

**INTERIM REPORT OF THE ACT 230 (2016)  
MEDICAL MARIJUANA DISPENSARY SYSTEM  
WORKING GROUP TO THE 2017 LEGISLATURE  
OF THE STATE OF HAWAII**

**APRIL 12, 2017**

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## I. PURPOSE OF ACT 230 WORKING GROUP

The Act 230 Medical Marijuana Dispensary System Working Group was convened pursuant to House Bill 2707, House Draft 1, Senate Draft 2, Conference Draft 1, Act 230 (2016), to “develop and recommend legislation to improve the medical marijuana dispensary system in the State to ensure safe and legal access to medical marijuana for qualifying patients.” The Working Group is tasked with addressing issues related to the medical marijuana dispensary program in the State including, “operations, edibles, and any issues the Working Group finds relevant...to the medical marijuana dispensary program.”

## II. ACT 230 WORKING GROUP MEMBERS

As set forth in Act 230, the Working Group is to be comprised of twenty members representing various stakeholder groups including qualifying patients, caregivers, physicians, community advocacy groups, law enforcement, legislators, and representatives of various state agencies. To date, the Working Group members include:

1. The Director of Health, or the Director's designee;
2. The Director of Transportation, or the Director's designee;
3. The Chairperson of the Senate Committee on Commerce, Consumer Protection, and Health, who shall serve as a Co-Chair of the Working Group;
4. The Chairperson of the House of Representatives Committee on Health, who shall serve as a Co-Chair of the Working Group;
5. A State Senator who is selected by the President of the Senate to serve on the working group;
6. A State Representative who is selected by the Speaker of the House of Representatives to serve on the working group;
7. A representative from the University of Hawaii College of Tropical Agriculture and Human Resources or University of Hawaii Cancer Center, who shall be invited by the President of the University of Hawaii to serve on the working group;
8. A representative of the Drug Policy Forum of Hawaii, who shall be invited by the Speaker of the House of Representatives to serve on the working group;
9. A physician participating in Hawaii’s medical marijuana program, who shall be invited by the President of the Senate to serve on the working group;
10. Two participants in Hawaii’s medical marijuana program, one of whom is a qualifying patient who is over the age of eighteen and one of whom is a parent or guardian of a qualifying patient who is under the age of ten, who shall be invited by the Governor to serve on the working group;

11. A primary caregiver participating in Hawaii's medical marijuana program, who shall be invited by the President of the Senate to serve on the working group;
12. An advanced practice registered nurse participating in Hawaii's medical marijuana program, who shall be invited by the Speaker of the House of Representatives to serve on the working group;
13. Two representatives of the Hawaii Dispensary Alliance, one of whom is a resident of the City and County of Honolulu, who shall be invited by the President of the Senate to serve on the working group, and one of whom is a resident of a county in the State other than the City and County of Honolulu, who shall be invited by the Speaker of the House of Representatives to serve on the working group;
14. Two representatives of the medical marijuana dispensary industry, one from each of the remaining counties not represented pursuant to paragraph (13), one of whom shall be invited by the President of the Senate to serve on the working group, and one of whom shall be invited by the Speaker of the House of Representatives to serve on the working group;
15. One representative from a laboratory capable of testing marijuana or manufactured marijuana products, who shall be invited by the Governor to serve on the working group; and
16. Two representatives of local law enforcement, one of whom is an officer for the Honolulu Police Department, who shall be invited by the Speaker of the House of Representatives to serve on the working group, and one of whom is an officer for a police department on a neighbor island, who shall be invited by the President of the Senate to serve on the working group.

A list of the members of the Working Group can be found in Appendix A of this report.

### III. PROCESS AND PROCEDURES

With the facilitative assistance of the University of Hawaii Public Policy Center, the Working Group meets on a monthly basis. The first meeting of the Working Group was on October 12, 2016, followed by meetings on November 9, 2016; December 14, 2016; January 25, 2017; March 1, 2017; and April 12, 2017. At each monthly meeting of the Working Group, the Department of Health provides updates on the State's Patient Registry Program and Dispensary Licensing Program.

