

**TESTIMONY OF
THE DEPARTMENT OF THE ATTORNEY GENERAL
KA 'OIHANA O KA LOIO KUHINA
THIRTY-THIRD LEGISLATURE, 2025**

ON THE FOLLOWING MEASURE:

H.B. NO. 302, H.D. 1, RELATING TO CANNABIS.

BEFORE THE:

HOUSE COMMITTEE ON CONSUMER PROTECTION & COMMERCE

DATE: Thursday, February 6, 2025 **TIME:** 2:00 p.m.

LOCATION: State Capitol, Room 329

TESTIFIER(S): Anne E. Lopez, Attorney General, or
Andrew Goff, Deputy Attorney General

Chair Matayoshi and Members of the Committee:

The Department of the Attorney General (Department) offers the following comments.

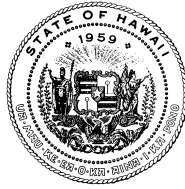
The purposes of the bill are to: (1) remove the requirement that prospective medical cannabis patients meet in person with a physician or advanced practice registered nurse prior to being certified for the medical use of cannabis; and (2) allow applicants or the primary caregiver of applicants to purchase medical cannabis prior to approval by the Department of Health (DOH).

The Department is concerned that allowing applicants for the medical use of cannabis to purchase cannabis before the DOH approves their application could expose ineligible individuals to liability. Legal protections under Hawaii's medical cannabis laws, as outlined in section 329-125, Hawaii Revised Statutes (HRS), apply only to medical cannabis patients who strictly comply with these laws, even if the individual mistakenly believed they were compliant with the law.

Under the proposed bill, an applicant could purchase and possess up to two ounces of usable cannabis before the DOH has determined their eligibility for medical use. If the application is denied, the applicant may already possess cannabis without legal authorization. If that occurs, then the person's possession of the cannabis would be a violation of law, and the bill makes no provision for what happens to that illegally possessed cannabis. We strongly recommend that the bill clarify what happens to the

applicant and the cannabis if the application is denied or otherwise recommend deleting the authorization for an applicant or primary caregiver to purchase cannabis prior to DOH approval found on page 4, lines 7-17.

Thank you for the opportunity to provide comments.



STATE OF HAWAII
DEPARTMENT OF HEALTH
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**Testimony COMMENTING on HB302_HD1
RELATING TO CANNABIS**

REP. SCOT Z. MATAYOSHI, CHAIR
HOUSE COMMITTEE ON CONSUMER PROTECTION & COMMERCE

Hearing Date: February 06, 2025

Room Number: 329

1 **Department Testimony:** The Department of Health (DOH) appreciates the intent of HB302 to
2 reduce barriers to accessing medical cannabis and recommends conforming amendments to do so
3 more safely.

4
5 DOH notes that repealing the requirement for an in-person consultation with a healthcare
6 provider to obtain a certification for medical cannabis conflicts with section 453-1.3(c), Hawaii
7 Revised Statutes (HRS), which explicitly requires an in-person consultation and would need
8 revision. DOH also notes that authorizing online consultations may open access to Hawaii
9 patients to mainland-based telehealth companies, some of which have been under scrutiny in
10 other states for questionable practices, and recommends amending chapter 329, HRS, the
11 Uniform Controlled Substances Act, to limit prescriptions, or in the case of medical cannabis
12 certifications, to those that “shall originate from within the State.”

13 Given that the current processing time for a complete application is 2–3 business days, DOH has
14 concern that authorizing purchases of medical cannabis prior to the approval of their application
15 will cause more potential harm than benefit. Unintended consequences may include:

- 16
- Exposing a subset of patients to arrest for possession of a controlled substance without a
17 physical medical cannabis card;
 - Leading to purchases over the legal limit if an approved patient without a card makes
18 purchases from different dispensaries; and
19

- 1 • Creating inaccuracies in inventory control systems at dispensaries since sales records are
2 based on the unique patient program registration number, which is provided on the card.

3 The Department respectfully requests that this provision be omitted.

4

5 Thank you for the opportunity to testify.



To: Representative Scot Matayoshi, Chair
Representative Cory Chun, Vice-Chair
Members of the House Consumer Protection and Commerce Committee

Fr: TY Cheng, on behalf of Hawai'i Cannabis Industry Association.

