



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

Meeting Minutes

DATE: Wednesday, July 19, 2017  
TIME: 1:00 – 3:00 pm  
PLACE: Conference Room 329  
State Capitol  
415 South Beretania Street

**Working Group Members & Presenters in Attendance:**

Jose Barzola, Facilitator, UH-Manoa Public Policy Center  
Senator Rosalyn Baker, Co-Chair  
Representative Della Au Belatti, Co-Chair  
Senator Will Espero  
Representative Joy San Buenaventura  
Carl Bergquist, Drug Policy Forum of Hawai'i  
John-Paul Bingham, University of Hawai'i, College of Tropical Agriculture  
Michael Contrades, Kauai Police Department  
Christopher Garth, Executive Director, Hawai'i Dispensary Alliance  
Wendy Gibson, RN, Drug Policy Forum of Hawai'i/Medical Cannabis Coalition of Hawai'i (alt.)  
Richard Ha, Lau Ola, Dispensary Industry Representative (Hawai'i County)  
Bill Jarvis, Patient  
Karen Kahikina, Department of Transportation, Highway Safety (alt.)  
Rob Lee, Department of Transportation, Airports Division  
Greg Yim, MD, Pediatric Neurology  
Keith Ridley, Hawai'i DOH, Office of Healthcare Assurance  
Scottina Ruis, Hawai'i DOH, Medical Marijuana Registry Program Coordinator  
Michael Takano, Pono Life Sciences, Dispensary Industry Representative (Maui County)

**Working Group Members Participating via Teleconference:**

None

**Introduction of Members**

Welcoming remarks made by Jose Barzola followed by brief introductions of Working Group members present in person and by phone.

**I. REVIEW OF 4/12/17 AND 6/7/17 Meeting Minutes**

Tabled until August 2017 meeting.

## II. 2017 LEGISLATION REPORT

Representative Belatti reported that Governor Ige signed all three medical cannabis bills that were forwarded to him for consideration: HB 1488, Act 41, Relating to Medical Marijuana; HB 1501, Act 72, Relating to Drug Paraphernalia; and SB 786, Act 230, Relating to Medical Marijuana. These bills in their final forms and with related legislative history, drafts, committee reports and testimony are available at [www.capitol.hawaii.gov](http://www.capitol.hawaii.gov).

## III. DISPENSARY PRESENTATION: HAWAII ETHOS (HAWAII ISLAND)

Bill Richardson (CEO), Zachary Taffany (COO), Chris Widden (President), and Lucas Reed (Chief of Staff) provided a presentation on the status of Hawaii Ethos, timeline, milestones, education/training materials and industry challenges. Their presentation is available at:

<http://www.publicpolicycenter.hawaii.edu/projects-programs/act230.html>

Following Hawaii Ethos' presentation, Working Group members engaged in the following question and answer session with Hawaii Ethos' representatives:

- Q: What is some of the research Hawaii Ethos is engaged in? What are you hoping to accomplish with that research?
- A: Hawaii Ethos has been looking at derivatives and looking at different methodologies and different applications of the products. We have been researching alternatives to smoking for every qualifying condition allowed by the Department of Health (DOH). We understand that a large number of customers will be looking to purchase cannabis in a form in which they are accustomed to (i.e., smoking). However, we are interested in addressing customers who are looking for alternatives to smoking and this is where their research has been focused. In addition, the holy grail is absolute dosing requirements which they can use to very specifically schedule the dosing for each type of patients. This would tie into their software product which they are trying to build which would employ interactive methodologies allowing patients and physicians to interact with each other so they can compare notes
- Q: Have you been able to take advantage of any research or any application development work done overseas?
- A: Yes. America is behind in this field but other countries such as Israel are a resource center for the United States. The fact that cannabis is a scheduled substance has restricted research. Information is lacking within the United States. They have been working closely with UH Hilo but there have been roadblocks affecting UH's involvement due to the university's fear of federal intervention.
- Q: What are the challenges posed by the black market and what are you doing about the black market?
- A: The goal of the regulatory system is for qualified patients to use medical cannabis and to ensure that medical cannabis goes to the patient. But dispensaries also cannot control the product once it leaves the dispensary's control. A concern is that initially dispensaries will be selling mostly to people who are reselling. We estimate that as much as 80% of sales will be re-selling what is purchased from them at first. We are keeping an eye on the black market so that we can get close to it in terms of pricing. The black market on Hawaii Island is fairly large.

