 third degree if the person knowingly possesses twenty-five or
13 more capsules or tablets or dosage units containing one or more
14 of the harmful drugs or one or more of the marijuana
15 concentrates, or any combination thereof."

16 SECTION 9. Section 712-1247, Hawaii Revised Statutes, is
17 amended by amending subsection (1) to read as follows:

18 "(1) [A] Except as otherwise provided in chapter A, a
19 person commits the offense of promoting a detrimental drug in
20 the first degree if the person knowingly:



- 1 (a) Possesses four hundred or more capsules or tablets
2 containing one or more of the Schedule V substances;
- 3 (b) Possesses one or more preparations, compounds,
4 mixtures, or substances of an aggregate weight of one
5 ounce or more, containing one or more of the Schedule
6 V substances;
- 7 (c) Distributes fifty or more capsules or tablets
8 containing one or more of the Schedule V substances;
- 9 (d) Distributes one or more preparations, compounds,
10 mixtures, or substances of an aggregate weight of one-
11 eighth ounce or more, containing one or more of the
12 Schedule V substances;
- 13 (e) Possesses one or more preparations, compounds,
14 mixtures, or substances of an aggregate weight of one
15 pound or more, containing any marijuana;
- 16 (f) Distributes one or more preparations, compounds,
17 mixtures, or substances of an aggregate weight of one
18 ounce or more, containing any marijuana;
- 19 (g) Possesses, cultivates, or has under the person's
20 control twenty-five or more marijuana plants; or



1 (h) Sells or barter any marijuana or any Schedule V
2 substance in any amount."

3 SECTION 10. Section 712-1248, Hawaii Revised Statutes, is
4 amended by amending subsection (1) to read as follows:

5 "(1) [A] Except as otherwise provided in chapter A, a
6 person commits the offense of promoting a detrimental drug in
7 the second degree if the person knowingly:

8 (a) Possesses fifty or more capsules or tablets containing
9 one or more of the Schedule V substances;

10 (b) Possesses one or more preparations, compounds,
11 mixtures, or substances, of an aggregate weight of
12 one-eighth ounce or more, containing one or more of
13 the Schedule V substances;

14 (c) Possesses one or more preparations, compounds,
15 mixtures, or substances, of an aggregate weight of one
16 ounce or more, containing any marijuana; or

17 (d) Distributes any marijuana or any Schedule V substance
18 in any amount."

19 SECTION 11. Section 712-1249, Hawaii Revised Statutes, is
20 amended by amending subsection (1) to read as follows:



1 "(1) [A] Except as otherwise provided in chapter A, a
2 person commits the offense of promoting a detrimental drug in
3 the third degree if the person knowingly possesses any marijuana
4 or any Schedule V substance in any amount."

5 SECTION 12. Section 712-1249.4, Hawaii Revised Statutes,
6 is amended by amending subsection (1) to read as follows:

7 "(1) [A] Except as otherwise provided in chapter A, a
8 person commits the offense of commercial promotion of marijuana
9 in the first degree if the person knowingly:

- 10 (a) Possesses marijuana having an aggregate weight of
11 twenty-five pounds or more;
- 12 (b) Distributes marijuana having an aggregate weight of
13 five pounds or more;
- 14 (c) Possesses, cultivates, or has under the person's
15 control one hundred or more marijuana plants;
- 16 (d) Cultivates on land owned by another person, including
17 land owned by the government or other legal entity,
18 twenty-five or more marijuana plants, unless the
19 person has the express permission from the owner of
20 the land to cultivate the marijuana or the person has



1 a legal or an equitable ownership interest in the land
 2 or the person has a legal right to occupy the land; or
 3 (e) Uses, or causes to be used, any firearm or other
 4 weapon, device, instrument, material, or substance,
 5 whether animate or inanimate, which in the manner used
 6 is capable of causing death, serious bodily injury,
 7 substantial bodily injury, or other bodily injury, as
 8 defined in chapter 707 in order to prevent the theft,
 9 removal, search and seizure, or destruction of
 10 marijuana."

