



MEDICAL CANNABIS LEGISLATIVE OVERSIGHT WORKING GROUP
ACT 230, HB 2707, SESSION LAWS OF HAWAII 2017

Meeting Minutes

DATE: Tuesday, November 21, 2017
TIME: 1:00 - 3:00 pm
PLACE: Conference Room 329
State Capitol
415 South Beretania Street

Working Group Members & Presenters in Attendance:

Representative Della Au Belatti, on behalf of Co-Chair Representative John Mizuno
Carl Bergquist, Drug Policy Forum of Hawai'i
John-Paul Bingham, University of Hawai'i, College of Tropical Agriculture
Richard Ha, Lau Ola, Dispensary Industry Representative (Hawai'i County)
Garrett Halydier, CEO, Hawai'i Dispensary Alliance
Karen Kahikina, Department of Transportation, Highway Safety (alt.)
Stacy Kracher, APRN/RX
Alyssa, "Ally" Park, President, Clinical Labs of Hawai'i
Keith Ridley, Hawai'i DOH, Office of Healthcare Assurance
Michael Takano, Pono Life Sciences, Dispensary Industry Representative (Maui County)

Working Group Members & Presenters Participating via Teleconference:

Michael Contrades, Kauai Police Department
Christopher Garth, Executive Director, Hawai'i Dispensary Alliance
Wendy Gibson, Drug Policy Forum of Hawai'i/Medical Cannabis Coalition of Hawai'i (alt.)
Thayne Taylor, Hawai'i Dispensary Alliance
Patricia Wilson, Honolulu Police Department

I. Introduction of Members

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

II. Review of Meeting Minutes

Review of October 2017 minutes tabled until December 2017 meeting.

III. Department of Health Update

DOH representative (Keith Ridley) presented an update on multiple aspects of the DOH Medical Marijuana Program. Updated DOH report to be added to Act 230 website at <http://www.publicpolicycenter.hawaii.edu/projects-programs/act230.html>

Questions & Answers from Working Group

Q: Just a quick question on the number of patients, in October there were about 220 more than this number, why has it decreased?

A: Typically, what happens is that in the earlier part of the month there will be a decrease in applications for renewal and then they come back up towards the end of the month.

Q: Have you seen an increase in sales towards the end of the month as well?

A: As you know, we are early on, so the data isn't quite complete to make that determination.

Q: Have you been able to find a replacement for the vacant positions at DOH?

A: In the registry area positions are being recruited. We are going through internal and then external recruitment. In the licensing program, we have vacant positions as well, we also have a vacant field surveyor position. Because they are exempt positions we are able to hire someone.

Q: It seems unusual to have such a high number of vacancies. Is this standard for you? I can imagine its having a negative impact.

A: I cannot say whether its usual or not. We have a small program and any vacancy in a small program can have a significant impact.

Q: I am very concerned. You have one person in the dispensary program at this point. What is the timeline for getting that position filled?

A: I don't have a date for you.

Comment: The Legislature provided the Department flexibility to not identify dispensary program staff as civil service in order to be able to hire people and stand up the program. The Department is taking an approach that is making it more difficult to do either. I do not understand how that is a good leadership decision. If you take 2 years to fill the now vacant positions, the Department will have no oversight over this program for the next two years. If you lose your last remaining surveyor, we will essentially have no oversight.

Response: At the time the Department asked for this flexibility and the Legislature granted it to us, we were not in this position. At this time we are not extending the exempt status as the Program will need to be run by civil service positions.

Q: Is there a consideration of looking at the fee schedule and having it be a two or three year rather than a one year renewal?

A: I will take that back to the program to discuss that.

Comment: Mr. Ridley, we created a fund and the industry fees are going into that fund. We want data to track the numbers on the sales. The industry is expecting a certain level of service. These positions are not filled, and I think if they were we could be doing better and work could be getting done faster. If that one surveyor is sick for a day the inspections will not be done.

A: Thank you.

Q: With the certification for pesticide analysis how are provisional certifications being moved to full certification?

A: (Dr. Chris Whalen) Provisional certification means it is subject to greater oversight by the DOH. We do not have a timeline at this point to determine when they will be fully certified, it depends on when the industry gets more mature.

Q: Did you take anything away from the Medical Marijuana conference in Denver?

A: We found great diversity in how jurisdictions are handling their programs. Tax and fee schedules are quite varied. Hawai'i stands out as a leader in lab standards. We compared very well to other jurisdictions.

(Dr. Chris Whalen) There is a very diverse, and in some places substandard, approach to lab testing and certification across the states.