- Q: Do you think your pricing is realistic or are there other issues with pricing? Is the pricing sustainable?
- A: Our research shows that it will take a decade for the cannabis market to slowly migrate to something that looks like a commodities market. As rules loosen and we move toward de-scheduling, prices will come down and black market activity will come down too. Additionally, we do not want dispensaries to be restricted to just the affluent. Free access has to contain an economic component where everyone can afford the medicine they need.
- Q: Without the black market, what would pricing schedule look like?
- A: \$15 per gram and \$250 are the prices we are aiming for. This would be on par with what we see in the black market. If the black market can sell it for less, they are afraid that people will buy there instead. The black market does not have the safety features that the dispensaries have. Patients cannot be sure who is growing it, and they do not know its quality.
- Q: Given the geography of Hawaii island how are you looking at the transport issue? Additionally, on the mainland, they have seen a larger sale of edibles than they had anticipated and in some areas more edibles are sold than flower. If Hawaii adjusts our laws to allow sale of edibles will you be able to shift production to produce edibles?
- A: Answering the second question first, given the size of their facility it should not be a problem for Hawaii Ethos to shift their production in order to produce edibles. However, they are not fans of edibles due to the dangers with over consumption of edibles and children getting a hold of them.

In answer to the first question regarding transportation, Hawaii Ethos does not really have an answer to that but Hawaii Ethos would love to have, in conjunction with Richard Ha's company, the ability to place a dispensary in the Waimea and possibly Ka'u area to get closer to the population center of users there. Additionally we have conducted discussion with security officers of hotels on the Kona coast last week, who have been fielding a large number of questions from tourists about how to gain access to medical cannabis. Although they could not provide an answer to these security officers, it is an indication that this will become a hot topic in the future.

- Q: Has Hawaii Ethos had positive results in your educational outreach to the community in terms of directing people away from the black market or at least familiarizing them with the products that Hawaii Ethos will be providing?
- A: This is a difficult answer to quantify. We have put in a lot of effort on providing informational tools for dispensary workers. Additionally, we just began a physician outreach program. We are providing physicians with pamphlets on how to navigate the process as a first step. Response has been good with about 20% of physicians indicating interest in these pamphlets.
- Q: Is there anything that this Working Group, legislators or the DOH can do to encourage increased participation for professional and community outreach?
- A: There are still a lot of physicians opposed to medical cannabis. Because of this, we are putting a lot of effort into creating a statistical model which we can use to provide physicians information on the best use of cannabis for their patients. Hawaii Ethos feels that this will go a long way to helping with that.

Comment from public: Education is desperately needed but it may not be best for that to come from the dispensary licensees.

Response: Hawaii Ethos is open to collaborating on education and providing support.

- Q: Will your dispensary be looking at a system to help patients that might be new to medical cannabis with determining what an appropriate dosage is for them or for providing information on how to use the medicine they are purchasing?
- A: Definitely, it is our primary effort. The need for education is the reality of this industry and part of Hawaii Ethos' work is to bring medical cannabis out of the shadows and into the light. We have done good work with the cannabis counselor training but it is not a long term solution. We have also been working on building software on the website so that patients can share information.
- Q: Going back to your discussions with security personnel at hotels and tourists, is January 1, 2018 the earliest that reciprocity will be available if the rules are in place?
- A: Per DOH, that would be the earliest for reciprocity. Until then, dispensaries would let patients know they need to find a Hawaii state physician to certify their condition and get a card.
- Q: Will Hawaii Ethos be able to accommodate the allowed 5,000 plants per HB 1488, Act 41? Has Hawaii Ethos had discussions with DOH about growing 5,000 plants as this was added to the law to address shortages?
- A: Yes, Hawaii Ethos' facility can accommodate. Have not had inspection yet but should take place soon.
- Q: Does Hawaii Ethos share same recommendation as Manoa Botanicals that the 100 mg THC limitation is an impractical amount?
- A: One of the best things about medical cannabis is that it works for so many different types of conditions. 100 mg is sufficient for many of them but there are some conditions where 100mg would be very insufficient and would leave out some patients. This limit does not allow Hawaii Ethos to help these people much.

