



EXECUTIVE CHAMBERS  
HONOLULU

NEIL ABERCROMBIE  
GOVERNOR

June 25, 2013

**GOV. MSG. NO. 1280**

The Honorable Donna Mercado Kim,  
President  
and Members of the Senate  
Twenty-Seventh State Legislature  
State Capitol, Room 409  
Honolulu, Hawaii 96813

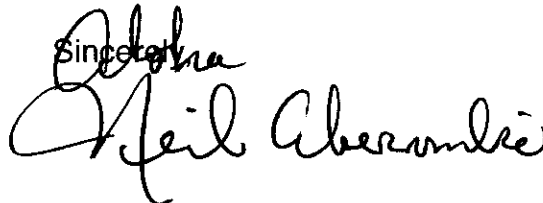
The Honorable Joseph M. Souki,  
Speaker and Members of the  
House of Representatives  
Twenty-Seventh State Legislature  
State Capitol, Room 431  
Honolulu, Hawaii 96813

Dear President Kim, Speaker Souki, and Members of the Legislature:

This is to inform you that on June 25, 2013, the following bill was signed into law:

HB668 HD2 SD2 CD1

RELATING TO HEALTH  
**ACT 177 (13)**

*Sincerely,*  


NEIL ABERCROMBIE  
Governor, State of Hawaii

Approved by the Governor

on JUN 25 2013

HOUSE OF REPRESENTATIVES  
TWENTY-SEVENTH LEGISLATURE, 2013  
STATE OF HAWAII

ACT 177

H.B. NO. 668  
H.D. 2  
S.D. 2  
C.D. 1

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# A BILL FOR AN ACT

RELATING TO HEALTH.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. The legislature finds that one of the top  
2 recommendations of the "Medical Cannabis Working Group Report to  
3 the Hawaii State Legislature" in 2010 was the transfer of the  
4 administration of Hawaii's medical use of marijuana program from  
5 the department of public safety to the department of health.  
6 The status of the medical use of marijuana program as a public  
7 health program is more in line with the mission and expertise of  
8 the department of health. The department of health is  
9 experienced in working with patients and health programs,  
10 including important tasks such as public outreach and education,  
11 and safeguarding patient privacy.

12           The purpose of this Act is to transfer the State's medical  
13 use of marijuana program from the department of public safety to  
14 the department of health.

15           SECTION 2. Chapter 321, Hawaii Revised Statutes, is  
16 amended by adding a new section to be appropriately designated  
17 and to read as follows:

HB668 CD1 HMS 2013-3521



1            "§321-        Medical marijuana registry special fund;  
2 established. (a) There is established within the state  
3 treasury the medical marijuana registry special fund. The fund  
4 shall be expended at the discretion of the director of health:

5            (1) To offset the cost of the processing and issuance of  
6            patient registry identification certificates and  
7            primary caregiver registration certificates;

8            (2) To fund positions authorized by the legislature;

9            (3) To establish and manage a secure and confidential  
10           database; and

11           (4) For any other expenditure necessary, as authorized by  
12           the legislature, to implement a medical marijuana  
13           registry program.

14           (b) The fund shall consist of all moneys derived from fees  
15 collected pursuant to subsection (c). All fees collected  
16 pursuant to subsection (c) shall be deposited into the medical  
17 marijuana registry special fund.

18           (c) The department, upon completion of the transfer of the  
19 medical use of marijuana program, shall charge a medical  
20 marijuana registration fee of no more than \$35."

21           SECTION 3. Section 329-59, Hawaii Revised Statutes, is  
22 amended to read as follows:

1           "§329-59   Controlled substance registration revolving fund;  
2   **established.**   (a)   There is established within the state  
3   treasury the controlled substance registration revolving fund.  
4   The fund shall be expended at the discretion of the director of  
5   public safety for the purpose of:

6           (1)   Offsetting the cost of the electronic prescription  
7                accountability system, investigation of violations of  
8                this chapter, the registration and control of the  
9                manufacture, distribution, prescription, and  
10              dispensation of controlled substances and regulated  
11              chemicals listed under section 329-61, within the  
12              State [~~and the processing and issuance of a patient~~  
13              ~~registry identification certificate designated under~~  
14              ~~part IX~~];

15           (2)   Funding positions authorized by the legislature by  
16                law; and

17           (3)   Funding the narcotics enforcement division's forensic  
18                drug laboratory facility.

19           (b)   The fund shall consist of all moneys derived from fees  
20   collected pursuant to sections 329-31[~~7~~] and 329-67[~~7~~ and ~~329-~~  
21   ~~123(b)~~] and legislative appropriations. All fees collected  
22   pursuant to sections 329-31[~~7~~] and 329-67[~~7~~ and ~~329-123(b)~~]



1 shall be deposited in the controlled substance registration  
2 revolving fund."

3 SECTION 4. (a) No later than January 1, 2015, all rights,  
4 powers, functions, and duties of the department of public safety  
5 relating to the medical use of marijuana under part IX of  
6 chapter 329, Hawaii Revised Statutes, shall be transferred to  
7 the department of health.

8 (b) All employees who occupy civil service positions and  
9 whose functions are transferred to the department of health by  
10 this Act shall retain their civil service status, whether  
11 permanent or temporary. Employees shall be transferred without  
12 loss of salary, seniority (except as prescribed by applicable  
13 collective bargaining agreement), retention points, prior  
14 service credit, any vacation and sick leave credits previously  
15 earned, and other rights, benefits, and privileges, in  
16 accordance with state personnel laws and this Act; provided that  
17 the employees possess the minimum qualifications and public  
18 employment requirements for the class or position to which  
19 transferred or appointed, as applicable; provided further that  
20 subsequent changes in status may be made pursuant to applicable  
21 civil service and compensation laws.



