



**TESTIMONY OF
THE DEPARTMENT OF THE ATTORNEY GENERAL
KA 'OIHANA O KA LOIO KUHINA
THIRTY-SECOND LEGISLATURE, 2024**

ON THE FOLLOWING MEASURE:

S.B. NO. 3335, PROPOSED S.D. 1, RELATING TO CANNABIS.

BEFORE THE:

SENATE COMMITTEES ON HEALTH AND HUMAN SERVICES AND ON JUDICIARY

DATE: Tuesday, February 13, 2024 **TIME:** 9:00 a.m.

LOCATION: State Capitol, Room 016 and Videoconference

TESTIFIER(S): Anne E. Lopez, Attorney General,
Dave Day, Special Assistant to the Attorney General, or
Andrew Goff, Deputy Attorney General

Chairs San Buenaventura and Rhoads and Members of the Committees:

The Department of the Attorney General (Department) offers the following comments on S.B. No. 3335, Proposed S.D. 1 (Proposed Draft). The Department's full position on cannabis legislation is set forth in the *Report Regarding the Final Draft Bill Entitled "Relating to Cannabis,"* prepared by the Department of the Attorney General, dated January 5, 2024 (Report), which is attached hereto. While the Department does not support the legalization of adult-use cannabis, if the Legislature chooses to legalize adult-use cannabis, legislation should be balanced and moderate, with a focus on protecting public health and public safety to the greatest extent possible.

The purpose of this bill is to create a comprehensive regulatory framework for all aspects of cannabis, including medical cannabis, adult-use cannabis, and hemp by: (1) establishing the Hawaii Cannabis Authority (HCA) and Cannabis Control Board (CCB) within the Department of Commerce and Consumer Affairs; (2) establishing laws for the cultivation, manufacture, sale, and personal use of adult-use cannabis; (3) amending or repealing existing laws relating to cannabis, including hemp; (4) establishing taxes for adult-use cannabis sales; (5) legalizing the possession of certain amounts of adult-use cannabis for individuals twenty-one years of age and over beginning January 1, 2026; and (6) transferring the personnel and assets of the Department of Health and assets of the Department of Agriculture to the Hawaii cannabis authority, among other things.

The Proposed Draft changes the composition of the CCB by increasing the number of board members from five to seven. Page 28, lines 15-17. The Proposed Draft also eliminates the requirement that the Governor appoint a chair of the board that has a background in public health, mental health, substance abuse treatment, or toxicology, and a vice chair with a background in public safety or law enforcement. See page 29, line 13, through page 30, line 4. The Department recommends that the provisions from S.B. No. 3335 regarding the chair and the vice chair be kept in place to emphasize a commitment to public safety and public health. Alternatively, should this committee adopt the S.D. 1 amendments, we note that the Proposed Draft contains no mechanism for appointing or selecting a chair and vice chair for the CCB and recommend providing the appointment or selection mechanism in the bill.

The Proposed Draft condenses three separate special funds established in the original bill, the cannabis regulation special fund, cannabis nuisance abatement special fund, and cannabis law enforcement special fund, into one special fund: the cannabis regulation, nuisance abatement, and law enforcement special fund. See page 51, line 10, through page 53, line 2. We note that this special fund would be administered and expended by three separate agencies: the HCA, the Department of the Attorney General, and the Department of Law Enforcement. See page 51, line 15, through page 52, line 5. Appropriation accounts are usually housed in the accounting system under one department. Having multiple departments administer the special fund would call into question which department is responsible for oversight and maintenance of the account. It will also make allocating money in the special fund more difficult and require very careful appropriation wording to be used in the future. For easier administration, we recommend keeping three separate special funds rather than establishing a single special fund to be administered by three agencies.

The Proposed Draft also adds section A-63 on page 90, line 6, through page 91, line 14, which would allow for the expungement of a person's criminal record relating to an arrest, charge, or conviction for an offense that would be permitted or decriminalized by the bill. The provision would begin allowing expungements on January 1, 2026, which is the same date that adult-use cannabis would become legal, and the

expungement process would be application based. We note, however, that the wording of the provision suggests that the provision would apply to expungement for “distribution of marijuana.” See page 90, lines 11-12 and lines 19-20. As the bill would only permit licensed sales of cannabis, and unlicensed distribution would remain illegal, a record relating to the distribution of marijuana without a license would not be eligible for expungement. To avoid confusion over what records may legally be expunged, we recommend removing the words “or distribution” from page 90, lines 11-12 and lines 19-20.

Additionally, section 58 of the Proposed Draft would remove the fifteen full-time equivalent (FTE) positions for the newly created HCA that were included in the original draft of the bill. See page 317, line 16, through page 318, line 2. *Compare with* Senate Bill No. 3335, page 317, line 15, through page 318, line 18. While the Proposed Draft transfers the staff from the Department of Health, Office of Medical Cannabis Control and Regulation (OMCCR) to the HCA (page 311, line 10, through page 312, line 20), the additional fifteen positions would be needed for expanding the existing duties of the OMCCR to include the regulation of adult-use cannabis and to properly enforce the processing and sale of hemp cannabinoid products. These expanded duties will require more investigators, licensing specialists, and personnel to run the state cannabis testing facility. Experience from other states shows that legislation frequently underestimates the resources needed to transition to a legal market. We recommend not removing the additional fifteen full-time equivalent (FTE) positions for the HCA from the bill, or including a similar amount, in section 58, page 317, line 16 through page 318, line 2.

The Department was notified that the Department of Taxation (DoTax) will be proposing an amended tax scheme intended to improve the taxation process and which removes cannabis sales completely from the general excise tax and instead taxes cannabis pursuant to a separate cannabis specific tax. We understand that the proposed cannabis tax rates would be similar to those included in this bill, with retail adult-use cannabis sales taxed at approximately fourteen percent and medical cannabis sales taxed at a lower four percent. Hemp, however, will continue to be taxed according to existing general excise tax laws—emphasizing that not only would cannabinoid hemp

products be regulated differently than other types of cannabis but also would be taxed differently as well. The Department does not oppose this alternate tax structure and is willing to work with the Legislature and DoTax to make the requested changes.

Thank you for the opportunity to provide comments.

**REPORT REGARDING THE FINAL DRAFT
BILL ENTITLED “RELATING TO
CANNABIS,” PREPARED BY THE
DEPARTMENT OF THE ATTORNEY
GENERAL**

Prepared for and respectfully submitted to

Senator Joy A. San Buenaventura
Chair, Senate Committee on Health and Human Services

Senator Jarrett Keohokalole
Chair, Senate Committee on Commerce and Consumer Protection

Representative David A. Tarnas
Chair, House Committee on Judiciary and Hawaiian Affairs

Friday, January 5, 2024

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I. EXECUTIVE SUMMARY

Historically, the Department of the Attorney General (“Department”) has opposed legislative efforts to legalize adult-use cannabis without offering substantial constructive comments or feedback to improve the bill. This may have been a reasonable position to take when the chances that any one of the prior bills would become law were slim. But as it has become apparent that passage of a cannabis-legalization bill has become much more likely in recent years, we believe that it would be irresponsible—both from a legal standpoint and as a matter of commonsense—for the Department to refrain from weighing in on how a transition to legalization could best protect the public welfare.

The Attorney General performs many roles in our system of government. Among them, the Attorney General is the chief legal officer and the chief law enforcement officer in the State of Hawai‘i. The Attorney General both prosecutes crimes and gives advice and counsel to public officials in matters connected with their public duties. Because of the Attorney General’s different roles, questions concerning bills that would legalize and regulate adult-use cannabis can be difficult to answer. From a legal perspective, cannabis remains illegal under federal law and is listed as a Schedule I substance under the Controlled Substances Act, which means that a legalization regime is always subject to very substantial risks. From a law-enforcement perspective, the legalization of cannabis raises concerns—from the potential proliferation of black-market activity parallel to the legal market, to the difficulty of ascertaining whether someone is driving while high, to the very real health impacts that may arise from cannabis use, especially by our youth. From these perspectives alone, the Attorney General cannot support a bill legalizing adult-use cannabis, irrespective of how well-crafted the bill may be.

Viewing the Attorney General’s roles together, however, we believe that the Legislature must be provided with comprehensive legal guidance in the drafting process because the legal and law-enforcement problems that could arise from the passage of a bill are very real and very serious. Mere unproductive naysaying and refusing to assist is something that the Department cannot indulge in. To do so will possibly result in laws in which law-enforcement and public-health concerns are unaddressed. That is a luxury that the Department of the Attorney General cannot afford.

The Department of the Attorney General, therefore, has taken its duty to advise the Legislature with the utmost gravity. Hundreds of hours of research, drafting, and consultation have gone into producing the four documents provided to you today: (1) this Report; (2) a final draft bill entitled

“Relating to Cannabis,” in both PDF and Word formats; (3) a table of contents for the final draft bill; and (4) a redline showing the changes made between the draft bill circulated to you on November 9, 2023, and the final draft bill, including annotations.

This Report is intended to provide context to the Department’s work in creating the final draft bill, the choices that the Department made in including or excluding certain provisions, and the Department’s ultimate position on the final draft bill. The Report will proceed in four parts.

First, this Report will detail the Department’s work in 2023 in researching and drafting the final draft bill.

Second, this Report will give a high-level overview of just some of the inherent problems posed by any legislation legalizing cannabis. No effort to legalize adult-use cannabis, however carefully planned and well intentioned, will be without problems and serious risks to public safety and public health. It is important for the Legislature to consider these risks for the purposes of determining whether a bill should be passed at all, but also to understand how the final draft bill attempts to mitigate these risks.

Third, this Report will detail what the Department considers to be the “six pillars”—the most important elements—of the final draft bill:

- (A) The enacting of the Hawai‘i Cannabis Law, which is a legal safe harbor from state criminal prosecution concerning activities relating to cannabis for those who strictly comply with its provisions;
- (B) The creation of a robust, independent body—the Hawai‘i Cannabis Authority (“Authority”)—with the power to regulate all aspects of the cannabis plant (whether medical cannabis, adult-use cannabis, or hemp) in accordance with the Hawai‘i Cannabis Law;
- (C) The continuing role of law enforcement agencies in addressing illegal cannabis operations not acting in accordance with the Hawai‘i Cannabis Law, which pose threats to public order, public health, and those business operators who choose to operate in the legal market;
- (D) A vibrant, well-funded social-equity program to be implemented by the Authority with the intent to bring greater economic

opportunity to disadvantaged regions of our state and to help transition formerly illicit operators into the legal market;

- (E) A delayed effective date of eighteen months for the legalization of adult-use cannabis and the first legal retail sales to allow the Authority, law enforcement, licensees, and the public to prepare; and
- (F) The implementation of extensive, well-funded public-health protections, including public-education campaigns to inform the public about the new laws and the continuing risks to public health—especially to children—posed by cannabis and financial assistance for public-health services such as addiction and substance abuse treatment.