#### **IV. DOH MONTHLY UPDATE**

DOH representatives (Keith Ridley and Scotti Ruis) presented an update of the two parts of the DOH Medical Marijuana Program: (1) the Medical Marijuana Patient Registry Program; and (2) the Dispensary Program, followed by questions and answers with Working Group members. Mr. Ridley also distributed two handouts that are available at <http://www.publicpolicycenter.hawaii.edu/projects-programs/act230.html>.

##### **Patient Registry Program Update**

- 17,500 registered patients as of end of June 2017 and 1,300 registered caregivers. This patient number constitutes a 3% increase over the last period so our numbers continue to grow.
  - Turnaround time for issuing cards is currently five business days. Will continue to make efforts to improve upon that.
  - To review updated patient counts within the registry program, the public can visit the DOH website address on the report.
  - Also included in DOH handout is information from the website that shows registry program information as of the end of June 2017.
- Q: What period of time is meant by "prior period" in terms of the 3% increase in registered patients?
- A: Period of comparison is end of May 2017 versus end of June 2017.

Q: Growth in number of patients reported by the media indicated a larger growth on Oahu as compared to Hawaii island. Based on the data DOH keeps, can you tell us specifically where this increase on Oahu is coming from (registering plants, registering for specific conditions or general across the board)?

A: DOH data is not broken down in this way. In general, DOH has felt that with the larger population on Oahu, the opening of dispensaries would lead to the largest growth occurring on Oahu, which is what we are seeing now. However, DOH is not certain that this is due to opening of dispensaries. DOH does know that most registered patients register a grow site because if they are caught with a plant they would be in violation of the law. DOH will keep an eye on these grow site numbers and report back to the Working Group. The types of conditions have seen increases across the board with the exception of PTSD which has seen a larger increase since it was newly added in 2015.

Q: Some diagnoses and symptoms are lumped together. Should they still be lumped together or separated?

A: This is hard for DOH to say but DOH knows that laws that were passed last legislative session pulled out two conditions (multiple sclerosis and epilepsy) where there can be a diagnosis and not symptoms. DOH has not received feedback from physicians along those lines regarding confusion with diagnosis and symptoms being lumped together.

Q: Knowing that reciprocity is coming and that out-of-state patients will be coming into this jurisdiction, do you have any recommendations on how to best identify those patients for the subcommittee?

A: The way that reciprocity is currently worded in statute speaks about not just registration but verification. Patients would not only have to present documentation to DOH that would allow them to validate their registration in another state, but DOH would have to have a process to register them into DOH's system.

In theory this sounds good, but the time it would take to verify will be a challenge. DOH anticipates that it will not be easy to verify with other states due to privacy interests. For example, DOH would not respond if called about a patient's status due to confidentiality. Due to this requirement, it is a problem for the limited number of DOH staff to verify a patient's status in the other 29 states.

Additionally, condition types between Hawaii and these states are not aligned. It would be a challenge to give a patient with a condition we do not recognize the authority to purchase medical cannabis if we do not allow our own residents who have that condition. Maybe this is something the subcommittee can discuss.

Representative Belatti commented that with the knowledge of DOH's understaffing, we should look at our community partners and see if dispensaries themselves can assist with the verification and registration process. Instead of patients verifying directly with DOH, out-of-state patients could verify with the dispensaries themselves. There should be a way for us to accomplish this that is cost efficient and not overtaxing on the DOH staff so that the staff can continue to focus on registering new patients.

Q: Can the software system used by the dispensaries to track plants be used for registry and verification purposes as mentioned by Representative Belatti?

A: The system does have registry capability but we do not use it for that as DOH has another system to track patients. This is something that can be explored.

Q: If physicians in states are qualifying patients for a condition, why would DOH then need to determine if that condition is justified in Hawaii in regards to reciprocity? For other medical diagnosis when a physician makes that diagnosis, we would not question the diagnosis when the patient travels to Hawaii.

A: That is one of the questions about reciprocity that DOH is aware of, along with patient privacy and the question of whose rules would apply home state or host state.

Dr. Yim commented that it does not need to be that qualifying conditions from our state match the qualifying conditions in the person's home states. Rather, what's significant is whether the out-of-state patient has a physician-patient relationship in which the physician has made the certification.

Q: Is there a process or method from other states that DOH is looking at for making reciprocity as easy and simple as it can be?