1 Any employee who, prior to this Act, is exempt from civil  
2 service and is transferred as a consequence of this Act, may  
3 continue to retain the employee's exempt status, but shall not  
4 be appointed to a civil service position as a consequence of  
5 this Act. An exempt employee who is transferred by this Act  
6 shall not suffer any loss of prior service credit, vacation or  
7 sick leave credits previously earned, or other employee benefits  
8 or privileges as a consequence of this Act; provided that the  
9 employees possess legal and public employment requirements for  
10 the position to which transferred or appointed, as applicable;  
11 provided further that subsequent changes in status may be made  
12 pursuant to applicable employment and compensation laws. The  
13 director of health may prescribe the duties and qualifications  
14 of such employees and fix their salaries without regard to  
15 chapter 76, Hawaii Revised Statutes.

16 SECTION 5. The department of public safety shall  
17 facilitate the transfer of functions pursuant to this Act by  
18 collaborating with, cooperating with, and assisting the  
19 department of health with assuming jurisdiction of and  
20 responsibilities for the medical use of marijuana program.

21 In order to facilitate the transfer of functions pursuant  
22 to this Act, until all relevant records are transferred to the



1 department of health, the duties of the department of public  
2 safety shall include but not be limited to maintaining a  
3 confirmation service of the registration and certification of  
4 physicians, qualifying patients, and primary caregivers,  
5 pursuant to section 329-123, Hawaii Revised Statutes, which  
6 service shall operate twenty-four hours per day, seven days per  
7 week, and shall be accessible to the department of health.

8 SECTION 6. All appropriations, records, equipment,  
9 machines, files, supplies, contracts, books, papers, documents,  
10 maps, and other personal property heretofore made, used, or  
11 acquired exclusively for the medical use of marijuana program,  
12 or held by the department of public safety relating to the  
13 functions transferred to the department of health shall be  
14 transferred with the functions to which they relate.

15 SECTION 7. All surplus moneys collected exclusively for  
16 the medical use of marijuana program by the department of public  
17 safety pursuant to section 329-123(b), Hawaii Revised Statutes,  
18 on or before June 30, 2013, and placed into the controlled  
19 substance registration revolving fund established by section  
20 329-59, Hawaii Revised Statutes, after all medical use of  
21 marijuana program expenses have been paid by the department of  
22 public safety, shall be transferred, into the medical marijuana



1 registry special fund by September 1, 2013. On January 1, 2015,  
2 any surplus moneys collected exclusively for the medical use of  
3 marijuana program by the department of public safety pursuant to  
4 section 329-123(b), Hawaii Revised Statutes, between September  
5 1, 2013, and December 31, 2014, shall be transferred into the  
6 medical marijuana registry special fund.

7 SECTION 8. All rules, policies, procedures, guidelines,  
8 and other material adopted or developed by the department of  
9 public safety that are reenacted or made applicable to the  
10 department of health by this Act shall remain in full force and  
11 effect until amended or repealed by the department of health  
12 pursuant to chapter 91, Hawaii Revised Statutes. In the  
13 interim, every reference to the department of public safety or  
14 director of public safety in those rules, policies, procedures,  
15 guidelines, and other material is amended to refer to the  
16 department of health or director of health, as appropriate.

17 SECTION 9. All designated forms for written certifications  
18 issued by the department of public safety shall be valid under  
19 the department of health until the department of health issues  
20 new designated forms.

21 SECTION 10. The department of public safety and the  
22 department of health shall develop and implement a plan for





1 transferring the medical use of marijuana program from the  
2 department of public safety to the department of health with  
3 implementation of the transfer completed by January 1, 2015,  
4 pursuant to this Act. The plan shall include recommendations  
5 regarding the staffing and operational expenses of the program  
6 once the transfer to the department of health is completed and a  
7 timeline for the transfer that includes, but is not limited to,  
8 a plan for the promulgation of rules by the department of  
9 health, for the establishment and management of a secure and  
10 confidential database, and for a confirmation service of the  
11 registration and certification of qualifying patients and  
12 primary caregivers.

13 SECTION 11. The department of public safety and the  
14 department of health shall submit a joint report on the transfer  
15 of the medical use of marijuana program, including the plan and  
16 timeline for the transfer, and the progress made, to the  
17 legislature no later than twenty days prior to the convening of  
18 the regular sessions of 2014 and 2015.

19 SECTION 12. There is appropriated out of the medical  
20 marijuana registry special fund of the State of Hawaii the sum  
21 of \$150,000 or so much thereof as may be necessary for fiscal  
22 year 2013-2014 and the same sum or so much thereof as may be



1 necessary for fiscal year 2014-2015 to effectuate the transfer  
2 of the medical use of marijuana program from the department of  
3 public safety to the department of health.

4 The sums appropriated shall be expended by the department  
5 of health for the purposes of this Act.

6 SECTION 13. Statutory material to be repealed is bracketed  
7 and stricken. New statutory material is underscored.

8 SECTION 14. This Act shall take effect upon its approval;  
9 provided that section 3 of this Act shall take effect on January  
10 1, 2015.

APPROVED this 25 day of JUN, 2013



GOVERNOR OF THE STATE OF HAWAII