11 SECTION 13. Section 712-1249.5, Hawaii Revised Statutes,
 12 is amended by amending subsection (1) to read as follows:

13 "(1) [A] Except as otherwise provided in chapter A, a
 14 person commits the offense of commercial promotion of marijuana
 15 in the second degree if the person knowingly:

- 16 (a) Possesses marijuana having an aggregate weight of two
 17 pounds or more;
- 18 (b) Distributes marijuana having an aggregate weight of
 19 one pound or more;
- 20 (c) Possesses, cultivates, or has under the person's
 21 control fifty or more marijuana plants;



- 1 (d) Cultivates on land owned by another person, including
- 2 land owned by the government or other legal entity,
- 3 any marijuana plant, unless the person has the express
- 4 permission from the owner of the land to cultivate the
- 5 marijuana or the person has a legal or an equitable
- 6 ownership interest in the land or the person has a
- 7 legal right to occupy the land; or
- 8 (e) Sells or barter any marijuana or any Schedule V
- 9 substance in any amount to a minor."

PART IV

11 SECTION 14. The Hawaii Revised Statutes is amended by
12 adding a new chapter to be appropriately designated and to read
13 as follows:

14 "CHAPTER B

15 CANNABIS TAX LAW

16 §B-1 Definitions. As used in this chapter, unless the
17 context otherwise requires:

18 "Agency" shall have the same meaning as the term is used in
19 chapter A-1.

20 "Cannabis" shall have the same meaning as the term is used
21 in chapter A-1.



1 "Cannabis cultivation facility" shall have the same meaning
2 as the term is used in chapter A-1.

3 "Cannabis establishment" shall have the same meaning as the
4 term is used in chapter A-1.

5 "Cannabis products" shall have the same meaning as the term
6 is used in chapter A-1.

7 "Consumer" shall have the same meaning as the term is used
8 in chapter A-1.

9 "Department" means the department of taxation.

10 "Dual use cannabis dispensary" shall have the same meaning
11 as the term is used in chapter A-1.

12 "License" shall have the same meaning as the term is used
13 in chapter A-1.

14 "Licensee" shall have the same meaning as the term is used
15 in chapter A-1.

16 "Medical cannabis dispensary" means a person licensed as a
17 medical cannabis dispensary under chapter 329D.

18 "Permittee" means the holder of a permit under section B-2.

19 "Personal use" shall have the same meaning as the term is
20 used in chapter A-1.



1 "Place", "premises", or "location" means the real estate,
2 together with any buildings or improvements thereon, designated
3 in the application for a license as the place at which the
4 cultivation, sale or testing of cannabis shall be performed.

5 "Retail cannabis store" shall have the same meaning as the
6 term is used in chapter A-1.

7 **SB-2 Permit.** (a) It shall be unlawful for any retail
8 cannabis store or dual use cannabis dispensary to sell cannabis
9 to consumers for personal use unless a permit has been issued to
10 the retail cannabis store or dual use cannabis dispensary as
11 hereinafter prescribed, and the permit is in full force and
12 effect.

13 (b) The agency or the department of health shall certify
14 to the department the name of every retail cannabis store and
15 dual use cannabis dispensary, together with the place of
16 business and the period covered by the license held by the
17 retail cannabis store or dual use cannabis dispensary. The
18 department shall issue its permit to the retail cannabis store
19 or dual use cannabis dispensary upon the payment of a permit fee
20 of \$25.00. The permit shall be issued by the department to:



1 (1) Retail cannabis stores as of the date when the agency
2 issued the retail cannabis store license; and

3 (2) Dual use cannabis dispensaries as of the date when the
4 pilot period under chapter A begins.

5 (c) Any permit issued under this chapter shall be for the
6 period covered by the retail cannabis store or dual use cannabis
7 dispensary's license; it shall not be assignable; it shall be
8 conspicuously displayed on the licensed premises of the
9 permittee; it shall expire upon the expiration of the period
10 covered by the permittee's license, or on June 30 next
11 succeeding the date upon which it is issued, whichever is
12 earlier, unless sooner suspended, surrendered, or revoked for
13 good cause by the department; and it shall be renewed annually
14 before July 1, upon fulfillment of all requirements as in the
15 case of an original permit and the payment of a renewal fee of
16 \$25.00. Whenever a permit is defaced, destroyed, or lost, or
17 the licensed premises are relocated, the department may issue a
18 duplicate permit to the permittee upon the payment of a fee of
19 \$5.00.

