



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

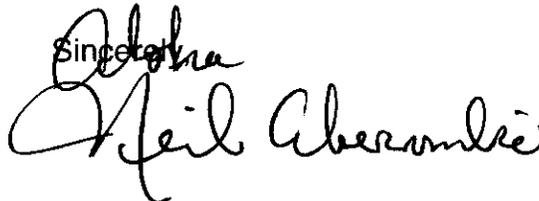
The Honorable Joseph M. Souki,
Speaker and Members of the
House of Representatives
Twenty-Seventh State Legislature
State Capitol, Room 431
Honolulu, Hawaii 96813

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

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