Fourth, the Report states the Department’s position: that the Department *does not support* the legalization of adult-use cannabis but *will not oppose* the passage of the final draft bill, as it may be amended, so long as provisions intended to protect public safety and public health remain in the bill and provisions unacceptable to the Department are not inserted, as set forth in Section V of this Report.

* * *

The Department believes that the final draft bill is well drafted and researched, reasonable, balanced, and keenly focused on protecting the public welfare. But no matter how sound a legal framework might seem in theory, the success or failure of a statewide cannabis legalization program is almost entirely a function of how it is implemented. Because of the problems associated with cannabis legalization for which there are no perfect solutions and the numerous variables associated with implementation, the Department does not warrant that legalization will be a “success” or will not be beset with major issues, even if the final draft bill were to be adopted without amendment. The Department can at most state that the proposed legislation represents our best judgment about how to promote a legal market, minimize risks of societal harm, mitigate damage that does come to pass, avoid liability, and provide workable tools and substantial resources for law enforcement and public-health officials to promote the public welfare.

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II. THE DEPARTMENT’S WORK ON THE FINAL DRAFT BILL

A. The Attorney General and the Department

Under the Hawai‘i Constitution, the Attorney General is the chief legal officer and chief law enforcement officer for the state and bears “the ultimate responsibility for enforcing penal laws of statewide application.”¹ The Attorney General is the head of the Department of the Attorney General, which is one of the principle executive departments of the state.²

The Attorney General and her Department perform a broad array of functions. Some of these functions involve the enforcement of laws—among other things, the Attorney General and the Department prosecute those who violate the laws of the state;³ conduct civil, administrative, and criminal investigations;⁴ and enforce drug-nuisance-abatement laws.⁵

The Attorney General also plays a very different role: she is the lawyer for the state and its public officials. As is relevant here, the Attorney General

shall, without charge, at all times when called upon, give advice and counsel to . . . public officers, in all matters connected with their public duties, and otherwise aid and assist them in every way requisite to enable them to perform their duties faithfully.⁶

The different roles of the Attorney General and the Department are sometimes in tension with one another. Advising the Legislature on the issue of legalizing adult-use cannabis is an example of such a time.

B. Why the Department Prepared the Final Draft Bill

Since Colorado and Washington became the first two states to legalize recreational adult-use cannabis in 2012, it is undeniable that our sister states are trending toward state-law legalization of adult-use cannabis. As of the date of this Report, 24 states plus the District of Columbia have enacted laws regulating adult-use cannabis.⁷ Less than two months ago, on November 7,

¹ Haw. const. art. V, § 6; *Amemiya v. Sapienza*, 63 Haw. 424, 427, 629 P.2d 1126, 1127, 1129 (1981); *Marsland v. First Hawaiian Bank*, 70 Haw. 126, 130, 764 P.2d 1228, 1230 (1988).

² HRS § 26-7.

³ HRS § 28-2.

⁴ HRS § 28-2.5.

⁵ HRS § 28-131.

⁶ HRS § 28-4.

⁷ National Conference of State Legislatures, *Report: State Medical Cannabis Laws*, available at <https://www.ncsl.org/health/state-medical-cannabis-laws> (last accessed Jan. 4, 2024).

2023, the Ohio electorate voted “yes” to legalize adult-use cannabis by a percentage of 57.19% to 42.81%.⁸

The story does not appear to be so different in Hawai‘i. A July 2022 Honolulu Star-Advertiser poll of 800 registered Hawai‘i voters answered the question “Do you support or oppose the legalization of recreational marijuana to generate tax revenue for the state?” as follows: 58% in support, 34% in opposition, and 8% undecided, with a margin of error of plus or minus 3.5 percentage points.⁹ The poll showed virtually identical support across each of the four major counties: City and County of Honolulu (58% support), County of Maui (56% support), County of Kaua‘i (56% support), and the County of Hawai‘i (59% support).¹⁰

Legislatively, in 2023, S.B. 669, S.D.2, a bill that would legalize adult-use cannabis, passed out of the Senate on third reading with a vote of 22 ayes, 7 ayes with reservations, and 3 noes.¹¹

Given that the odds of legislation legalizing adult-use cannabis becoming law within the next several years appear to have risen significantly, the grave legal and societal problems that could arise if such legislation became law, and the Department’s substantive concerns with previous legalization bills, Attorney General Anne Lopez decided that the Department needed to work on draft legislation with the intent of embedding provisions intended to protect the public welfare *into the very structure of the legislation*.

By working on this draft, the Department is not “supporting” the legislative policy of legalizing adult-use cannabis. Instead, the Department is recognizing that our state could legalize adult-use cannabis—like approximately half the states in the nation—even if the Department “opposed” the legislation and refused to assist the Legislature. This would be to the public’s detriment.

⁸ Ballotpedia, *Ohio Issue 2, Marijuana Legalization Initiative (2023)*, available at [https://ballotpedia.org/Ohio_Issue_2,_Marijuana_Legalization_Initiative_\(2023\)](https://ballotpedia.org/Ohio_Issue_2,_Marijuana_Legalization_Initiative_(2023)) (last accessed Jan. 4, 2024).

⁹ Ashley Mizuno, *Hawaii voters support legalizing recreational cannabis, but split on legalizing gambling*, Honolulu Star-Advertiser (July 25, 2022), available at <https://www.staradvertiser.com/2022/07/25/hawaii-news/hawaii-voters-support-legalizing-recreational-cannabis-but-split-on-legalizing-gambling/> (last accessed Jan. 4, 2024).

¹⁰ *Id.*

¹¹ Hawai‘i State Legislature, SB 669 SD2 Relating to Cannabis, available at https://www.capitol.hawaii.gov/session/measure_indiv.aspx?billtype=SB&billnumber=669&year=2024 (last accessed Jan. 4, 2024).

C. The Department’s Drafting Process

Beginning in May 2023 and continuing through October 2023, Special Assistant to the Attorney General Dave Day and a working group of deputy attorneys general and public servants from a variety of subject-matter divisions in the Department—Criminal Justice Division, Labor Division, Crime Prevention and Justice Assistance Division, Health Division, Commerce and Economic Development Division, Tax and Charities Division, and deputy attorneys general who have the Department of Public Safety and the Department of Law Enforcement (“DLE”) as clients—met to discuss what legislation legalizing adult-use cannabis might look like, challenges that could arise, possible solution to those challenges, necessary research, communications with other subject-matter divisions and agencies, the progress of drafting, and concrete proposals for the bill. In June 2023, the working group visited several licensed cannabis facilities on O‘ahu with officials from the Department of Health (“DOH”).

Formal drafting of the bill began in July 2023. The drafting team—Special Assistant Day, Deputy Attorney General Andrew Goff of the Health Division, and Deputy Attorney General Kotoba Kanazawa of the Legislative Division—worked with the larger departmental working group and other divisions within the Department, including the Tobacco Enforcement Unit and the Hawai‘i Criminal Justice Data Center. The drafting team also worked closely with Michele Nakata, Chief of the Office of Medical Cannabis Control and Regulation (“OMCCR”), a division of DOH, who provided invaluable insight into cannabis policy and regulation and frequently acted as a liaison with government regulators in our sister states.

During the initial drafting process, the drafting team consulted with, among others, state legislators, DOH and OMCCR, the Department of Commerce and Consumer Affairs (“DCCA”), the Department of Taxation, Banking Commissioner Iris Ikeda, and DLE. The drafting team had online meetings with cannabis regulators and state attorneys from the states of Alaska, Washington, Oregon, California, Colorado, Maryland, New York, and Massachusetts to discuss their experiences and thoughts on what works and what does not. The drafting team also met with policy experts, including the Cannabis Regulators Association (“CANNRA”),¹² the Parabola Center for Law and Policy,¹³ and Dr. Gary Kirkilas.¹⁴

¹² Cannabis Regulators Association Home Page, <https://www.cann-ra.org/>.

¹³ Parabola Center Home Page, <https://www.parabolacenter.com/>.

¹⁴ Dr. Gary Kirkilas Home Page, <https://drgarykirkilas.com/>.

In June 2023, Special Assistant Day attended the External Stakeholder Meeting of CANNRA in Annapolis, Maryland, where he spoke with regulators from at least a dozen states, along with licensees, health officials, and social-equity advocates about their experiences in the regulated-cannabis space and their thoughts about the Department’s conceptualization of the draft bill.

In August 2023, Special Assistant Day led an information-gathering site visit to the Massachusetts Cannabis Control Commission (“MCCC”) for the purpose of learning about the successes, challenges, costs, best practices, recommendations, and lessons learned since Massachusetts legalized adult-use cannabis. In attendance from Hawai‘i were Senator Joy San Buenaventura, Senator Jarrett Keohokalole, Representative David Tarnas, Department of Health Deputy Director for Health Resources Debbie Kim Morikawa, OMCCR Chief Michele Nakata, Special Assistant Day, and Deputy Attorney General Andrew Goff. In Massachusetts, the group met with the MCCC’s commissioners; the executive director, chief operating officer, chief financial and accounting officer, and associate general counsel; the MCCC’s licensing, social-equity, testing, and investigation teams; the head of the MCCC’s research initiative; local and state law enforcement officials; and Massachusetts Representative Daniel M. Donahue, who is the Chair of the Joint Committee on Cannabis Policy in the Massachusetts Legislature.

On August 29, 2023, members of the drafting team attended an event highlighting dangers of legalizing cannabis presented by the Honolulu Department of the Prosecuting Attorney entitled “Keep Hawaii, Hawaii: Impacts of Legalizing Marijuana.”

In October 2023, a draft of the cannabis bill was circulated to the heads of all principal departments, along with supervisors for every division in the Department, for comment and input.

On November 9, 2023, the Department circulated what will be referred to in this Report as the November 9, 2023 draft bill, entitled “Relating to Cannabis,” to Senator Joy San Buenaventura, Senator Jarrett Keohokalole, and Representative David Tarnas. Subsequently, the Department circulated the November 9, 2023 draft bill to police chiefs and prosecutors statewide and to the principals of the current licensed medical-cannabis dispensaries in the state. The November 9, 2023 draft bill found its way into the media and became publicly available online. The Department provided the November 9, 2023 draft bill to anyone who asked for a copy.