Re: Testimony **In Strong Support** on **House Bill (HB) 302 HD1**
RELATING TO CANNABIS

Repeals the requirement that a provider-patient relationship be established in person. Allows applicants or primary caregivers to temporarily purchase medical cannabis after the submission of the applicant's certification form.

Dear Chair Matayoshi, Vice-Chair Chun and Members of the Committee:

The Hawai'i Cannabis Industry Association, represents a majority of the state's licensed medical cannabis dispensaries. HICIA **strongly supports** HB302 HD1 which eases access issues for medical cannabis patients.

When created in 2015, the medical cannabis dispensary laws were one of the most rigorous and strict systems amongst the dozens of states that allowed medical cannabis. Since that time, the nation's landscape and our state's attitudes over cannabis have also changed dramatically such that many states allow for adult use, and our state has decriminalized non-medical use. There is a thriving illicit market that makes it easy and cheaper to access cannabis, and there is now increased availability of THC through hemp-derived products. Yet, Hawaii's medical cannabis system has hardly changed.

This appears to be one of the driving reasons why the number of registered patients has declined 15% over the past 3 years. While HICIA continues to provide safe products that are tracked from seed to sale, 3rd party lab tested against impurities and pesticides, labeled with dosage and warnings – less patients are getting their cannabis from dispensaries due to price and ease.

The purpose of this bill is to ease some of the archaic hurdles in the law that have been in place since 2015 that no longer seem necessary. The laws on telehealth were already revised in 2021 for the parity of in-person and telehealth visits to create a bona fide physician-patient relationship, except for opiates and medical cannabis. That distinction for medical cannabis at this stage appears arbitrary, and the bill proposes to eliminate that difference.



The Department of Health acknowledged in testimony to the House Health Committee that they never deny a qualifying physician's patient approval submitted to the patient registry. Any delay is due to confirming the name and address of the patient and caregiver with the provided identification.

The bill also allows a qualifying patient immediate access to enter a dispensary and purchase a limited amount of medical cannabis upon the Department of Health's registry system recognizing the submission of a complete application. The current 329 program allows a patient to purchase up to 4 ounces of cannabis flower equivalent every 15 days. We support a patient's right to access as little as up to 1 ounce of cannabis flower equivalent (which is only 25% of the allowable allotment) while a patient waits for their 329 card. It is cruel to require a patient to wait with their untreated symptoms after a physician qualifies a patient for medical cannabis use. We must protect and uphold the sanctity of the physician-patient relationship.

Currently, a patient may wait anywhere from 3 days to a week to obtain their medical cannabis card or "329 card" which will then allow them to enter into a licensed dispensary. This delay is often a significant barrier for patients who need their cannabis medication right away. It not only is a possible deterrent to obtain a 329 card, but can also serve to push a patient towards obtaining product from the illicit market. Concerns about law enforcement are overblown as medical cannabis products are clearly labeled and packaged in child-proof containers, and patients are provided with a clear receipt from a dispensary displaying their name and remaining medicine allotment. The bill provides patients with a physical copy of the qualifying physician's 329 card submission approval. This provides adequate legal protections for patients who wish to access much-needed medicine while they wait.

Thank you for the opportunity to testify.



Akamai Cannabis Consulting

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**TESTIMONY ON HOUSE BILL 302 HD1
RELATING TO CANNABIS**

Clifton Otto, MD

House Committee on Consumer Protection & Commerce
Representative Scot Z. Matayoshi, Chair
Representative Cory M. Chun, Vice Chair

Thursday, February 6, 2025 – 2:00 PM
State Capitol, Room 329 & Videoconference

Allowing patients to make a one-time fifty percent purchase of cannabis products from a dispensary simply with proof of registration application submission is problematic for the department and dispensaries.

First the department will need to issue new registry rules under chapter 91, and new interim dispensary rules, to allow one-time purchases, and then change the tracking software to allow dispensaries to recognize an application number instead of a registration number to authorize a one-time purchase. Then, once a registration number is issued, one-time purchase information will need to be reconciled with the patient's new registration number for ongoing purchase tracking. This would be a significant waste of department and dispensary resources.

