

Honolulu, Hawaii

FEB 14 2025

RE: S.B. No. 1064
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Third State Legislature
Regular Session of 2025
State of Hawaii

Sir:

Your Committees on Health and Human Services and Commerce and Consumer Protection, to which was referred S.B. No. 1064 entitled:

"A BILL FOR AN ACT RELATING TO MEDICAL CANNABIS,"

beg leave to report as follows:

The purpose and intent of this measure is to:

- (1) Prohibit persons from operating a medical cannabis dispensary or producing, manufacturing, or selling cannabis products without a license from the Department of Health;
- (2) Prohibit individuals from providing certain services to individuals engaging in unlicensed cannabis operations;
- (3) Require the Department of Health to send a cease and desist notice to violators; and
- (4) Establish criminal penalties.

Your Committees received testimony in support of this measure from the Hawai'i Cannabis Industry Association, Big Island Grown Dispensaries, Noa Botanicals, Cure Oahu, Techmana LLC, and one individual.



Your Committees received comments on this measure from the Department of the Attorney General, Department of Health, and Akamai Cannabis Consulting.

Your Committees find that the use of hemp and cannabis products should be properly regulated and enforced. Your Committees further find that given the proliferation of illicit sales and potential risks of untested and tainted cannabis products, it is imperative that strong and effective enforcement occurs to safeguard public health and safety. This measure establishes explicit prohibitions and criminal penalties for unlicensed cannabis sales, production, or manufacturing to provide clear language and enable effective enforcement.

Your Committees have amended this measure by:

- (1) Deleting language that would have prohibited any person from engaging in the production, manufacture, or sale of cannabis or manufactured cannabis products without a license from the Department of Health;
- (2) Deleting language that would have prohibited a person from intentionally or knowingly providing services to support an unlicensed person or entity or unlicensed activities;
- (3) Inserting language to prohibit persons from recklessly operating any search platform, web hosting services, social media platform, or other entity that posts information advertising the sale of cannabis products by an unlicensed person or entity engaged in the production, manufacture, or sale of cannabis or manufactured cannabis products without a license;
- (4) Inserting language to clarify that a cease and desist notice issued to a person or entity by the Department of Health shall be issued before initiating criminal proceedings;
- (5) Inserting language that establishes an affirmative defense against, and a conclusive basis of, a violation for persons who allegedly operated any search platform, web hosting services, social media platform, or other



entity that posts information advertising the sale of cannabis products by an unlicensed person or entity engaged in the production, manufacture, or sale of cannabis or manufactured cannabis products without a license;

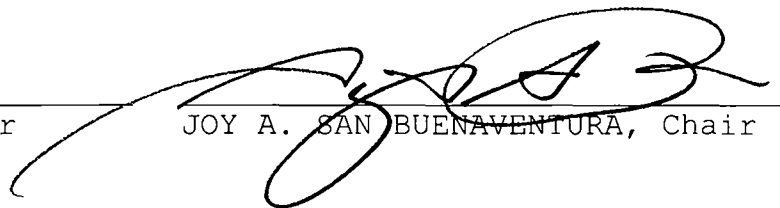
- (6) Inserting language to establish exceptions for permitted hemp processors, hemp product retailers, or hemp produce retailers and registered primary qualified caregivers acting within the scope of their permit or registration;
- (7) Inserting an effective date of December 31, 2050, to encourage further discussion; and
- (8) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Health and Human Services and Commerce and Consumer Protection that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1064, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1064, S.D. 1, and be referred to your Committees on Judiciary and Ways and Means.

Respectfully submitted on
behalf of the members of the
Committees on Health and Human
Services and Commerce and
Consumer Protection,



ARRETT KEOHOKALOLE, Chair



JOY A. SAN BUENAVENTURA, Chair



The Senate
Thirty-Third Legislature
State of Hawai'i

Record of Votes
Committee on Health and Human Services
HHS

Bill / Resolution No.:* <div style="font-size: 1.2em; font-family: cursive;">SB 1064</div>	Committee Referral: <div style="font-size: 1.2em; font-family: cursive;">HHS/CPN, JDL/WAM</div>	Date: <div style="font-size: 1.2em; font-family: cursive;">2/12/25</div>		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <div style="display: flex; justify-content: space-between; align-items: flex-start;"> <div style="text-align: center;"> <input type="checkbox"/> Pass, unamended 2312 </div> <div style="text-align: center;"> <input checked="" type="checkbox"/> Pass, with amendments 2311 </div> <div style="text-align: center;"> <input type="checkbox"/> Hold 2310 </div> <div style="text-align: center;"> <input type="checkbox"/> Recommit 2313 </div> </div>				
Members	Aye	Aye (WR)	Nay	Excused
SAN BUENAVENTURA, Joy A. (C)	✓			
AQUINO, Henry J.C. (VC)	✓			
HASHIMOTO, Troy N.	✓			
KEOHOKALOLE, Jarrett	✓			
FEVELLA, Kurt	✓			
TOTAL	5			
Recommendation: <div style="display: flex; justify-content: space-around; margin-top: 10px;"> <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted </div>				
Chair's or Designee's Signature: <div style="text-align: center; margin-top: 10px;"> </div>				
Distribution: <div style="display: flex; justify-content: space-between; margin-top: 10px;"> <div style="text-align: center;">Original File with Committee Report</div> <div style="text-align: center;">Yellow Clerk's Office</div> <div style="text-align: center;">Pink Drafting Agency</div> <div style="text-align: center;">Goldenrod Committee File Copy</div> </div>				

*Only one measure per Record of Votes

The Senate
Thirty-Third Legislature
State of Hawai'i

Record of Votes
Committee on Commerce and Consumer Protection
CPN

Bill / Resolution No.:* SB1064	Committee Referral: HHS/CPN, JDC/WAM	Date: 2/12/25		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <div style="display: flex; justify-content: space-around; align-items: flex-start;"> <div style="text-align: center;"> <input type="checkbox"/> Pass, unamended 2312 </div> <div style="text-align: center;"> <input checked="" type="checkbox"/> Pass, with amendments 2311 </div> <div style="text-align: center;"> <input type="checkbox"/> Hold 2310 </div> <div style="text-align: center;"> <input type="checkbox"/> Recommit 2313 </div> </div>				
Members	Aye	Aye (WR)	Nay	Excused
KEOHOKALOLE, Jarrett (C)	✓			
FUKUNAGA, Carol (VC)	✓			
MCKELVEY, Angus L.K.				✓
RICHARDS, III, Herbert M. "Tim"	✓			
AWA, Brenton			✓	
TOTAL	3		1	1
Recommendation: <div style="display: flex; justify-content: space-around; align-items: center;"> <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted </div>				
Chair's or Designee's Signature: 				
<div style="display: flex; justify-content: space-between; font-size: small;"> <div>Distribution:</div> <div>Original</div> <div>Yellow</div> <div>Pink</div> <div>Goldenrod</div> </div> <div style="display: flex; justify-content: space-between; font-size: x-small;"> <div>File with Committee Report</div> <div>Clerk's Office</div> <div>Drafting Agency</div> <div>Committee File Copy</div> </div>				

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