The Department has received comments from the following entities and individuals regarding the November 9, 2023 draft bill:

- Representative Tarnas provided substantial positive and constructive feedback on the November 9, 2023 draft bill, along with points of suggested revision. He emphasized that these points were his personal views and did not speak for the House of Representatives as a whole. Attorney General Lopez and members of the drafting team met with Representative Tarnas and his Legislative Attorney Sean Aronson to discuss his feedback. Many changes based upon Representative Tarnas’s comments have been incorporated into the final draft bill.
- County of Kaua‘i Prosecuting Attorney Rebecca V. Like presented feedback and comments on the November 9, 2023 draft bill.¹⁵
- The Executive Director of the Hawai‘i High Intensity Drug Trafficking Area Gary Yabuta stated his disagreement with a marijuana legalization model based upon Massachusetts.
- Karen O’Keefe, Director of State Policies, of the Marijuana Policy Project provided feedback. Some of Director O’Keefe’s points were addressed in Representative Tarnas’s feedback. The Department agreed with Director O’Keefe’s proposal that more money be allocated to social equity and community reinvestment, including a larger portion of the tax revenue; the Department, therefore, increased recommended seed funding for social-equity licensing from \$5 million to \$10 million, and increased the percentage of tax revenue going to social-equity licensing from 20% to 25%. *See Redline Draft at pp. 264, 325.*
- The MCCC provided feedback regarding Massachusetts’s program, stating that (1) adult-use cannabis legalization has diminished the unregulated markets and cannabis criminal-justice encounters, but that Black/Hispanic populations are still disproportionately impacted by cannabis violations despite similar use rates with other racial cohorts; and (2) preliminary research has found that youth-cannabis use has not increased after the implementation of Massachusetts’s cannabis-legalization legislation, but that public-health monitoring should assess and proactively prevent more severe adverse effects,

¹⁵ In December 2023, former Kaua‘i County Prosecuting Attorney Justin Kollar penned an editorial in the Honolulu Star-Advertiser in support of legalizing adult-use cannabis. Justin Kollar, *Column: Legal adult-use cannabis boosts safety*, Honolulu Star-Advertiser (Dec. 12, 2023), available at <https://www.staradvertiser.com/2023/12/12/editorial/island-voices/column-legal-adult-use-cannabis-boosts-safety/> (last accessed Jan. 4, 2024).

such as increased cannabis-use disorders, unintentional ingestion, and mental health disorders, which some studies have identified as emerging issues. In December 2023, the drafting team met with a number of MCCC officials to discuss the November 9, 2023 draft bill. Among other things, MCCC officials strongly advised that the DLE law-enforcement unit (*see* section IV.C.1, *infra*) should remain a key component of the bill.

- The Hawai‘i Hemp Farms Association (“HHFA”) provided substantial feedback on the bill and stated that it opposed the bill for a number of reasons, including if references to hemp remained in the bill. The Department also received 19 emails stating similar concerns. Members of the drafting team met with HHFA President Gail Byrne Baber and Vice President Grant Overton to discuss the bill. Based upon these discussions, the Department has made a number of changes to the hemp sections of the bill intended to address many of HHFA’s concerns, as exhibited in the redline bill (*see* section IV.B.2, *infra*).
- Clifton Otto, M.D., of Akamai Cannabis Consulting, provided comments recommending that the bill should be amended to provide a legal safe harbor from federal prosecution. The Department respectfully cannot accept this recommendation because it is black-letter law that states have no power to pass legislation overriding federal law or attempting to control federal law-enforcement activities. Only the United States Congress can legislate on the federal level.
- The Hawai‘i Cannabis Industry Association (HICIA) stated that it supports the November 9, 2023 draft bill, but provided some comments. Members of the drafting team met with T.Y. Cheng, Chairman of HICIA, to discuss its concerns.
- Tan Yan Chen, Executive Director of Cure O‘ahu, provided substantial constructive feedback on the bill. Among other things, Ms. Chen expressed concerns that the 18-month delayed effective date for legalization (*see* Final Draft Bill at p. 329, § 86) may not be sufficient to get the Authority up and running in time.

The redline draft presented to you today includes the changes made to the November 9, 2023 draft bill, many based upon the comments received, along with annotations of key points. The clean version of the bill will be referred to as the “final draft bill” in this report.

III. THE INHERENT PROBLEMS POSED WHEN CONSIDERING ANY LEGISLATION LEGALIZING CANNABIS

When considering legislation to legalize adult-use cannabis at the state level, many serious legal concerns and consequences arise from one very significant point: that cannabis remains illegal under federal law. Furthermore, there are many state and local law-enforcement concerns to consider arising from state-law cannabis legalization, and experiences from our sister states show that there are no easy, surefire solutions to these problems, if solutions exist at all. These include the continuation or growth in the illicit market, which competes with the legal market; driving while high; and problems relating to public health, particularly with respect to children.

We anticipate that during the legislative process, many different concerns will be raised. The Department, however, wishes to address just some of these here to demonstrate the gravity of a decision to enact any legislation legalizing adult-use cannabis, including if such legislation is the final draft bill we present to you today.

A. Illegality Under Federal Law

Under federal law, cannabis is a Schedule I drug under the Controlled Substances Act, meaning that, for federal purposes, it has “a high potential for abuse” and “has no currently accepted medical use in treatment in the United States,” and that “[t]here is a lack of accepted safety for use of the drug . . . under medical supervision.”¹⁶ Because of its illegality, federal law prohibits a myriad of activities concerning cannabis, including possession, creation, and distribution.¹⁷ In other words, in a state that has legalized cannabis, under federal law, a state licensed cannabis dispensary in full compliance with state law and regulations could theoretically still be subject to federal criminal prosecution.

Beyond the criminal penalties associated with violations of the Controlled Substances Act, the Department would like to focus on two aspects of federal illegality that would impact a cannabis-legalization regime in Hawai‘i: the questions of financial institutions and inter-island transportation.

Every single state we spoke to noted that the lack of banking and financial services willing to work with the cannabis industry is a major hurdle to the success of the legal market. Because banks and financial

¹⁶ 21 U.S.C. § 812(b)(1) & Schedule I (c)(10).

¹⁷ See 21 U.S.C. §§ 841, 844.

institutions are federally regulated, many believe that doing business with the cannabis industry is an unacceptable risk.

“Even in states where cannabis is legal, financial institutions that do not want to work with marijuana businesses consistently deny and shut down cannabis business bank accounts. This causes chaos across the state-legalized cannabis industry, primarily in those states without banks and credit unions willing to work within the confines of [federal guidance].”¹⁸ Alaska, for example, noted that there was only one institution that serviced the cannabis industry in the largest state by land area in the nation – a credit union in Fairbanks, which requires an airplane to reach from Anchorage.¹⁹

Mentioning the credit union in Fairbanks dovetails with the second issue: federally regulated transportation and transportation in areas of federal jurisdiction. As the only insular state in the United States, Hawai‘i will face legal problems regarding transportation that many other states do not have because transporting cannabis between islands will involve legal risk for the transporter under federal law. This includes the potential need to bring samples to other islands for testing purposes, if every island does not have a testing facility.

Discussions with Alaska and Massachusetts, both of which have inhabited island territories, stated the difficulties, but Massachusetts noted that with respect to Martha’s Vineyard, which has a seasonal population, the MCCC promulgated special self-testing regulations for the islands—an imperfect solution to just one of the problems associated with federally regulated transportation. Because Hawai‘i is a chain of islands, Hawai‘i will have problems with transportation that no other state has faced and are impossible to predict with any degree of precision should adult-use cannabis be legalized.

B. The Illicit Market

After legalization, the illicit, unregulated market will not disappear. Every state we spoke with noted that the illicit market continues to pose a threat to the legal market by undercutting the legal market in prices, a public-health danger because cannabis sold on the illicit market is not tested,

¹⁸ Hilary V. Bricket, *Navigating the Hazy Status of Marijuana Banking*, Business Law Today 1, 2 (Aug. 2017).

¹⁹ While the Draft Final Bill includes a provision on banking, see Final Draft Bill § A-92, p. 170, the problems with banking in the cannabis industry ultimately require a federal solution.

and a public-safety concern because of organized crime. In some states that have legalized cannabis, the illicit market has flourished.²⁰ In California, for example, in 2019, in the year after cannabis became legal, illicit cannabis smuggling arrests at LAX airport increased by 166%.²¹

Many provisions of the final draft bill are designed to combat the illicit cannabis market: the emphasis on the continuing role of law enforcement, no cannabis crimes are repealed, a competitive 10% tax rate on cannabis retail sales, the establishment of mission-driven cannabis law-enforcement and public-nuisance units, and a well-funded social-equity licensing program intended to help bring operators in the illicit market into the legal one are just some examples. But all of this together, along with the continuing roles of counties in enforcing the law, will not be a panacea to eliminate the illicit market and the law-enforcement concerns inherent in it.

C. Driving While High

There is no question that using cannabis can impair driving. The Centers for Disease Control and Prevention (“CDC”) cautions that cannabis affects areas of the brain that control your body’s movements, balance, coordination, memory, and judgment and its use can impair important skills required for safe driving by slowing reaction time and ability to make decisions, impairing coordination, and distorting perception.²²

As early as 2014, researchers at the National Institute of Health concluded that “[e]pidemiologic data show that the risk of involvement in a motor vehicle accident increases approximately 2-fold after smoking” and “[e]vidence suggests recent smoking and/or blood THC concentrations 2-5 ng/mL are associated with substantial driving impairment, particularly in occasional smokers.”²³

²⁰ See Joseph Detrano, Rutgers Center of Alcohol and Substance Use Studies, *available at* <https://alcoholstudies.rutgers.edu/cannabis-black-market-thrives-despite-legalization/> (last accessed Jan. 4, 2024).

²¹ Joseph Serna, *Pot smuggling arrests at LAX have surged 166% since marijuana legalization*, Los Angeles Times (May 12, 2019), *available at* <https://www.latimes.com/local/lanow/la-me-lax-marijuana-trafficking-california-airports-20190512-story.html> (last accessed Jan. 4, 2024).

²²Centers for Disease Control and Prevention, *Marijuana Use and Driving: What You Need to Know* (October 2021), *available at* <https://www.cdc.gov/marijuana/factsheets/pdf/MarijuanaFactSheets-Driving-508compliant.pdf> (last accessed Jan. 4, 2024).

²³ Rebecca L. Hartman & Marilyn A. Huestis, *Cannabis Effects on Driving Skills*, 59 Clinical Chemistry, Issue 3 (Mar. 1, 2013), *available at* <https://academic.oup.com/clinchem/article/59/3/478/5621997> (last accessed Jan. 4, 2024).