Q: The working group and subcommittees are in the final stages of writing recommendations. Is there anything you can add to some of the hot topics we have been discussing?

A: Nothing about vaping. In terms of reciprocity, there was some concern about confidentiality.

Q: Did you discuss that we do not allow vaping, paraphernalia or edible sales?

A: That was not a big part of the discussion.

Q: It looks like the third lab is on the verge of opening, is that on Oahu?

A: That's correct.

IV. DFI Update re: Cannabis Industry Banking Strategies (Commissioner Iris Takeda)

The following are recommendations from the California Treasurer:

(1) Cash handling for taxes, the recommend the use of armored car services. That is not an option here, but it was in California.

(2) Expanding access to banking services by creating an online portal for banking institutions. I talked to the banking commissioner, she doesn't think that's going to work.

(3) A state backed financial institution like a banker's bank. The treasurer recommended doing a feasibility study.

(4) Full access to the banking system. They call this the federal solution. It would be a multi-state consortium of all the players.

The bank commissioner is working on something similar to a banker's bank. They are holding conversations with correspondent banks in California.

All of the states have a different solution or approach. No one has a perfect solution yet. We continue to host meetings with bankers inside and outside of the department.

Q: What is the process to join the consortium?

A: The California treasurer has reached out to different states.

Q: Are they forming their own infrastructure to form a regional bank?

A: No.

Q: Are we considering the feasibility study?

A: I did a feasibility study for another project in the past, and the start-up costs are a lot, 36 million dollars' state money just in initial capital. That doesn't count employment or other costs.

V. Working Group Discussion & Consideration of Subcommittee Recommendations

The Working Group has reports from patients, education and licensing sub-committees. A decision will be made in the following meeting how to decide on which recommendations to put forth. Decisions can be made by consensus, majority vote, or for issues without a strong majority vote there can be a point – counterpoint debate followed by a second vote. Members will need to be present in person or by phone in order to vote.

A. Education: (Stacey Kracher, APRN/RX)

- Subcommittee report available on the Act 230 website.
- One of the challenges for this subcommittee was that we do not really know what the needs are. Some states mandate and require certification for providers. Committee members discussed whether there was a way to identify or share how more trainings can become CEs or CMEs.
- One committee member commented that these recommendations, particularly around CE, may be too formal. It may be hard to pass requirements for CE that require all providers to do something. Another committee member commented that instead of mandating educational requirements we can ask that people have watched a video or series of videos.
- In the drug driving report, it was noted that language from Department of Transportation was included. A committee member raised a question about the driving statistics and whether we are sure these are only THC related accidents. Committee will have to check on that.
- Several committee members noted that recommendation number five is well worded and commended the committee for their work.
- One committee member noted that a coalition may be needed, or a more comprehensive office, because DOH is not staffed and do not have the manpower or the desire to educate the public or professionals.

B. Patient Issues: (Carl Bergquist)

- Subcommittee report available on the Act 230 website.
- Committee members discussed concerns about the wording in the drug driving section. DOT representative drafted a revision and will share it with Carl. Our recommendation is that patients refrain from operating a motor vehicle while using cannabis, whether it is by education or otherwise, because it does impair critical driving abilities.

The remainder of the subcommittees reports will be taken up at the following meeting.

VI. Questions and Comments from the Public

Comment: I wanted to simply request that before you make recommendations on third party reimbursement that you consider the impact it will have on small pharmacies.

Q: Is there a way for members to get notice of the meeting prior to the day that it's happening?

A: Notices are emailed out to the list that public members have signed up for.

Q: Can we get copies of these reports that you get hard copies of? We have no frame of reference here. No context. I have no time to wait, and I cannot believe the delays we have in this program. Let's have that on the patient's side. My MS is not going away

A: Copies of the reports will be posted on the Act 230 website.

Q: But can we get them prior to the meeting?

A: Not at this time.

Comment: We spoke a little bit last week about cleanliness of home grown marijuana, and it got a lot of attention. So, we are conducting research statewide and will share it with you all. Also, we need to have a way to keep tabs on samples so we don't need to destroy them.

Comment: How do we make progress and help the DOH understand that vaping is not the same as smoking. Is there going to be legislation that clarifies that vaping isn't smoking? Vaping is much less harmful, and the way it is being talked about is outdated.

Comment: Just one complaint about the interface for the medical registry program. Its horrific. The interface sucks. It should be very simple, and it is not.

VII. Next Steps and Announcements

Representative Belatti will send out a doodle poll to working group members to decide on a date for the next meeting.

VIII. Adjournment at 3:00pm.