Presentations by the eight dispensary licensees are also part of the monthly Working Group meeting where they are invited to make presentations that: (1) educate and inform Working Group members about the status and progress of their groups in setting up their production and retail operations; and (2) identify challenges and obstacles they are experiencing in the implementation of Act 241 (HB 321; SLH 2015) and Act 230 (HB 2707,

SLH 2016). To date, the following licensees made presentations to the Working Group: Maui Grown Therapies (November 9, 2016), Aloha Green (December 14, 2016), Lau Ola LLC (January 25, 2017), Green Aloha (March 1, 2017), and Pono Life Sciences (April 12, 2017).

Notices and minutes of Working Group meetings, as well as background resources, meeting materials, and copies of presentations at meetings are publicly available at <http://www.publicpolicycenter.hawaii.edu/projects-programs/act230.html>

#### IV. ACT 230 WORKING GROUP SUBCOMMITTEES

During its first two meetings, members of the Working Group identified and discussed topic areas the Working Group would focus on over the next two years. After developing a list of approximately thirteen topics, UH Public Policy Center conducted a survey of the Working Group members to identify the topic areas of greatest interest to the members. The top three topic areas were: (1) education, (2) patient issues; and (3) products. A complete list of the prioritized topic areas of the Working Group, as of November 19, 2016, is attached as Appendix B to this report.

Based on these top three topic areas, the following subcommittees were designated with the respective Working Group members volunteering to lead the work of the subcommittees:

- (1) Education Subcommittee – Stacey Kracher, APRN Rx;
- (2) Products Subcommittee – Michael Takano; and
- (3) Patient Issues Subcommittee – Carl Bergquist.

A Lab Practices and Testing Subcommittee to identify best practices and testing standards adopted in other states to ensure safe testing and certification consistency was also designated. This subcommittee is being led by Representative Belatti.

The Subcommittees are tasked with gathering information about their specific topics, identifying issues, recommending solutions with respect to these topic areas, and presenting their findings and recommendations to the Working Group for further consideration. It is anticipated that through the work of the Subcommittees, the larger Act 230 Working Group will be able to more efficiently gather and analyze information about best practices and developments in other jurisdictions, identify issues and possible solutions, and present recommendations for the entire Working Group to consider for its final report to the Legislature.

#### V. NEXT STEPS

The Working Group will continue to meet throughout 2017 and 2018, completing its work on June 30, 2018. At this time there are no specific findings or recommendations by the Working Group for the 2017 Legislature. The Working Group will present a Final Report of its findings and recommendations, including any proposed legislation, twenty days prior to the convening of the Regular Session of the 2018 Legislature.

## APPENDIX A

### ACT 230 MEDICAL MARIJUANA LEGISLATIVE OVERSIGHT WORKING GROUP MEMBERS

- Keith R. Ridley, Chief, Office of Health Care Assurance, and alternate Margaret Leong, Supervisor, Medical Marijuana Dispensary Licensing Program, Department of Health, State of Hawaii
- David J. Rodriguez, Special Assistant, and alternate Robert S. K. Lee, Airports Division, and alternate Karen G. Kahikina, Highway Safety, Department of Transportation, State of Hawaii
- Senator Roz Baker, District 6 (South and West Maui), Chairperson, Senate Committee on Commerce, Consumer Protection, and Health
- Representative Della Au Belatti, Esq., District 24 (Makiki, Tantalus, Papakolea, McCully, Pawaa, Manoa), Chairperson, House Committee on Health
- Senator Kalani English, District 7 (Hana, East and Upcountry Maui, Molokai, Lanai, and Kahoolawe), Senate Majority Leader
- Representative Joy San Buenaventura, District 4 (Puna), Vice Chairperson, House Committee on Judiciary
- Jon-Paul Bingham, PhD, Associate Professor and Graduate Chair, University of Hawaii College of Tropical Agriculture and Human Resources, and Thomas A. Willis, PhD, Interim Director for Research, University of Hawaii Cancer Prevention and Control Program
- Carl Bergquist, Executive Director, and alternate Wendy Gibson, RN, Drug Policy Forum of Hawaii
- Greg Yim, MD, Physician participating in Hawaii's Medical Marijuana Program
- William Jarvis, Qualifying patient over the age of 18
- Jari Sugano, Parent of a qualifying patient under the age of 10
- Stacy Kracher, APRN Rx
- Christopher Garth, Executive Director, Hawaii Dispensary Alliance, Resident of the City and County of Honolulu
- Thayne Taylor, Hawaii Dispensary Alliance, Resident of Kauai County
- Richard Ha, Lau Ola, LLC
- Michael Takano, Pono Life Sciences
- Allison Park, Laboratory representative
- Major Calvin Tong and alternate Lieutenant Patricia Wilson, Honolulu Police Department
- Michael Contrades, Deputy Chief, Kauai Police Department