Statistics collected by the Rocky Mountain High Intensity Drug Trafficking Area Investigative Support Center illustrated a large increase in traffic fatalities in Colorado involving cannabis from the time it was legalized, from 2013 to 2020.²⁴ The statistics showed that since recreational cannabis was legalized in 2013:

- Traffic deaths when drivers tested positive for cannabis increased 138% (55 in 2013 compared with 131 in 2020) while all Colorado traffic deaths increased 29%.
- Since recreational cannabis was legalized, the percentage of all Colorado traffic deaths involving drivers who tested positive for marijuana increased from 11% in 2013 to 20% in 2020.²⁵

In 2020, of the 120 drivers involved in fatal wrecks in Colorado who tested positive for cannabis use, 117 were found to have delta-9 THC in their blood.²⁶ “This would indicate use within hours according to [Colorado] data.”²⁷ Of the drivers found to have delta-9 THC in their blood, “69% were over 5 nanograms per milliliter[.]”²⁸

In Washington, the AAA Foundation for Traffic Safety published a study entitled “Cannabis Use Among Drivers in Fatal Crashes in Washington State Before and After Legalization” that analyzed fatal crashes from 2008 to 2017 to determine the impact of the legalization of recreational cannabis.²⁹ The study found that, prior to cannabis legalization, an average of 8.8% of all drivers in fatal crashes statewide each year were THC-positive.³⁰ After legalization became effective, this increased to an average of 18.0%.³¹ The highest level was reached in 2017, the last year studied, with 21.4% of drivers involved in a fatal crash testing positive for THC.³²

If cannabis is legalized in Hawai‘i, and even if the Department’s recommendations regarding high driving and open containers are adopted

²⁴ Rocky Mountain High Intensity Drug Trafficking Area Investigative Support Center, *The Legalization of Marijuana in Colorado: The Impact*, Volume 8 (Sept. 2021), available at <https://www.dfaf.org/wp-content/uploads/2021/09/RMHIDTA-Marijuana-Report-2021.pdf> (last accessed Jan. 4, 2024).

²⁵ *Id.*, pp. 2, 8.

²⁶ *Id.*, p. 8.

²⁷ *Id.* (emphasis in original).

²⁸ *See, id.*

²⁹ Tefft, B.C. & Arnold, L.S., *Cannabis Use Among Drivers in Fatal Crashes in Washington State Before and After Legalization* (Jan. 2020), available at https://aaafoundation.org/wp-content/uploads/2020/01/19-0637_AAAFTS-WA-State-Cannabis-Use-Among-Drivers-in-Fatal-Crashes_r4.pdf (last accessed Jan. 4, 2024).

³⁰ *Id.*, p. 3.

³¹ *Id.*

³² *Id.*, p. 4, figure 1.

(see section IV.C.2, *infra*), it is reasonable to anticipate an increase in traffic accidents and fatalities involving cannabis-impaired drivers, as well as an increase in the raw number of traffic fatalities.

D. Public Health and the Protection of Children

The public servants at the Department of the Attorney General are not medical professionals, nor do we claim to be. But as law-enforcement officials, one of our top priorities is to look out for the public welfare of children. Through our discussions with the Department of Health, we have grave concerns regarding the impact that cannabis (particularly the more potent cannabis products available today) has on the developing brains of young people and the public safety and social costs that inevitably follow.

It is sometimes said that cannabis is a “harmless drug” and causes no damage to a person’s health. Every public-health official we spoke with rejected that assertion.

With respect to children, the CDC has stated that cannabis use among teens, who have actively developing brains, causes harm to the brain itself, with negative effects including difficulty with thinking and problem-solving, problems with memory and learning, reduced coordination, difficulty maintaining attention, and problems with their school and social life.³³ Another study noted that “[t]he potential association of cannabis use with adolescent development represents an increasingly relevant public health issue, particularly given evidence of increased problematic cannabis use among adolescents in areas where recreational cannabis use has been legalized.”³⁴ Calls to poison control centers about children 5 and under consuming edible cannabis products rose from 207 in 2017 to 3,054 in 2021, a

³³ Centers for Disease Control and Prevention, *Marijuana and Public Health, Health Effects: Teens*, available at <https://www.cdc.gov/marijuana/health-effects/teens.html> (last accessed Jan. 4, 2024).

³⁴ Matthew. D. Albaugh, Ph.D, et al., *Association of Cannabis Use During Adolescence with Neurodevelopment*, JAMA Psychiatry (June 16, 2021), available at https://www.thenmi.org/wp-content/uploads/2021/07/jamapsychiatry_albaugh_Cannabis_Neurodevelopment.pdf (last accessed Jan. 4, 2024); see also Claire McCarthy, M.D., *Secondhand marijuana smoke and kids*, Harvard Health Publishing (June 5, 2018), available at <https://www.health.harvard.edu/blog/secondhand-marijuana-smoke-and-kids-2018060514012> (last accessed Jan. 4, 2024) (exposure to cannabis second-hand smoke may have permanent effects on executive function, memory, and IQ).

1,375% increase.³⁵

The Department is deeply concerned about the negative health effects of cannabis on the young people of Hawai‘i and how legalization of cannabis in the state could exacerbate their risk of exposure to cannabis.

IV. THE SIX PILLARS OF THE FINAL DRAFT BILL

The Department has stated some of our major concerns with respect to cannabis legalization in general. The Department’s final draft bill was created with these concerns in mind—to allow our elected legislators who wish to proceed down the path of legalizing adult-use cannabis to give serious consideration to a bill that is intended to proactively address these concerns in a meaningful way, created by a team of excellent attorneys and public servants, in consultation with stakeholders in Hawai‘i and other states’ regulators. To do this, the Department implanted public-safety and public-health protections into the structure of the legislation.

In the Department’s opinion, the most important aspect of any cannabis-legalization regime is the transition period: the time between the passage of the bill and the date cannabis becomes legal with first-day sales from licensed cannabis businesses. The transition must be orderly, and the success or failure of the transition period is a function of whether or not law enforcement is acting vigorously to investigate and prosecute illegal cannabis offenses during the transition period and the readiness of law enforcement, regulators, licensees, and the public at large for the day when cannabis possession becomes legal for adults over 21 years of age and licensed dispensaries begin making their first sales.

While the final draft bill is obviously quite long, it utilizes six primary legislative “pillars” that provide the legislative structure for the whole. Each “pillar” is designed to address issues associated with the transition to a legal market and its continued success.

A. The Hawai‘i Cannabis Law

The final draft bill proposes the enactment of the Hawai‘i Cannabis Law—a legal safe harbor from state criminal prosecution concerning activities relating to cannabis for those who strictly comply with its provisions.

³⁵ Berkeley Lovelace, Jr., *Reports of young children accidentally eating marijuana edibles soar*, NBC News (Jan. 4, 2023), available at <https://www.nbcnews.com/health/health-news/reports-young-children-accidentally-eating-marijuana-edibles-soar-rcna63501> (last accessed Jan. 4, 2024).

It is common knowledge that illicit-market cannabis possession, cultivation, and distribution are prevalent in Hawai‘i even though these acts remain illegal outside of the medical-cannabis program. In turn, it is self-evident that one of the primary goals of legalizing the cannabis market through a regulatory regime is to encourage people to abandon the illicit market and to join the legal market.

Some states’ legislative efforts have intentionally or inadvertently sidelined or even denigrated law enforcement and the essential role it has played and must continue to play in combating criminal and illicit-market activity. The sidelining of the role of law enforcement can manifest itself in legislation through the repeal of criminal laws concerning cannabis. The denigration of the role of law enforcement can manifest itself with legislative language that is critical of historical law-enforcement practices in enforcing then-existing laws or that rewards those with criminal convictions with monetary grants. This only serves to disincentivize law enforcement from investigating and prosecuting cannabis crimes and illicit-market activity in the future, which will cause harm to the public interest and the legal cannabis market.

The final draft bill proposes a positive, forward-looking path. Here, in the final draft bill, strict compliance with the Hawai‘i Cannabis Law is the only path to legal cannabis operations and activities. Criminal laws concerning cannabis remain largely intact and in some instances are made more robust, particularly with respect to the sale of cannabis to children. Because unlicensed cannabis operations and activities will remain illegal and because we envision real consequences for violating cannabis laws (see section IV.C, *infra*), the final draft bill will help promote an orderly transition to a legal market, will incentivize those who wish to participate in the cannabis industry to enter the legal market, and will benefit those who are playing by the rules by punishing those operators who are not.

Another aspect of the Hawai‘i Cannabis Law to emphasize is balancing the policy goals of the Legislature, the necessity of regulation to protect the public welfare, and the imperative to help foster a legal market that can be competitive with the illicit market. To balance these considerations, the Department used moderation and reasonableness as touchstones. When a provision in the bill would cause licensees to bear a high cost for minimal societal benefit, we have generally excluded that provision to allow the regulated market to be competitive, which in turn curtails the illicit market.

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B. The Hawai‘i Cannabis Authority

The final draft bill creates a robust, independent body—the Hawai‘i Cannabis Authority (the “Authority”)—with the power to regulate all aspects of the cannabis plant (whether medical cannabis, adult-use cannabis, or hemp) in accordance with the Hawai‘i Cannabis Law. The Authority’s structure itself is modeled largely on the Massachusetts Cannabis Control Commission. It is governed by an executive board of five members appointed by the Governor and subject to Senate confirmation: (1) the chair, who shall have a professional background in public health, mental health, substance use treatment, or toxicology; (2) a vice chair who shall have a professional background in public safety or law enforcement; (3) one member who shall have professional experience in corporate management or a professional background in finance; (4) one member who shall have professional experience in oversight or industry management, including commodities, production, or distribution in a regulated industry; and (5) one member who shall have a professional background in legal, policy, or social justice issues related to a regulated industry.³⁶ The board is supported by an executive director with enumerated powers.³⁷

1. State Modeling of Regulatory Authority

In modeling the Hawai‘i Cannabis Authority, the Department looked at a variety of jurisdictions for the purpose of constructing a legislative framework and agency that appeared to work best. In drafting the Hawai‘i Cannabis Law and creating a new agency, the Authority, the Department pulled provisions from a number of jurisdictions that we felt were strong and would work in a cannabis-legalization bill focused on the public welfare. In the final draft bill, statutory provisions based upon laws and regulations from all over the country can be found.

The Department found, however, that Massachusetts and its regulatory agency, the Massachusetts Cannabis Control Commission, provided a good starting point from which to base a general legislative structure. Among the things that struck us as important are its independence from other state and local agencies, a well-structured and professional organization, a commission comprised of members with diverse backgrounds including public safety and public health, a strong executive direct and executive team, a mission-driven licensing paradigm that works

³⁶ See Final Draft Bill § A-7, pp. 28–29.