A: Not aware of any particular states that have reciprocity in place yet, but DOH will look into it and borrow what it can.

Comment: Arizona does allow another state's certification to allow delivery of medical cannabis but it does not allow patients to enter dispensaries.

DOH clarified that they are not suggesting that reciprocity should be one way or another but they do have questions that need to be addressed.

Representative Belatti commented that we understand that there are many questions regarding reciprocity and that is definitely something that can be looked at by the sub-committee.

### **Dispensary Licensing Program – Lab Update**

- DOH is continuing to receive submission of validation studies for laboratories.
- DOH has active and open communication with laboratories they are working with on certification. This line of communication is helping build a very good working relationship as labs move toward certification.
- Report that was distributed includes details regarding laboratory certification and dates and times of validation studies.
- There is a good chance of having a provisionally certified lab by end of July or even by end of next week.

Q: Please define what DOH means by “provisionally certified”?

A: Provisional certifications are being given to labs who are certified for only certain tests. Once they have verification on all tests then that lab can be fully certified. Because of this some of the products being sold might have to go through multiple labs for testing if there is no one lab certified to do all the tests. This is being done in the interest of allowing the labs to begin testing soon.

Dr. Chris Whelan, State Lab Director, joined the Q&A session to expand on this process: Provisional status is included in the Hawaii Administrative Rules intentionally because DOH believed the certification process would take some time and did not want to expect perfection at the outset. The provisional status will include additional monitoring and conditions for which DOH will provide additional oversight to ensure that the labs are being successful. This provisional certification does allow labs to do regulatory testing.

Q: In a May 11 article from Hawaii News Now, it was reported that DOH has said that labs would be certified by June 2017. What happened to cause this delay until the end of July 2017?

A: DOH was misquoted by the news regarding labs being certified by June 2017. DOH has consistently explained that labs would be certified by summer 2017, not by June 2017.

Q: Can you explain the effect of the state law states that DOH “may” and not “shall” certify labs?

A: The law correctly states that DOH may certify labs. There have been situations where other states have not tested cannabis products and there have been serious consequences. DOH has seen a number of news reports regarding this, and certification of labs is one way to ensure that the products sold in the State are safe.

Senator Espero commented that there are concerns about over-regulation and that the State is going above and beyond what we have to do. Tens of hundreds of thousands of dollars are being lost due to this delay.

Dr. Whelan commented that a recent review of available information for standards that used in other states reveals that those standards or proposed standards in almost all of the states (CN, NH, NY, CA, CO, MA, IL, MI and NV) are standards substantially similar to the standards being used in Hawaii.

Q: What is your perspective on the timeline for laboratories who have not completed all the areas of certification and please also address the staffing issue which one of the labs has (as noted in DOH report that was distributed)?

A: Just because data has not been submitted does not mean those labs are not making progress. DOH has reason to believe that the labs are making progress based on the conversations they are having. However, until labs have submitted for the evaluation on those sections, DOH cannot make any notation on it. Turnaround time for evaluation is as fast as they are able to do it and Dr. Whelan's staff has made it a priority. For the staffing issue, that lab has staff identified but they want to get closer to providing testing services before they incur staffing obligations.

Q: DOH report mentions: “only spike before extraction” and “only spike after extraction.” What does this mean and how important is it?

A: A good example of what these indicators refer to is in dosing. If the efficiency of cannabinoids is low or undefined then you run the risk of significantly overdosing the product. It is important that you know if there is poor extraction efficiency so that it can be factored in during calculations.

Q: How does this extraction efficiency notation relate to pesticides as there are similar comments regarding contaminants?

A: As an example, say there are 100 units of a pesticide in your sample but your extraction efficiency is known to be 50%, the test will only show 50 units out of a 100 resulting in an underestimation of that pesticide.

Q: Is the intention of the provisional license to get a safe product to the shelf as quickly as possible?

A: When the rules were written, they knew it would take time for the labs to get their full ISO accreditation and to meet quality standards. The provisional certification is for when there is enough evidence that the lab can reliably provide accurate data. It is the minimum standard to safely test the product with an expectation that labs will get better in time.