20 (d) The department may suspend, revoke, or decline to
21 renew any permit issued under this chapter whenever the



1 department finds that the applicant or permittee has failed to
2 comply with this chapter or any rule adopted under this chapter,
3 or for any other good cause. Good cause includes but is not
4 limited to instances where an applicant or permittee has:

- 5 (1) Submitted a false or fraudulent application or
6 provided a false statement in an application;
- 7 (2) Possessed or displayed a false or fraudulent permit;
8 or
- 9 (3) Failed to maintain complete and accurate records when
10 and if required to be kept.

11 Upon suspending or revoking any permit, the department may
12 request that the permittee surrender the permit or any duplicate
13 issued to, or printed by the permittee, and the permittee shall
14 surrender the permit or duplicate promptly to the department as
15 requested.

16 (e) Whenever the department suspends, revokes, or declines
17 to renew a permit, the department shall notify the applicant or
18 permittee immediately and afford the applicant or permittee a
19 hearing, if desired; provided that a hearing has not already
20 been afforded. The department shall provide not less than
21 thirty days notice to the applicant or permittee of a hearing



1 afforded under this subsection. After the hearing the
2 department shall:

- 3 (1) Rescind its order of suspension;
- 4 (2) Continue the suspension;
- 5 (3) Revoke the permit;
- 6 (4) Rescind its order of revocation;
- 7 (5) Decline to renew the permit; or
- 8 (6) Renew the permit.

9 **§B-3 Cooperation between department and the agency or**
10 **department of health.** (a) The department and the agency or
11 department of health shall cooperate in the enforcement of this
12 chapter:

13 (b) The department shall notify the agency or department
14 of health of the name and address of every permittee whose
15 permit has been revoked, and any license issued to the permittee
16 under chapter A thereupon shall be deemed forfeited.

17 (c) The department may notify the agency or department of
18 health of the name and address of every person who has failed to
19 file any return required, to pay any tax prescribed, to secure a
20 permit, or to perform any other duty or act imposed under this
21 chapter, and the agency or department of health shall thereupon



1 suspend any license which may have been issued to any the person
2 under chapter A until the time as the person complies with this
3 chapter.

4 **SB-4 Tax; limitations.** (a) Every person who sells any
5 cannabis in the State shall pay a tax that is hereby imposed at
6 the rate of ten per cent of the sales price.

7 (b) The tax levied pursuant to subsection (a) shall be
8 paid only once upon the same cannabis; provided that the tax
9 shall not apply to:

10 (1) Cannabis sold by one licensee to another licensee
11 under chapter A; and

12 (2) Cannabis sold for medical use by a medical cannabis
13 dispensary under chapter 329D.

14 **SB-5 Return; form; contents.** Every taxpayer shall, on or
15 before the twentieth day of each month, file with the department
16 a return showing all sales of cannabis by dollar volume and
17 taxes under section B-4(a) made by the taxpayer during the
18 preceding month, showing separately the amount of the nontaxable
19 sales, and the amount of the taxable sales, and the tax payable
20 thereon. The form and manner of the return shall be prescribed
21 by the department and shall contain any information the



1 department may deem necessary for the proper administration of
2 this chapter.

3 **§B-6 Payment of tax; penalties.** At the time of the filing
4 of the return required under section B-5 and within the time
5 prescribed therefor, each taxpayer shall pay to the department
6 the tax imposed by this chapter, required to be shown by the
7 return. Penalties and interest shall be added to and become a
8 part of the tax, when and as provided by section 231-39.

9 **§B-7 Determination of tax, additional assessments, credit,**
10 **and refunds.** (a) As soon as practicable after each return has
11 been filed, the department shall cause it to be examined and
12 shall compute and determine the amount of the tax payable
13 thereon.

14 (b) If it should appear upon the examination or thereafter
15 within five years after the filing of the return, or at any time
16 if no return has been filed, as a result of the examination or
17 as a result of any examination of the records of the taxpayer or
18 of any other inquiry or investigation, that the correct amount
19 of the tax is greater than that shown on the return, or that any
20 tax imposed by the chapter has not been paid, an assessment of
21 the tax may be made in the manner provided in section



1 235-108(b). The amount of the tax for the period covered by the
2 assessment shall not be reduced below the amount determined by
3 an assessment so made, except upon appeal or in a proceeding
4 brought pursuant to section 40-35.