³⁷ See *id.*, § A-9, pp. 34–40.

with licensees to remain in compliance, a strong enforcement team working to ensure compliance with laws and regulations, and open lines of communication with state and local law enforcement, along with a belief that law enforcement continues to play a crucial role in safeguarding the public welfare. We also note something that made the MCCC stand out in our eyes: a high level of pride in their work, a belief in their mission, and good morale among the officers and staff.

The Department, therefore, utilized Massachusetts as a base model from which to begin its work. Having such a base model will allow Hawai‘i to use Massachusetts’ experiences and regulations efficiently, provide a reference point for those in the industry, and stand the Authority up faster—and speed in execution is *very* important (*see* section IV.E, *infra*)—by adapting a regulatory framework grounded in an existing comprehensive regulatory regime to Hawaii’s unique cannabis landscape.

That is not say that we adopted Massachusetts’s laws and regulations wholesale. Far from it. The Department has taken the concepts we believe have worked in Massachusetts, borrowed concepts from other states, and created new provisions that we believe will improve upon what other states have done to date. We also recognize that every program has had its share of challenges and problems that have necessitated shifts in philosophies or changes to laws. It is important that a cannabis program remains flexible, especially in its nascent stages, to adapt as data becomes more available, technologies continue to develop, and regulations become more standardized across the nation.

2. Regulating the Plant: The Question of Hemp

One of the crucial aspects of the final draft bill is the uniform regulation of all aspects of the cannabis plant. This includes having the Authority regulate hemp. Cannabis and hemp are the same plant, with many of the same chemical compounds, known as cannabinoids. The term “hemp” refers to a cannabis plant that has a low concentration of a specific cannabinoid, delta-9 tetrahydrocannabinol (delta-9 THC). Delta-9 THC is the most prevalent (but not only) cannabinoid that gets people high. There are also cannabinoids that are not intoxicating, such as cannabidiol (“CBD”).

While hemp was initially legalized on a federal level to allow for industrial products, such as cloth, paper, and hempcrete, the past few years have seen a rise in hemp-derived cannabinoid products. Some of these products, such as CBD products, are not considered psychoactive and are marketed as helpful to treat post-traumatic stress disorder, nausea, anxiety,

or epilepsy.³⁸ More concerning are products containing intoxicating cannabinoids such as delta-8 THC, delta-9 THC, delta-10 THC, and THC acetate (THC-O).³⁹ These cannabinoids are created by treating hemp-derived CBD with acids or solvents that may leave residue on the final product. The U.S. Food & Drug Administration (“FDA”) and CDC have both issued warnings regarding delta-8 THC products containing unsafe chemicals.⁴⁰ The FDA has stated:

Some manufacturers may use potentially unsafe household chemicals to make delta-8 THC through this chemical synthesis process. Additional chemicals may be used to change the color of the final product. The final delta-8 THC product may have potentially harmful by-products (contaminants) due to the chemicals used in the process, and there is uncertainty with respect to other potential contaminants that may be present or produced depending on the composition of the starting raw material. If consumed or inhaled, these chemicals, including some used to make (synthesize) delta-8 THC and the by-products created during synthesis, can be harmful.⁴¹

If adult-use cannabis were to become legal, two of the biggest barriers to a successful legal cannabis market are gaps in regulation that could cause harm to the public welfare and the potential proliferation of illicit cannabis that would cause harm to the legal market. Hemp, as currently regulated, would constitute such a gap in regulation and would make it more difficult for law enforcement and regulators to combat the illicit cannabis market.

Law enforcement is unable to readily distinguish hemp flower, leaves, and seeds from the same components of illegal cannabis. The only certain way to distinguish between hemp and cannabis plants is through chemical testing to determine how much THC is in the plant.⁴² State law enforcement and cannabis and hemp regulators must be equipped with the resources and mission to properly regulate hemp if cannabis is legalized.

³⁸ Hemp-Derived Cannabinoids—Cannabidiol, Cannabis Law Deskbook § 25:7 (2023-2024 ed.).

³⁹ Hemp-Derived Cannabinoids—Delta-8 THC and other cannabinoids, Cannabis Law Deskbook § 25:10 (2023-2024 ed.).

⁴⁰ See CDC, *Increases in Availability of Cannabis Products Containing Delta-8 THC and Reported Cases of Adverse Events* (Sep. 14, 2021), available at <https://emergency.cdc.gov/han/2021/han00451.asp> (last accessed Jan. 4, 2024); FDA, *5 Things to Know about Delta-8 Tetrahydrocannabinol – Delta-8 THC*, available at <https://www.fda.gov/consumers/consumer-updates/5-things-know-about-delta-8-tetrahydrocannabinol-delta-8-thc> (last accessed, Jan. 4, 2024).

⁴¹ See FDA, *supra* n.40.

⁴² See CANNRA, *Cannabinoid Hemp: An Overview*, available at <https://www.cann-ra.org/white-papers-and-factsheets> (last accessed, Jan. 4, 2024).

Including hemp in this bill ensures that one agency is tasked with overseeing the various and complex aspects of how federal and state law regulate cannabis. Currently in Hawai‘i, hemp cultivation is regulated by the United States Department of Agriculture (“USDA”), post-harvest transportation of hemp is regulated by the Hawai‘i Department of Agriculture (“DOA”), and hemp processing and products are regulated by DOH. This patchwork regulatory scheme leads to gaps in regulation and enforcement, and confusion among the agencies, industry, and consumers over what is legal. Having hemp included in one state agency that has the proper expertise is essential to ensuring a uniform approach to the cannabis plant, cannabinoids, and cannabis and hemp products.

If adult-use cannabis is to become legal in Hawai‘i, it is the Department’s position that because of its unique legal status, the cannabis plant—whether adult-use or medical cannabis or hemp—must have a single state regulator, the Authority. Regulators from other states we spoke to agreed with this approach, noting difficulties that hemp posed in their states where hemp is regulated by other agencies. The Department will oppose any cannabis legalization bill that does not centralize state regulatory authority over all aspects of the cannabis plant in the same regulator.

The Department is sensitive to the concerns raised by the HHFA. After careful consideration, and with a better understanding of HHFA’s concerns, the final draft bill has been amended to include more regulations favorable to the hemp industry, while still shifting overall jurisdiction over hemp to the Authority.⁴³

The intent of the final draft bill is to keep much of the current hemp regulatory structure in place, while bringing state regulations under the umbrella of the Authority. The cultivation of hemp is still regulated by the USDA.⁴⁴ The HHFA raised concerns that state regulations would encroach upon the USDA authority and lead to duplicative regulatory burdens. To allay those concerns, we included provisions based on Act 263 of 2023, requiring hemp cultivators to comply with all USDA regulations⁴⁵ and ensuring that the state regulations will not duplicate USDA regulations for hemp cultivation.⁴⁶

However, the USDA hemp cultivation program only covers cultivation of hemp up to harvesting the plant. Currently, there are no federal

⁴³ See Redline Draft at pp. 150–157.

⁴⁴ See *id.* §§ A-42(b), -80, pp. 92, 151.

⁴⁵ See *id.* § A-80(a), (b), p. 151–52.

⁴⁶ *Id.* § A-80(e), p. 153.

regulations specifically for hemp processing or the sale of a hemp cannabinoid product, as the FDA has concluded that the existing regulatory framework for foods or dietary supplements cannot adequately manage many of the risks associated with CBD and other cannabinoid products.⁴⁷ Therefore, it is imperative that the state regulatory framework includes hemp processing and the sale of hemp products.⁴⁸

After harvest, the state must regulate the processing of hemp into a product. This is a law enforcement concern, as extracting hemp cannabinoids can result in a concentrated delta-9 THC product that would no longer be considered hemp under the federal definition. The final draft bill requires a license for hemp processing to ensure hemp products created in the state use good manufacturing practices and meet testing requirements, so a consumer knows what is in the product and that the product is safe to consume.⁴⁹

Equally important is regulating the sale of hemp products in the state to ensure public safety and public health concerns presented by intoxicating hemp-derived cannabinoid products. There should be, at minimum, age restrictions and testing requirements for these products. It makes little sense to require stringent testing and age restrictions for the use of cannabis when a youth can purchase an intoxicating cannabinoid product, created with unclear manufacturing practices, that could contain harmful contaminants.

For these reasons, the final draft bill allows the Authority to create a restricted cannabinoid product list for specific products deemed harmful to public health or public safety.⁵⁰ Hemp-derived cannabinoid products on the list would require a permit to sell or be prohibited to sell.⁵¹ Fees, eligibility

⁴⁷ Janet Woodcock, M.D., *FDA Concludes that Existing Regulatory Frameworks for Foods and Supplements are Not Appropriate for Cannabidiol, Will Work with Congress on a New Way Forward*, available at <https://www.fda.gov/news-events/press-announcements/fda-concludes-existing-regulatory-frameworks-foods-and-supplements-are-not-appropriate-cannabidiol> (last accessed Jan. 4, 2024).

⁴⁸ While some advocates argue that any regulation of hemp products in the state is preempted by the 2018 Farm Act, the U.S. District Court for the District of Hawai‘i has held that regulating hemp products is not preempted, stating: “The 2018 Farm Act does not require the State of Hawai‘i to allow Plaintiff to sell and/or distribute its hemp products and, therefore, that portion of HAR 11-37 does not conflict with the 2018 Farm Act’s express preemption clause.” *Duke’s Invs. LLC v. Char*, Civ. No. 22-00385 LEK-RT, 2022 WL 17128976, at *8 (D. Haw. Nov. 22, 2022); *see also Duke’s Invs., LLC v. Char*, Civ. No. 22-00385 JAO-RT, 2023 WL 3166729, at *13 (D. Haw. Apr. 28, 2023) (the “2018 Farm Act explicitly provides that it does not preempt states from creating laws that regulate hemp more stringently.” (internal quotation marks omitted)).

⁴⁹ *See* Redline Draft § A-81, p. 155.

⁵⁰ *See Id.* § A-79(a), p. 150.

⁵¹ *See Id.* § A-78(b)(4), p. 149.

criteria, and other restrictions, including restricting sales to consumers over the age of 21, can be developed by rules.

The final draft bill contains several other changes to address the concerns of the HHFA. *First*, the final draft bill allows for a crude hemp extract product that may be sold to another hemp processor and has specific testing requirements.⁵² *Second*, the final draft bill is clear that a restricted cannabinoid product derived from hemp is not considered cannabis, while maintaining the Authority’s ability to limit or prohibit the sale of products that are considered dangerous to public health or public safety.⁵³ *Third*, the final draft bill clarifies that industrial hemp is not considered a hemp product, does not need a license to process, and is not subject to the same regulations as a hemp product, including testing, packaging, and labeling.⁵⁴ *Fourth*, included in the final draft bill is a provision adapted from Act 263 of 2023, that allows hemp to be processed by certain methods within an agricultural building or structure, as defined by HRS § 46-88.⁵⁵ We believe that this is a reasonable approach that takes the concerns of the hemp industry into account while also addressing the Department’s primary concern regarding hemp: uniform regulation of the cannabis plant.