- Q: If that is the case, why can't we just lower the standard to this provisional point instead?
- A: Laboratories are complicated organizations and there are examples of how part of your quality systems can be moved each day, week, month of use in the quality control process and it is designed to protect the testing process. The provisional certification, while it indicates the lab is ok, still has some risks which is why labs are being monitored during this provisional certification. A much better body of evidence is what advances a lab to full certification.
- Q: If a lab has provisional status but is missing parts such as microbial or heavy metal testing, would a dispensary then need to go to another lab to obtain those portions?
- A: If a lab is certified for some analytes but not all, then a dispensary would have to obtain services from a separate lab certified for those analytes.
- Q: The law states that if there is no certified lab within the county, dispensaries are allowed to transport to a different county for testing. Is this true for the situation where a lab is only provisionally certified?
- A: Yes. This was included in the omnibus bill.
- Q: Are there protocols for transporting product between counties?
- A: Protocols are being drafted now with the Attorney General. DOH is expecting that packing and chain of custody requirements will be similar to what is being done for transport from production to retail facilities.
- Q: What do you see as some of the bottlenecks in the analysis and time throughput to get the answers to these dispensaries as they submit materials?
- A: In general, after DOH, the labs, and the dispensaries optimize and eliminate the bottle necks associated with the testing process, new bottlenecks will be defined and identified at the pre-analytical phase (accessioning and aliquoting of the specimens) and at the post-analytic phase such as reporting which the BioTrack software should take care of. Due to the numerous different methods for testing, it is difficult to guess what the operational throughput will be for each of the lab applicants.
- Q: Seems like DOH is looking at reliability and consistency of the labs. Is there a target percentage that the labs are shooting for?
- A: In concert with the labs, DOH has reissued some of the guidance on one of the limitations on the testing process. Some of the testing areas use a lot of product to do some of the testing such as salmonella or e-coli so they issued guidance to all the applicants that there are a few ways to overcome this problem. This was done in conjunction with and after it was brought to DOH attention by one of the labs. Processes are not as simple as stating a set percentage, the labs will indicate their performance metrics ahead of time and it is a case of hitting those metrics. In some cases, some of the metrics were not what the labs had expected and they have had to go back and forth with those labs to clarify with them.
- Q: Are all the labs following the same microbial processes or is each lab working with the department separately to work out their process?
- A: It is up to each lab to work with DOH to develop their processes and that each lab can meet those targets.

Representative Belatti commented that she really appreciates hearing terms of provisional certification, the firm dates, and that DOH has allotted nine staff members to this project. However,

she pointed out that there is an urgency and HB1488 gives DOH some flexibility so that they can take standards from other jurisdictions for guidance. The Hawaii facilities are high quality centers which are producing medicine now and we need to get this product to patients now. Representative Belatti urged that DOH continue to work towards lab certification so that patients can get product from dispensaries and the State and this Working Group can start to get data needed to move the dispensary program forward.

Q: Is there anyone in DOH looking at how we will get access to these labs for individual patients?

A: The expectation is that patients will be able to take their samples if they so desire to any certified labs. The standards would not be the same as for dispensaries. Once these labs have been certified, patients can take their cannabis to these labs for testing.

Q: Can sales of product take place without testing taking place?

A: No, the statute requires testing prior to sale.

### **Dispensary Licensing Program – Dispensary Status Update**

- Wanted to cover two things regarding dispensary. First, Green Aloha on Kauai is about to proceed with cultivating and the third dispensary on Oahu, Cure Oahu, has completed their DOH inspection and DOH is waiting for them to obtain their certificate of occupancy in order to proceed with cultivation. Once this takes place, it would mean six of eight licensees are at least beginning or will be well into cultivation.
- On the Big Island they know the two licensees are actively working on their production centers. DOH has been a part of the permitting process which has been going through the county. DOH environmental staff has signed off on some of these projects so they know that it is progressing.

Q: What is the distinction on the report for retail locations that indicate "no plans" and "no site?"

A: Some of the licensees have identified where they might want to place their second location and have given DOH the TMK in order to inspect the site, but have not acted yet. Some licensees have an idea of where they might place these second sites but have no specific plans at this point. Green Aloha is only looking at one location currently and has not notified DOH about a second site yet. "No Plans" are further along than "No Site."