A better solution for providing immediate access to dispensaries after certification is to make the registration approval process automatic and instantaneous. To this end, please consider removing the one-time purchase language from this bill and adding the following amendment:

§329-123 Registration requirements; qualifying patients; primary caregivers.

(e) The department shall use AI technology to make registration approval instantaneous. In those instances where application errors are detected, the defective application shall be instantaneously returned to the certifying physician or APRN for immediate correction and resubmission.

Please note that the Medical Cannabis Registry Program currently has about \$11.6M in the registry special fund ([at 4:38](#)).



SanHi

GOVERNMENT STRATEGIES

A LIMITED LIABILITY LAW PARTNERSHIP

DATE: February 5, 2025

TO: Representative Scot Matayoshi
Chair, Committee on Consumer Protection & Commerce

Representative Cory Chun
Vice Chair, Committee on Consumer Protection & Commerce

FROM: Mihoko Ito

RE: **H.B. 302, HD1 – Relating to Cannabis**
Hearing Date: Thursday, February 6, 2025 at 2:00 p.m.
Conference Room: 329

Dear Chair Matayoshi, Vice Chair Chun, and members of the Committee:

We submit this testimony on behalf of Cure Oahu in **support of H.B. 302, HD1**, Relating to Cannabis, which repeals the requirement that a provider-patient relationship be established in person and allows applicants or primary caregivers to temporarily purchase medical cannabis after the submission of the applicant's certification form.

Cure Oahu supports this bill because it will ease the difficulties on patients and primary caregivers to navigate the registration process for the medical cannabis program. The number of registered medical cannabis patients has been in decline since 2021. There are various issues with the registration process - including the limited number of providers participating in the certification process, the costs incurred by patients as part of the certification process, and the proliferation of illicit market products.

We believe that access to medical cannabis should be as streamlined as possible to ensure that patients can obtain their medical cannabis cards and access medical cannabis in a way that keeps patients and the public safe rather than bypassing the medical program altogether. Allowing full access via telehealth and providing the temporary purchase of small amounts of cannabis will help streamline access while balancing public safety concerns.

For these reasons, we support this measure and ask that the Committee pass H.B. 302, HD1. Thank you for the opportunity to submit testimony in support of this measure.



LATE

To: Representative Scot Matayoshi, Chair
Representative Cory Chun, Vice-Chair
Members of the House Consumer Protection and Commerce Committee

From: Jaclyn Moore, Pharm.D., CEO Big Island Grown Dispensaries

Re: Testimony **In Strong Support** on **House Bill (HB) 302** RELATING TO CANNABIS

Repeals the requirement that a provider-patient relationship be established in person. Allows applicants or primary caregivers to temporarily purchase medical cannabis after the submission of the applicant's certification form.

Dear Chair Matayoshi, Vice-Chair Chun and Members of the Committee:

Big Island Grown, a state-licensed medical cannabis dispensary operating in Hawaii County, stands in strong support of HB 302. Over the past three years, the number of patients registered to receive medical cannabis has dropped by over 15%. One of the primary causes of this decline are regulatory barriers for patients to access cannabis through the legal dispensary system.

Currently, patients must be certified as having one or more qualifying conditions via an in-person diagnosis from a small pool of registered certifying providers. Patients then wait days to receive a medical cannabis card to be eligible to even enter a state-licensed dispensary for their cannabis medication. For many patients who are terminally ill or in severe chronic pain, an in-person visit can be logistically challenging to schedule and make travel arrangements for. Based on the severity of circumstance, any delay in a patient's ability to access medical cannabis via the state-licensed dispensary system may simply drive them to alternate untested, unregulated sources. Legal access to medical cannabis via the dispensary system should be immediate following certification by a provider, especially for terminal patients.

HB302 seeks to address these challenges and bolster patients' access to cannabis medication by:

- Allowing initial physician consultation to occur via telemedicine – a safe and common medical practice used increasingly since the COVID-19 pandemic.
- Allowing patients to temporarily purchase a limited quantity of cannabis medication upon submission of a certification form and while awaiting delivery of the medical cannabis patient card.

Thank you for the opportunity to testify in strong support. Without these important changes to the medical cannabis program, patient access to care will continue to decline and risk to public safety will increase as patients continue to turn to alternate untested, unregulated sources for their medical cannabis needs.