C. Promotion of the Continuing Role of Law Enforcement and Prosecutors

The final draft bill promotes the continuing role of law enforcement and prosecutors in addressing illegal cannabis operations not acting in accordance with the Hawai‘i Cannabis Law, which pose threats to public order, public health, and those who choose to operate in the legal market. Here, the Department will focus on two aspects of the final draft bill: (1) criminal and civil law enforcement and (2) new provisions governing driving while high and open containers.

1. Criminal and Civil Enforcement

This draft bill acknowledges the role that law enforcement has played in the past in promoting the rule of law by asking law enforcement to play the same role moving forward. To enforce cannabis criminal laws, the Department of the Attorney General is proposing the creation of a Cannabis Enforcement Unit within DLE: a mission-driven unit tasked with investigating and enforcing cannabis criminal laws throughout the state in

⁵² See *Id.* §§ A-52(b)(4), -82(b), pp. 111, 156.

⁵³ See *Id.* §§ A-3 (definition of “cannabis”), A-79, pp. 10, 150–51.

⁵⁴ See *Id.* §§ A-81, -82, pp. 155–57.

⁵⁵ See *Id.* § A-81(d), p.155.

coordination with the Authority.⁵⁶ After discussing law-enforcement concerns with Representative Tarnas, the final draft bill was revised to provide that the Cannabis Enforcement Unit will focus on serious crimes involving cannabis, including distribution to minors, organized crime, and crimes involving violence or the use of firearms.⁵⁷ The draft bill also explicitly provides that nothing diminishes the authority or responsibility of county law enforcement officers and prosecutors to enforce and prosecute cannabis crimes.⁵⁸

Based upon the discussion with Representative Tarnas, the Department is now proposing the expansion of a drug-nuisance-abatement unit at the Department, which is already established, to tackle cannabis offenses with civil, rather than criminal, enforcement means.⁵⁹ The Attorney General can bring civil lawsuits to abate a nuisance caused by the manufacturing or distribution of drugs in violation of the penal code, HRS § 712, part IV. A court can quickly issue a temporary writ of injunction upon filing of a verified complaint or affidavit that would show a nuisance exists.⁶⁰

Finally, based upon the discussion with Representative Tarnas and comments received from Kaua‘i Prosecuting Attorney Like, the Department is proposing the creation of a public safety grant program for the purposes of providing grants to state and county agencies and private entities to assist with public-safety and law-enforcement resources relating to cannabis.⁶¹ Such grants could be used to train law-enforcement officers in drug-recognition techniques and mental-health first aid and to support crisis-intervention services, mental-health programs, and homeless outreach.⁶²

Through both criminal and civil enforcement mechanisms, legal force can be brought against illicit operators who are acting illegally and cause harm to the legal market. Through comprehensive law enforcement, illegal operators may be induced to attempt to enter the legal market.

⁵⁶ Final Draft Bill § A-18, pp. 53–55.

⁵⁷ *Id.* § A-18(a), pp. 52–53. Multiple officials at the MCCC stated that a mission-driven law-enforcement unit at the state level would be invaluable to combating the illicit market.

⁵⁸ Final Draft Bill § A-19, pp. 55–56.

⁵⁹ HRS § 28-131.

⁶⁰ HRS § 712-1272.

⁶¹ Final Draft Bill § A-90, p. 164.

⁶² *Id.* § A-90(b), pp. 164–66.

2. Driving While High and Open Containers

Detecting and effectively curtailing driving while impaired by cannabis has proven to be perhaps the single most difficult question to answer during the Department's drafting process. As discussed in section III.C., *supra.*, cannabis legalization has been shown to lead to an increase in traffic accidents and fatalities involving cannabis-impaired drivers, as well as an increase in the raw number of traffic fatalities. Therefore, it is imperative that if cannabis is to be legalized, the law must provide mechanisms for discouraging and controlling driving while high that can be used by law enforcement and effectively allow prosecutors to secure convictions.

Just as with drunk driving, driving while high must be condemned and viewed as inherently wrong. The intent of the final draft bill is to treat cannabis the same as the current laws regarding alcohol. To that effect, part IV of the final draft bill would prohibit the consumption of cannabis or possessing an open container of cannabis in vehicles and driving while under the influence of cannabis and would impose the same penalties for the analogous crimes involving alcohol.⁶³

The Department believes that two things are imperative: (1) that those under 21 years of age be subject to a zero tolerance legal standard of no THC in the body, unless that individual is a registered medical-cannabis patient, and (2) that those over the age of 21 and medical-cannabis patients under the age of 21 be subject to a set numerical standard of THC in the body that establishes intoxication as a matter of law, similar to the 0.08% blood alcohol content ("BAC") standard for drunk driving.

First, it is the Department's position that for those under the age of 21 are not registered medical-cannabis patients, the standard for driving under the influence of cannabis should be the same as for drunk driving—zero. There are good reasons for this: those under the age of 21, whose brains are still developing, should not be consuming cannabis products at all, for the reasons set forth in section III.D, *supra.*, unless they hold a valid medical-cannabis card. Further, unquestionably, under the Hawai'i Cannabis Law, those under 21 who are not medical cannabis patients are legally prohibited from possessing or consuming cannabis. Through the Authority's public-education campaigns, the public, including those under 21 years of age, will be informed about what is and is not allowed under the Hawai'i Cannabis Law. *See* section IV.F, *infra.*

⁶³ *See* Final Draft Bill Part IV, pp. 194–219; *Compare with, e.g.*, HRS §§ 291-3.1 (consuming or possessing intoxicating liquor while operating a motor vehicle or moped); -3.2 (consuming or possessing intoxicating liquor while a passenger in a motor vehicle); § 291E-61 (operating a vehicle under the influence of an intoxicant).

The final draft bill provides that it is unlawful for any person under the age of 21 to operate any vehicle with a measurable amount of THC.⁶⁴ This is the same standard applied to those under the age of 21 with a measurable amount of alcohol.⁶⁵ Statutes prohibiting driving with any THC in the system have routinely been upheld by courts in our sister states. *See, e.g., People v. Fate*, 636 N.E.2d 549, 551 (Ill. 1994) (upholding statute imposing absolute bar against driving vehicles following ingestion of any cannabis, without regard to physical impairment, as reasonable exercise of police power); *State v. Phillips*, 873 P.2d 706, 710 (Ariz. Ct. App. 1994) (“We believe that the legislature was reasonable in determining that there is no level of illicit drug use which can be acceptably combined with driving a vehicle; the established potential for lethal consequences is too great.”); *People v. Turner*, No. 347551, 2020 WL 1963977 (Mich. Ct. App. Apr. 23, 2020) (upholding statute that prohibiting driving with any amount of Schedule I controlled substance in body, noting that “under rational-basis review, perfection is ‘neither possible nor necessary’” (citation omitted)).

The final draft bill includes a per se limit of tetrahydrocannabinol (THC) a person over 21 or a person under 21 with a medical-cannabis card can have in their system while driving—it is illegal to drive with THC at a concentration of five or more nanograms per milliliter of blood. Once a driver is shown to have reached or surpassed this legal limit, that person will be considered impaired by law.

In setting this per se limit, we acknowledge that testing for cannabis impairment is inherently difficult due to the limitations of current technology. Unlike alcohol, THC and its metabolites can remain in a person’s system for a considerable amount of time after the initial effects of cannabis use have worn off. For that reason, we chose not to incorporate a zero-tolerance approach as the mere presence of THC or its metabolites may not be a reliable indication of impairment.

But legislating in this area does not require perfect science or unimpeachable facts. Five other states, Illinois, Montana, Nevada, Ohio and Washington, currently have per se limits for THC.⁶⁶ The legal level of THC

⁶⁴ Final Draft Bill, Section 9 at pp. 199–205. Again, the exception is if the person under 21 is a medical cannabis patient. *Id.* at p. 200.

⁶⁵ HRS § 291E-64(a) (“It shall be unlawful for any person under the age of twenty-one years to operate any vehicle with a measurable amount of alcohol.”).

⁶⁶ We note that Colorado allows a reasonable inference of impairment if a driver exceeds the specified THC level of 5 ng/mL. Colo. Rev. Stat. § 42-4-1301(6)(A)(IV). The Department

in these states ranges between 2 nanograms per milliliter (ng/ml) of blood and 5 ng/mL. Such per se statutory limits have been upheld against challenges in our sister states. *See, e.g., State v. Jensen*, 477 P.3d 335 (Mont. 2020) (upholding statute prohibiting driving with THC level, excluding metabolites, of 5 ng/mL in the blood and adopting trial court language with approval that “[t]he legislature has the responsibility to pass laws that provide for the general welfare notwithstanding the absence of a perfect measuring method”); *Williams v. State*, 50 P.3d 1116 (Nev. 2002) (upholding per se standard of 2 ng/mL of marijuana or 5 ng/mL of marijuana metabolite); *Garfinkel v. Second Jud. Dist. Ct. of State ex rel. Cnty. of Wahsoe*, No. 57028, 2010 WL 5275797 (Nev. Dec. 13, 2010) (rejecting claim that standard of 5 ng/mL of marijuana metabolite in blood lacked rational basis); *State v. Doane*, 152 N.E.3d 956 (Ohio Ct. App. 2020) (upholding per se marijuana metabolite statute). “While THC blood levels do not correlate to impairment in the same way that the 0.08 BAC correlates to alcohol impairment, THC levels above 5.00 ng/mL do appear to indicate recent consumption in most people (including chronic users), and recent consumption is linked to impairment.”⁶⁷

There is no perfect solution regarding driving while impaired by cannabis. The Department remains committed to the approach we believe will best ensure safe roadways. However, it bears reiterating that we are willing to work with the Legislature on alternative solutions that fit within our parameters in Section V, *infra*, including the bodily fluid to be tested, if they can be shown to be enforceable and effective deterrents to driving under the influence of cannabis.

D. The Social Equity Program

The final draft bill provides for a vibrant, well-funded social equity program to be implemented by the Authority with the intent to bring greater economic opportunity to disadvantaged regions of our state and to help transition formerly illicit operators into the legal market. “Social equity” licensing has been a hallmark of adult-use cannabis programs nationwide. We believe that a strong social equity licensing program, focused on providing economic opportunity to disproportionately impacted areas, is sound law-enforcement policy if the decision is made to legalize cannabis.

believes that providing for a reasonable inference of impairment will have minimal value in obtaining convictions where the burden of proof is beyond a reasonable doubt and rejects this as an alternative.