- DOH is continuing to do registry integration and volume testing on the Seed to Sale tracking system. They have put a large amount of test data through the system in a test environment and will be doing live environment testing over the next few weeks in anticipation of "go live" with live patient information. DOH is also doing this with the labs as far as their ability to set up in the tracking system with their lab results. They are looking at a simultaneous "go live" of enabling both lab certification and retail utilization of the tracking system in the next few days.
- Have drafted protocol for lab testing transportation with the Attorney General. Protocol will include chain of custody requirements and they will employ the packing and manifest requirements already in administrative rules. Will allow transport by either a dispensary or lab staffer. They have tried to allow for flexibility as opposed to the previous statute that stated that product could only be handled by dispensary employees.
- They have been discussing with DOH Deputy AG and Narcotics Deputy AG about lab to lab transportation. They do not anticipate a problem with lab to lab transport such as a satellite lab receiving testing material and sending it to their main lab.
- DOH has received a number of media request for access for production and retail centers but at this time they are not allowed. Statute limits who has access to the retail and production facilities.

- A few weeks ago there were concerns about worker's compensation but dispensaries have been able to obtain worker's compensation coverage from other providers. They are not aware of any licenses who have had problems obtaining worker's compensation coverage.
- The handouts include information from Washington State regarding changes to their marijuana advertising laws. Please be aware that other states are looking at changing their advertising laws.

Q: Given the recalls that have taken place in other states, what oversight are we looking at DOH or it's role in correcting or pinpointing situations such as this?

A: That's why our labeling requirements are so stringent. Labels must indicate what dispensary which production center, the strain as well as which lab conducted the test. This information would allow them to go back to the source to correct the situation.

Q: Should this happen, what resources will DOH use to respond?

A: DOH will do their best with the staffing they have at hand to respond to the situation.

Q: Does our law require that the dispensaries use the lab on their island or can they use labs on other islands if they choose?

A: Transport off island for lab testing can only take place if there is no lab on that island or no lab that can do the specific tests.

## V. SUBCOMMITTEE BREAKOUT DISCUSSIONS & REPORT BACK TO WORKING GROUP

The working group broke up into the different sub-committees for 30 minutes to have their discussions on specific topics. The Sub-Committees are: Education, Products, Patients, Reciprocity and Dispensary License.

### SUBCOMMITTEE REPORTS

- A. **Reciprocity Subcommittee:** The Reciprocity Subcommittee discussed the purpose of reciprocity, i.e., recognizing the medical needs of patients coming in to our jurisdiction or developing economic benefits of reciprocity.
- The consensus of the subcommittee is that it is a little bit of both with a strong emphasis on allowing access to medicine by patients.
  - The subcommittee will be discussing the possibility of education about reciprocity with groups who have a strong interest in reciprocity such as hotel staff. DOTAX staff participated in the subcommittee discussion and will provide insights on the possibility of imposing a fee on out-of-state cannabis patients which the subcommittee is considering.

Q: Is the subcommittee looking at a January 1, 2018, for reciprocity?

A: This will be a topic for discussion with the subcommittee.

Q: Assuming that out-of-state patients would need to get registered and certified quickly, can DOH create an expedited process for these out-of-state patients?

A: This is a topic the subcommittee is discussing.

Q: Is the subcommittee looking into where out-of-state patients could use the medicine when they are staying at hotels and condominiums?