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## **APPENDIX B**

### **MEDICAL MARIJUANA LEGISLATIVE OVERSIGHT WORKING GROUP** **ACT 230, HB 2707, SESSION LAWS OF HAWAII 2016**

#### **Potential Subcommittee Topics for Prioritization (as of Nov. 19, 2016)**

1. Education
  - Physician and APRN education
  - Patient education
  - Industry training for staff employed by dispensaries
  - Education for law enforcement officers (i.e. drug impairment training for law enforcement professionals, update training on current medical marijuana laws)
  - Education clarifying what is or is not allowed (i.e. transport of marijuana in cars, airplanes, etc.)
  - General public education
  - Identify partnerships (i.e. Cancer Consortium, medical associations) to encourage greater public education
2. Product
  - Expanding products to include edibles
  - Consider advertising and packaging concerns related to edibles
  - Expanding sales to include seeds and clones
  - Expanding products to include medical devices and other consumer products
3. Patient Issues
  - Speeding up and improving the patient application and certification process
  - Prioritizing the neediest patients for certification
  - Reviewing and/or updating qualifying conditions
  - Patient comfort and safety in the physical design of dispensaries
4. Research Needs
  - Medical and agricultural research
  - Growing and processing
  - Product research
  - Gathering data from other states
  - Social science research including understanding attitudes, beliefs, and perceptions
  - Integrating and encouraging UH to engage in research

5. Transportation and Accessibility Issues
  - Delivery options for patients
  - Interisland transportation of medical marijuana beyond limited lab exception
  - Transporting medical marijuana via aircraft (DOT/Airports) or watercraft (DOT/Harbors) through areas under federal jurisdiction
  - Address public safety and security concerns with increased usage of medical marijuana
  - Identify safety initiatives for highways (i.e. increasing awareness of impaired driving and offense of Operating a Vehicle Under the Influence of an Intoxicant) or public education efforts to address safety concerns
6. Lab Practices and Testing
  - Identifying best practices and testing standards adopted in other states
  - Ensuring safety testing and certification consistency
7. Department of Health Organizational Issues
  - Capacity
  - Organizational structure
  - Staffing, resources, and budget
8. Marketing and Advertising Issues
  - Examine current law for standards and prohibitions against advertising
  - Consider how statutes may be changed to allow for advertising
  - Review how advertising and mail through US Postal Service is allowed for hemp products
9. Caregiver Issues
  - Need to revisit or amend 2018 caregiver cultivation prohibition
  - Understand and develop recommendations around “card stacking”
10. Reciprocity
  - Identifying issues for implementing reciprocity
  - Recommendations for implementing reciprocity
  - Education for tourists on law and regulations, what is and isn't allowed (i.e. transport of medical marijuana in cars, airplanes, cruise ships, etc.)
11. Banking Options and Solutions
12. Funding
  - Tracking general fund and tax revenues from dispensaries
  - Identifying funding for general public education
  - Identifying funding for law enforcement training
  - Funding to establish and run state forensic toxicology labs and local labs
13. Dispensary License Issues
  - Revisit horizontal vs. vertical production-distribution model
  - As data is collected, identify whether there is need to add licenses

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