⁶⁷ *State v. Fraser*, 509 P.3d 282, 290 (Wash. 2022) (en banc); *see also* Section III.C, *supra*.

1. Social Equity Licensing

The final draft bill provides a social equity program for those who live in “disproportionately impacted areas,” which are “historically disadvantaged communities, areas of persistent poverty, and medically underserved communities[.]”⁶⁸ These are, not coincidentally, areas of high crime and low economic opportunities.

If it is the Legislature’s decision to legalize cannabis and open a new market, the economic benefits should flow not simply to the privileged few but to those in areas of high crime and persistent poverty.⁶⁹ It also provides a perhaps once-in-a-generation opportunity to promote genuine respect for the rule of law among individuals for whom such messages have not yet resonated because, in their minds, they have yet to tangibly experience its value for themselves.

We agree with the Report of the Dual Use Cannabis Task Force to the Thirty Fourth Legislature (2023) where it spoke of “equity in the market”: “Social equity applicants can face high barriers to market entry, given complicated and burdensome regulations, and having no guidance or support to operate in an extremely challenging regulated environment.”⁷⁰ Because bringing formerly illicit operators into the legal market is a self-evident goal of legalizing adult-use cannabis, a social equity program that provides the resources for success in the legal market is necessary to accomplish this goal.

This final draft bill provides such a program, with a position of Chief Equity Officer, who provides grants and technical assistance to qualifying social equity applicants.⁷¹ The final draft bill creates the cannabis social equity special fund to administer the social-equity program, and calls for initial seed funding of \$10 million, which doubles the initial \$5 million called

⁶⁸ Final Draft Bill §§ A-3 (definition of “disproportionately impacted area”), A-83, at pp. 15, 150.

⁶⁹ We note here that the bill provides residency requirements for licensees. *See* Final Draft Bill § A-43(b)(2), p. 89. While such residency requirements are frequently suspect, in *Brinkmeyer v. Washington State Liquor & Cannabis Bd.*, No. C20-5661 BHS, 2023 WL 1798173 (W.D. Wash. Feb. 7, 2023), *appeal dismissed*, 2023 WL 3884102 (9th Cir. 2023), the U.S. District Court for the District of Washington upheld a license residence requirement from a Dormant Commerce Clause and Privileges and Immunities Clause challenges, holding that those constitutional doctrines did not apply to federally illegal markets. The law regarding how federal constitutional provisions apply to federally illegal markets is very unclear at this time and a residency restriction involves legal risk. We are happy to discuss the merits of this provision with you and the Legislature.

⁷⁰ Report of the Dual Use Cannabis Task Force to the Thirty Fourth Legislature at p.14, available at <https://health.hawaii.gov/opppd/files/2022/12/Act-169-SLH-2022-Dual-Use-of-Cannabis-Task-Force-FINAL-REPORT.pdf>.

⁷¹ Final Draft Bill § A-6(c), p. 27.

for in the November 9, 2023 draft bill, and similarly increases the percentage of tax revenues going to social-equity licensing from 20% to 25%, based upon comments received from Director Karen O’Keefe of the Marijuana Policy Project.⁷²

The social-equity program can give grants to social-equity applicants to help them enter the legal market, as well as to community organizations for the purpose of developing and implementing nonprofit projects addressing community needs in disproportionately impacted areas, including housing and child-care programs.⁷³

2. A Forthcoming Report to the Legislature on Expungement

The Department is aware that the issue of expungement of low-level cannabis crimes and the sealing of court records is an important issue to many people and advocacy groups. While the Department does not oppose expungement as a concept, we believe decisions on expungement should be made after adult-use cannabis is legalized, a mechanism for expungement is identified that will enable expedient processing, and resources are made available to implement the mechanism correctly.

With respect to the issue of expungement and the sealing of court records relating to low-level cannabis offenses, the final draft bill calls for the Executive Director of the Authority, in consultation with the Department and the Judiciary to submit a report no later than 20 days prior to the regular session of 2027 regarding the advisability of expunging or sealing low-level criminal offenses related to cannabis, a recommendation regarding which offenses and records should be expunged or sealed, if any, and the best mechanism for expunging and sealing records without causing undue burden on the Judiciary, the Department, or any other agency.⁷⁴

We have two concerns with expungement of records, particularly with respect to calls for so-called “automatic” expungement: (1) executing “automatic” expungement, which we interpret to mean that expungement would happen immediately and no application would be required, is impossible; and (2) the Department believes that the expungement of cannabis convictions prior to the legalization of cannabis itself undermines a lawful transition to the legal cannabis market.

⁷² Redline Bill § A-13 at pp. 51–52; Section 27, p. 262; and Section 69 at p. 323.

⁷³ Final Draft Bill § A-84, pp. 150–54.

⁷⁴ *Id.* § A-27(b), pp. 64–65.

First, the current mechanism for expungement in statute does not allow for “automatic” expungement or sealing of a criminal record. The Hawai‘i Criminal Justice Data Center (“HCJDC”) is a division of the Department of the Attorney General and is responsible for the statewide criminal history record information system (CJIS-Hawaii) and for processing expungement orders pursuant to HRS § 831-3.2. To expunge records relating to any offense, every single record must be examined manually. HCJDC receives approximately 114 applications for expungement per month and there is currently only one staff member capable of processing expungement requests.

As of January 2, 2024, there are over 50,000 arrests with a charge code of HRS § 712-1249, Promoting a Detrimental Drug in the Third Degree, which the Department considers to be the most minor criminal offense for cannabis. There are over 10,000 convictions for the same offense, and a court order would be required to expunge these convictions under existing law.⁷⁵ The expungement process is not automatic: it is time and resource intensive. If the Legislature decides to implement an expungement program, it must be an application-driven process.

Updating information-technology resources can assist with searching and filtering through data; however, every file will still need to be reviewed by a person at some point. It is likely that the process will also require the courts, prosecutors, or law-enforcement agencies to review their own files.

Finally, if the legislature decides to implement an expungement program that is not initiated by application, it is recommended that the process not require a certificate of expungement. The current expungement process requires a certificate of expungement, along with the expunged arrest record, mugshot, and fingerprints associated with the arrest or conviction, to be mailed to the individual qualifying for an expungement. If an application is not required, confirming an individual’s mailing address can be incredibly difficult or impossible. Mailing this type of sensitive information to an unconfirmed address would be reckless. This is why any expungement process is application driven, and the Department opposes legislation calling for “automatic” expungement at this time.

Second, it is the Department’s position that any decision regarding expungement should occur after adult-use cannabis is legalized and retail sales begin to assess both the advisability and scope of any expungement or sealing of court records. This is based upon two primary principles—the first, already discussed at length, is to promote the role that law-enforcement will continue to play after a cannabis-legalization bill passes into law and

⁷⁵ HRS § 706-622.5.

particularly during the transition period to a legal adult-use market. To expunge records prior to the date that conduct previously illegal under Hawai‘i law becomes legal undermines the public perception of a lawful transition to legalization. It could reasonably create a perception that cannabis crimes, whenever committed, will not be prosecuted because they will one day be expunged. To immediately expunge any cannabis crimes at this stage, prior to the effective date of legalization and before facts on the ground are known, is a position the Department opposes.

Representative Tarnas has heard our position on this matter and has called for the Department to work towards finding effective solutions to the issues of expungement and the sealing of records. Should a cannabis-legalization bill pass into law, the Department will begin efforts in 2025, in consultation with the Authority and the Judiciary, to examine these issues and assist in efforts to address the Legislature’s policy objectives.

E. Delayed Effective Date for the Legalization of Adult-Use Cannabis to January 1, 2026

The final draft bill contains a delayed effective date of eighteen months from the date the bill is signed into law—January 1, 2026—for the legalization of adult-use cannabis and the first legal retail sales to allow the Authority, law enforcement, licensees, and the public to prepare.⁷⁶

Regarding the length of the transition period, there is a diversity of opinion on what the best practice is. We have spoken to individuals who have called for legalization and legal retail sales on the day the bill is signed into law, and those who have noted the need for an extended transition period of many years.

We are persuaded, however, that the optimal transition period is 18 months from the date the bill is signed into law. This was approximately the transition period given to the Massachusetts Cannabis Control Commission, which opined that this provided sufficient time to adopt interim rules, staff and equip the Commission, accept social-equity applications and other licensing applications, allow all licensees to ramp up production to meet demand, educate the public about what is and is not allowed under the cannabis law and about the health risks associated with cannabis use, and put as much in order as possible prior to the first dispensaries opening their doors. It will also allow the Legislature to consider amendments to improve the legislation based upon the experience of government actors prior to legalization. While the Department would welcome a longer transition period, an 18-month transition period is acceptable to the Department,

⁷⁶ See Final Draft Bill Section 84, p. 315.

although it will require the Authority and other responsible government actors to act with the utmost speed.

We are also persuaded that legalizing cannabis prematurely when existing legal dispensaries are not able to meet demand, and regulators and law enforcement are not yet prepared, is the most clearcut road to failure for the program as a whole—it will cause the illicit market to proliferate to meet demand, destroy any sense of an orderly transition to legality, and promote a lawless “anything goes” mentality among the people of the state. It will also harm the social equity program before it has a chance to prove its value because by the time social equity licensees can open their doors, the pre-existing licensees may already have cornered the legal market.

F. Public Health Protections and Public Education Campaigns

The final draft bill implements extensive, well-funded public health protections, including mandatory public-education campaigns to inform the public about the new laws and the continuing risks to public health—especially to children—posed by cannabis and financial assistance for public health services such as addiction and substance abuse treatment.

The draft bill creates a public health and education special fund for education and substance abuse prevention and calls for initial seed money of \$5 million.⁷⁷ Part of this money shall be used on a comprehensive public health and education campaign regarding the legalization of cannabis and the impact of cannabis use on public health and public safety to begin no later than July 1, 2025 (i.e., six months prior to the date cannabis becomes legal pursuant to the terms of the Hawai‘i Cannabis Law).⁷⁸ This initial public health and education campaign is critical to the transition to legalization: to ensuring that the public is aware of the public-health risks associated with cannabis to all people, best practices for keeping cannabis out of the hands of children, information about what is and is not permitted under the Hawai‘i Cannabis Law, the dangers of driving while high and its consequences, and the potential penalties for not adhering to the law, among other things.

The draft bill also creates a cannabis public health and education grant program to assist substance-abuse programs and youth services, including for the creation or maintenance of youth recreational centers and services for housing.⁷⁹ Youth recreational centers may not only improve neighborhoods, but will also provide healthy recreational options for children.