A: The subcommittee will look into this topic too

- B. Product Subcommittee:** The Product Subcommittee is working to identify areas that may need to be revised either in the statute or in the Hawaii Administrative Rules.
- The first area the subcommittee is looking at revising is labeling and how do dispensaries fit the large amount of information required on the label. The subcommittee has discussed inserts as an option and the possibility of including photos/pictures depicting use of the product on either this insert or on packaging.
  - The subcommittee is also looking at some other products that might be manufactured such as transdermal devices and sublingual products.
  - The subcommittee also began discussing edibles. The subcommittee will research other states who have already done work on laws regarding edibles and look at tailoring those laws to Hawaii. Oregon would be one state which the subcommittee looks at in terms of their edibles law.
- C. Dispensary Licensee Subcommittee:** The Dispensary Licensee Subcommittee had a productive meeting and has identified challenges that licensees are facing.
- The subcommittee feels that the Attorney General’s DOH assignee should be engaged to discern if the standards use for the selection of the current licensees are able to withstand court scrutiny before we begin accepting new licensees. The subcommittee would appreciate DOH responding by the next meeting on the status of the lawsuits by applicants who were not awarded a license.
  - The subcommittee is reviewing the possibility of licenses for production facilities as opposed to the vertically integrated licenses which have already been awarded. These productions licenses would allow dispensaries to have a variety besides their own; allow small farmers to participate in the industry; would address possible anti-trust issues which we may see in our current vertical integration model; and would allow dispensaries to be able to farm out the expense of production. Some challenges to this horizontal integration would be a bottleneck at DOH due to lack of staffing to review new licensee applications and concerns from current licensees that more product in the market would lead to their inability to recoup costs. There is definitely a need for more discussion.
- D. Patient Subcommittee:** The Patient Subcommittee met prior to the Act 230 Working Group meeting because members belong to several subcommittees. They divided the tasks of reviewing different areas (on-island delivery, inter-island transportation, patient discrimination) among sub-committee members. Members will be looking at different states for best practices and make recommendations for which laws or rules need to be changed, or if there is not way to accommodate these changes.
- E. Education Subcommittee:** The Education Subcommittee distributed a survey to 29 of their identified stakeholders but received a very poor response so the members reviewed how they could improve the survey.
- After discussing issues with the survey, the subcommittee decided to adjust the survey in order to make it clear that the questions are attempting to find out from these stakeholders what they would like to learn about the medical cannabis program so that the education material can be tailored to their needs.
  - There was good discussion about current perceptions of medical cannabis and how they can work with law enforcement.

- Law enforcement is also not educated on current laws regarding medical cannabis especially in light of the fact that the laws have been changing. We need to identify how we can rectify this.
- Tours of the dispensaries are also important to help change the perception of dispensaries to that of a pharmacy as opposed to a pot shop.

## VI. QUESTIONS AND COMMENTS FROM THE PUBLIC

Q: A gentleman who owns a company that assists patients in obtaining medical cannabis asked what can be done for patients who are infirmed and who cannot enter a dispensary on their own? Would it be possible for caretakers to accompany these card holders or for dispensaries to provide non-ambulatory assistance for these patients? Additionally they service numerous infirmed patients at their residences who are having issues because they do not have any form of identification. How can he help them?

A: In legislation that was recently passed, it does allow for patients who need assistance to enter a dispensary to have someone assist them. Only one person will be allowed to assist them per the law. In regards to the question regarding homebound person, the working group will look into that. For the identification issue, the patient sub-committee will look into that.

Comment: Michael Rawlins of Pharmedlabs Hawaii commented that he has concerns regarding provisional lab certifications that DOH spoke about earlier. His concern is that if DOH is giving out provisional licenses that only cover portions of the testing, and that this provisional status creates a riff which will create a monopoly. As an example, if he set-up on a full service lab on Maui and no one else is on any island and he sets up kiosks to accept samples and ship them to his lab on Maui the opening of a provisionally licensed lab in those areas will push him out. Would like the law re-written to prevent that as it will allow more labs to be functioning and not take away a prevision. Would also ask for the Lab sub-committee to re-start.

Comment: Patient who is suffering from EDS which causes her constant pain was told by her doctors to look at medical marijuana as previous medicines were causing problems for her. Medical Marijuana worked wonderfully for her. She obtained her card here in Hawaii in anticipation of the dispensaries opening. That was a year and a half ago and has been attempting to grow her own. Wishes there were edibles as the dosing is easier. Asking for dispensaries to open and to complete the lab certifications after. Dispensaries are high quality and she would like for these dispensaries to open.

Comment: Terri Heede expressed that patients have been waiting for a long time and they want the dispensaries now. Patients have waited long enough.

Q: Tai Chen of Aloha Green wanted to clarify what DOH said about provisional licensing for labs. DOH commented that they are expecting in next week and next month.

A: Dr. Whelan said that provisional means you can do all the testing but doing it under additional monitoring. Like a driver's permit, you can drive but there is requirement of additional monitoring. Provisional lab license means that they can test but they will be doing so under additional supervision. They are very anxious to get the labs certified so they have allowed these provisional licenses. You can only test for things that you have been certified for. You would still need to obtain all the testing so samples may have to be sent to multiple labs. Per DOH does feel that their estimate of a lab opening in the next week but it is still dependent on the lab meeting all the requirements.

**VII. WORKING GROUP DISCUSSION ABOUT FURTHER INTERIM WORK**

- Subcommittees will continue their work.
- August meeting will be on August 23, 2017 at 2:00 PM.