5 (c) If the taxpayer has paid or returned with respect to
6 any month more than the amount determined to be the correct
7 amount of tax for the month, the amount of the tax so returned
8 and any assessment of tax made pursuant to the return may be
9 reduced; and any overpayment of tax may be credited upon the tax
10 imposed by this chapter, or at the election of the taxpayer, the
11 taxpayer not being delinquent in the payment of any taxes owing
12 to the State, may be refunded in the manner provided in section
13 231-23(c); provided that no reduction of tax may be made when
14 forbidden by subsection (b) or more than five years after the
15 filing of the return.

16 **SB-8 Records to be kept.** (a) Every permittee under this
17 chapter shall keep a record of all sales of cannabis and
18 cannabis products made by the permittee, in the form as the
19 department may prescribe. Every person holding a license under
20 chapter A, other than a cannabis testing facility or cannabis
21 cultivation facility license, shall keep a record of all



1 purchases by the person of cannabis and cannabis products and
2 taxed under section B-4(a), in the form as the department may
3 prescribe. All records shall be offered for inspection and
4 examination at any time upon demand by the department or agency
5 and shall be preserved for a period of five years, except that
6 the department may in writing consent to their destruction
7 within the period or may require that they be kept longer. The
8 department may by rule require the permittee to keep other
9 records as it may deem necessary for the proper enforcement of
10 this chapter.

11 (b) If any permittee or any other taxpayer fails to keep
12 records from which a proper determination of the tax due under
13 this chapter may be made, the department may fix the amount of
14 tax for any period from the best information obtainable by it,
15 and assess the tax as hereinbefore provided.

16 **§B-9 Inspection.** The director of taxation, the agency, or
17 the duly authorized agent of either the director or agency, may
18 examine all records required to be kept under this chapter, and
19 books, papers, and records of any person engaged in the sale of
20 cannabis to verify the accuracy of the payment of the tax
21 imposed by this chapter and in compliance with this chapter and



1 regulations adopted pursuant thereto. Every person in
2 possession of the books, papers, and records and the person's
3 agents and employees shall give the director, the agency, or the
4 duly authorized agent of either of them, the means, facilities,
5 and opportunities for examination. The agency shall have the
6 authority of a duly accredited tax official of the State
7 pursuant to section 231-18 to inspect tax returns of any
8 taxpayer for the limited purposes set forth in this section;
9 provided that this authority shall not extend to the inspection
10 of any documents not directly related to this chapter.

11 **SB-10 Tax in addition to other taxes.** The tax imposed by
12 this chapter shall be in addition to any other tax imposed upon
13 the business of selling cannabis or upon any of the
14 transactions, acts, or activities taxed by this chapter.

15 **SB-11 Appeals.** Any person aggrieved by any assessment of
16 the tax imposed by this chapter may appeal from the assessment
17 in the manner and within the time and in all other respects as
18 provided in the case of income tax appeals by section 235-114.
19 The hearing and disposition of the appeal, including the
20 distribution of costs shall be as provided in chapter 232.



1 **§B-12 Other provisions applicable.** All of the provisions
2 of chapters 235 and 237 not inconsistent with this chapter and
3 which may appropriately be applied to the taxes, persons,
4 circumstances, and situations involved in this chapter,
5 including provisions as to penalties and interest, provisions
6 granting administrative powers to the director of taxation,
7 provisions for the assessment, levy, and collection of taxes,
8 shall be applicable to the taxes imposed by this chapter, and to
9 the assessment, levy, and collection thereof.

10 **§B-13 Investigations; contempt; fees.** The director of
11 taxation, and any representative of the director duly authorized
12 by the director, shall have the authority to conduct any civil
13 audit or criminal investigation; investigation, of hearing
14 relating to the taxes in this section in the manner provided in
15 section 231-7.

16 **§B-14 Administration by director; rules and regulations.**
17 The administration of this chapter is vested in the director of
18 taxation who may prescribe and enforce rules and regulations for
19 the enforcement and administration of this chapter. The rules
20 and regulations shall be prescribed by the director of taxation,
21 subject to chapter 91.



Report Title:

Adult-Use Cannabis; Hawaii Cannabis Control Board; Medical Cannabis; Taxation; Appropriation

Description:

Establishes regulations for the cultivation, sale, and personal use of small amounts of cannabis. Decriminalizes and regulates small amounts of cannabis for personal use. Establishes taxes for cannabis sales. Takes effect 03/22/2075. (SD1)

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