## A BILL FOR AN ACT

RELATING TO MEDICAL CANNABIS.

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

- 1 SECTION 1. Chapter 329D, Hawaii Revised Statutes, is
- 2 amended by adding a new section to be appropriately designated
- 3 and to read as follows:
- 4 "\$329D- Unauthorized operation of a dispensary; criminal
- 5 penalty. (a) It shall be unlawful for any person to operate a
- 6 dispensary without a license from the department pursuant to
- 7 this chapter.
- **8** (b) No person shall intentionally, knowingly, or
- 9 recklessly operate any search platform, web hosting services,
- 10 social media platform, or other entity that posts information
- 11 advertising the sale of cannabis products by an unlicensed
- 12 person or entity engaged in the production, manufacture, or sale
- 13 of cannabis or manufactured cannabis products without a license
- 14 pursuant to this chapter.
- 15 (c) The department shall issue a cease and desist notice
- 16 to any person or entity who violates subsection (a) or (b);

- 1 provided that the cease and desist notice shall be issued before
- 2 initiating criminal proceedings.
- 3 (d) Any person who violates subsection (a) shall be guilty
- 4 of a class C felony.
- **5** (e) It shall be an affirmative defense to subsection (b)
- 6 that the person operating any search platform, web hosting
- 7 services, social media platform, or other entity that posts
- 8 information advertising the sale of cannabis products had
- 9 requested, examined, and reasonably relied upon a license that
- 10 appeared to have been issued by the department that was shown by
- 11 the unlicensed person or unlicensed entity engaged in the
- 12 production, manufacture, or sale of cannabis or manufactured
- 13 cannabis products establishing that the unlicensed person or
- 14 unlicensed entity was licensed by the department to engage in
- 15 the production, manufacture, or sale of cannabis or manufactured
- 16 cannabis products pursuant to this chapter. The failure of the
- 17 person operating any search platform, web hosting services,
- 18 social media platform, or other entity that posts information
- 19 advertising the sale of cannabis products to request and examine
- 20 a license issued by the department from the unlicensed person or
- 21 unlicensed entity engaged in the production, manufacture, or

- 1 sale of cannabis or manufactured cannabis products before
- 2 providing access to any search platform, web hosting services,
- 3 social media platform, or other entity that posts information
- 4 advertising the sale of cannabis products shall be construed
- 5 against the person operating any search platform, web hosting
- 6 services, social media platform, or other entity that posts
- 7 information advertising the sale of cannabis products and form a
- 8 conclusive basis for the person's violation of this section.
- 9 (f) This section shall not apply to:
- 10 (1) Hemp processors, hemp product retailers, or hemp
- produce retailers with a valid permit under
- 12 chapter 328G; or
- 13 (2) Primary qualified caregivers registered under
- chapter 329 who are acting within the scope of their
- permit or registration."
- 16 SECTION 2. This Act does not affect rights and duties that
- 17 matured, penalties that were incurred, and proceedings that were
- 18 begun before its effective date.
- 19 SECTION 3. New statutory material is underscored.
- 20 SECTION 4. This Act shall take effect on December 31,
- 21 2050.

## Report Title:

DOH; Medical Cannabis; Licensure; Requirement; Cease and Desist Notice; Penalty; Violations; Affirmative Defense; Conclusive Basis; Exceptions

## Description:

Prohibits persons from operating a medical cannabis dispensary without a license from the Department of Health. Prohibits individuals from providing certain services to individuals engaging in unlicensed cannabis operations. Requires the Department of Health to send a cease and desist notice to violators. Establishes criminal penalties. Establishes an affirmative defense for, and a conclusive basis for certain violations. Establishes exceptions. Effective 12/31/2050. (SD1)

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