Jaclyn L. Moore, Pharm.D., CEO Big Island Grown Dispensaries

Lau Ola LLC, dba Big Island Grown Dispensaries
HILO WAIMEA KONA



To: Representative Scott Matayoshi, Chair
Representative Cory Chun, Vice Chair
Members of the Consumer Protection Committee

Fr: Karlyn Laulusa, Chief Executive Officer, Noa Botanicals

Re: Testimony with Comments of House Bill (HB) 302

Hearing Date: Thursday, February 6th, 2025 – 2:00 p.m.

Measure Title: RELATING TO CANNABIS.
Report Title: Medical Cannabis; Access; Providers; Certification
Description: Repeals the requirement that a provider-patient relationship be established in person. Allows applicants or primary caregivers to temporarily purchase medical cannabis after the submission of the applicant's certification form.

Aloha Chair Matayoshi, Vice-Chair Chun, and members of the committee,

My name is Karlyn Laulusa and I'm the Chief Executive Officer at Noa Botanicals, a medical licensee on the island of Oahu and I stand in strong support of HB302.

When the medical cannabis dispensary program was created 10-years ago, it was designed to prevent abuse and included stringent restrictions. However, over the past ten-years much has changed, and the original rules and regulations have had the unintended consequence of driving those seeking medical cannabis to the illicit black market. The program continues to struggle as enrollment in December of 2024 hit a low of 29,882 participants (lowest participation since 2020). The high barriers to access include-

1. Limited physician participation statewide with only 237 physicians and APRN's registered as of December 2024.
2. The requirement of an in-person physician-patient visit to establish a bona-fide relationship with a card issuer is burdensome.
3. The uninsured and uncontrolled cost of a medical cannabis card can range from \$100 to \$300 omit the \$38.50 state fee, depending on the provider and island.
4. With limited physician participation, mandatory in-person visits, and high cost of entry, the program has become unaffordable and unattractive.



5. The next largest impacting factor has been the explosion of viable cannabis products that are being sold under the guise of hemp at businesses that allow immediate access as they do not require a medical card, offer online sales and in some cases delivery services.

The dispensaries cannot compete with the sheer number of illegal operators that are selling cannabis to the general public. With over forty (40) illegal dispensaries or resellers on Oahu, cannabis sales are already happening at retail stores at the airport, near schools and on every island. In Waikiki there are six illegal operators between Beachwalk and Liliuokalani avenue.

We need to find ways to make it easier to join the medical program.

The Department of Health (DOH) shared the below concerns, and I have added responses as an operator with five (5) years of experience in the how the processes and systems have been utilized to date –

1. Concern about the potential for someone to enter a dispensary, make a purchase, and then have their application denied.
 - o DOH rarely denies an application – any denials are based on technical errors or typos related to the address or names of patients/caregivers and are approved after corrections.
 - o In the past five (5) years I have been unaware of the DOH ever reversing a physician or APRN's certification.
2. Exposing a subset of patients to arrest for possession of a controlled substance without a physical medical cannabis card.
 - o The Honolulu Police Department has made minimal arrests related to cannabis and the number continues to decline.
3. Leading to purchases over the legal limit if an approved patient without a card makes purchases from different dispensaries; and
 - o The software currently used by DOH's registry could be purchased by the licensees to allow them to complete data entry as DOH does today.
 - o DOH does little to no additional vetting of information received.
4. Creating inaccuracies in inventory control systems at dispensaries since sales records are based on the unique patient program registration number, which is provided on the card.
 - o Again, allowing the licensees access to the system at the time of the patient encounter would alleviate this issue.
 - o As stated in previous testimony, the DOH is not available after the closure of business on weekdays and on weekends or holidays.



This bill aims to improve access to safe, regulated medical cannabis for qualified patients in Hawaii by easing at least one of the many restrictions. Failure to ease restrictions will only continue to drive medical patients to the illicit black market.

Thank you for the opportunity to provide testimony and I am available for questions.
Karlyn Laulusa

HB-302-HD-1

Submitted on: 2/4/2025 2:13:30 PM

Testimony for CPC on 2/6/2025 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Yvonne Alvarado	Individual	Support	Written Testimony Only

Comments:

I Yvonne Alvarado Support Bill HB302 HD1