⁷⁷ Final Draft Bill §§ A-14, A-87–89, Section 71, pp. , 49–50, 158–64, 311.

⁷⁸ *Id.* § A-87, p. 158.

⁷⁹ Final Draft Bill § A-88(b), pp. 159–62.

Substance-abuse treatment may include services for housing, residential treatment, out-patient treatment, counseling, and other related services.

The Hawai‘i Cannabis Law also provides substantial statutory protections for public health to ensure that cannabis sold in the legal market is safe and is not being pedaled to children. This includes mandatory laboratory testing for all products sold in the legal market, which includes testing for contaminants, pesticides, and potency—the purity of the product is one of the main selling points of the legal market, and adequate testing of cannabis must be a priority.⁸⁰ It also includes labeling requirements so that consumers are informed about what they are purchasing.⁸¹ Finally, there are substantial statutory advertising, marketing, and packaging provision intended to protect children.⁸²

V. THE DEPARTMENT’S POSITION ON THE FINAL DRAFT BILL

During the legislative session, any given testimony is generally categorized in one of three groups: testimony in support, testimony in opposition, and neutral comments. Despite the substantial work put into the final draft bill, the Department does *not support* the passage of the legalization of adult-use cannabis. But the Department will not *oppose* the passage of a bill, and will remain neutral on the question of its passage, so long as the bill contains the key elements identified in this section and does not include provisions antithetical to these elements, as it may be amended through the legislative process.

For the reasons set forth in Section III of this Report, including that cannabis remains illegal under federal law, is listed as a Schedule I substance under the Controlled Substance Act, and the public-safety and public-health concerns inherent in cannabis legalization, the Attorney General, as the chief legal officer and chief law enforcement officer of the State of Hawai‘i, cannot and does not support the passage of any bill that legalizes cannabis.

The Department of the Attorney General, however, will not oppose the final draft bill in its current form. That being said, the Department

⁸⁰ Final Draft Bill § A-52, pp. 104–06. The Department notes that under the Final Draft Bill, the Authority is responsible for adopting rules on product standards, including THC potency limits and limits on servings per package. *Id.* § A-55(a), p.109. The Department is deeply concerned about high-potency cannabis as a health risk, particularly with respect to children, but understands that complex potency regulations may be appropriate to service, for example, certain medical conditions. The Department, however, would support a legislative ceiling on cannabis-product potency that is in the interest of protecting public health.

⁸¹ Final Draft Bill § A-54, pp. 108–09.

⁸² Final Draft Bill §§ A-53, A-56, pp. 106–08, 110–13.

understands and fully respects the Legislature’s authority to make amendments to this bill, and it will not oppose the bill simply because it contains amendments.

While the Department cannot foresee every conceivable amendment to the bill, the Department initially notes that the Department will oppose any cannabis legalization bill that is not substantially based upon the final draft bill in structure and substance (i.e., the Department will oppose a cannabis-legalization bill primarily drafted by others). The Department further states that it will oppose any bill that does not include the following key elements:

- (1) The Hawai‘i Cannabis Law must provide a legal safe harbor from state and county criminal prosecution concerning activities relating to cannabis for those who strictly comply with the provisions of the Hawai‘i Cannabis Law.
- (2) The governing regulatory authority (i.e., the Hawai‘i Cannabis Authority) must be an independent, administratively attached agency that has regulatory authority over all aspects of the cannabis plant, which includes adult-use cannabis, medical cannabis, and hemp.
- (3) A statement that it is the intent of the Legislature to ensure that state and county law enforcement agencies work closely with the governing regulatory authority and vigorously investigate and prosecute illegal cannabis activities that fall outside of Hawai‘i Cannabis Law’s safe harbor protections and the statutory provision regarding county law enforcement and prosecution in § A-19.
- (4) A cannabis enforcement unit established within DLE (*see* §§ A-17 & -18) and funded by a portion of tax revenue.
- (5) Funding for statewide cannabis nuisance abatement from a portion of tax revenue (*see* § A-16).
- (6) A mandate that the governing regulatory authority make the protection of public health and public safety its highest priority.
- (7) Provisions and penalties regarding open containers of cannabis in cars and driving under the influence of cannabis must approximate those for open containers of alcohol and driving while drunk. This includes those found in part IV of the bill, and must include zero tolerance for driving under the influence

of cannabis for those under the age of 21 (except for those with a medical card) and an enforceable per se THC limit for those 21 and over (or those under 21 who hold a medical-cannabis card).

- (8) Substantial public health, education, and legal provisions regarding the prevention and treatment of the use of cannabis by those under the age of 21, including restrictions on packaging, marketing, and advertising relating to children.
- (9) A delayed effective date for the legalization of adult-use cannabis of January 1, 2026, at the earliest.
- (10) Funding for a substantial public-education campaign to be implemented prior to the legalization of adult-use cannabis.

The Department will oppose any bill that contains any of the following provisions:

- (1) A provision mandating the immediate or “automatic” expungement of cannabis crimes or sealing of court records. Notwithstanding this, and as set forth in Section IV.D.2, *supra*, the Department does not oppose expungement as a concept. Instead, decisions on expungement should be made after adult-use cannabis is legalized, the social impacts of legalization are clearer, and the mechanism to be used is determined to be both functionally possible and effective.
- (2) A provision allowing for the consideration of past convictions for cannabis crimes as a positive factor, or of constitutionally suspect classifications (i.e., race, sex) as factors, in licensing or decision-making. The Department believes that a focus on “disproportionately impacted areas,” as that term is defined in § A-3, will effectuate the goals of social-equity licensing without raising legal or law-enforcement concerns.
- (3) A provision that would prevent parole or probation from being revoked for the use of cannabis.
- (4) A provision that would prevent law enforcement from utilizing the odor of cannabis for any lawful purpose.

To reiterate, we cannot anticipate every possible amendment. To the extent that we have objections to specific amendments, the Department will endeavor to work with the Legislature to find a mutually acceptable solution.

VI. CONCLUDING REMARKS OF THE ATTORNEY GENERAL

The final draft bill presented to you today is not “the Department of the Attorney General’s cannabis bill.” It is the work product of attorneys at the Department of the Attorney General and reflects the Department’s judgment about how to mitigate as many of the serious risks to the public welfare as possible if the Legislature decides to legalize adult-use cannabis. Our work product is now in your hands—for you and your colleagues at the Legislature to use, modify, or disregard in your judgment as legislators.

Should this bill or a version of this bill be introduced at the legislative session, the Department of the Attorney General will participate as it normally does and will testify in accordance with the positions set forth in Section V, *supra*. But our involvement with any such bills will be deeper than that if you wish, and we will be available to work with you on amendments during the legislative session.

While the Department does not support the legalization of adult-use cannabis, I am proud of what we have presented here today. This is a reasonable, moderate bill that sought to balance a myriad of interests with significant known and unknown risks. It is the creation of highly skilled public servants. I would like to thank all of the personnel in the Department who participated in this laborious, time-intensive process. I would like to particularly thank Deputy Attorney General Andrew Goff, Deputy Attorney General Kotoba Kanazawa, and my Special Assistant Dave Day for their tireless efforts over the past year.

The Legislature represents the democratic will of the people of Hawai‘i. One of the Department of the Attorney General’s main priorities under my administration has been to improve the Department’s working relationship with the Legislature. This work demonstrates our true dedication to this prerogative.



ANNE LOPEZ

Attorney General of Hawai‘i

State of Hawai‘i
The Office of the Public Defender

S.B. No. 3335: RELATING TO PROPERTY FORFEITURE

Chair Joy A. San Buenaventura
Vice Chair Henry J. C. Aquino
Honorable Committee Members

Chair Karl Rhoads
Vice Chair Mike Gabbard
Honorable Committee Members

The Office of the Public Defender strongly **supports** this bill.

The decriminalization and regulation of cannabis is far overdue. People use cannabis. Decades of rigorous prosecution, imprisonment, and forfeiture have not changed this simple fact.

Police and prosecutors have aggressively gone after the cannabis users. Intrusive and extraordinary tactics have ranged from military style operations involving helicopters patrolling the air above us to intrusive body cavity searches. Once in court, prosecutors have faithfully pursued them resulting in permanent criminal convictions, imprisonment and supervision, and asset forfeiture.

Aggressive prosecution of cannabis and other drugs invite constitutional challenges. The privacy rights protected by the Fourth Amendment and the State Constitution have come under intense scrutiny. It has compelled our courts to determine just how far the police and prosecution can intrude into private places and spaces all in the pursuit of cannabis and other drugs. Sadly, this has resulted in a watering down of our constitutional rights.

While this bill does not entirely remove the stigma associated with criminalization, perfection is the enemy of good and this is a step in the right direction. It is time to bring the cannabis industry out of the shadows, regulate it, and implement a thoughtful and compassionate approach to cannabis use.

JOSH GREEN, M.D.
Governor

SYLVIA LUKE
Lt. Governor



SHARON HURD
Chairperson, Board of Agriculture

DEXTER KISHIDA
Deputy to the Chairperson

State of Hawai'i
DEPARTMENT OF AGRICULTURE
KA 'OIHANA MAHI'AI
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TESTIMONY OF SHARON HURD
CHAIRPERSON, BOARD OF AGRICULTURE

BEFORE THE SENATE
COMMITTEE ON HEALTH AND HUMAN SERVICES
AND
COMMITTEE ON JUDICIARY

TUESDAY, FEBRUARY 13, 2024
9:00 AM
CONFERENCE ROOM 016 AND VIDEOCONFERENCE

SENATE BILL NO. 3335 PROPOSED SD1
RELATING TO CANNABIS

Chairs San Buenaventura and Rhoads, Vice Chairs Aquino and Gabbard, and Members of the Committees:

Thank you for the opportunity to testify on SB 3335, Proposed SD1, "Relating to Cannabis".

The purposes of this bill are to establish the Hawaii Cannabis Authority and the Cannabis Control Board, laws for the cultivation, manufacture, sale, and personal adult-use of cannabis, and taxes for adult-use cannabis sales. The bill also amends or repeals existing laws relating to cannabis and hemp, legalizes the possession of certain amounts of cannabis for individuals twenty-one years of age and over, and facilitate the transfers of the personnel and assets of the Office of Medical Cannabis Control and Regulation (OMCCR) of the Department of Health to the Hawaii Cannabis Authority.

The Hawaii Department of Agriculture (HDOA) strongly supports the "one-plant" approach provided for in SB 3335, Proposed S.D.1. The HDOA also supports the inclusion of the provisions based on Act 263, Session Laws of Hawaii (SLH) 2023 and the Agriculture Improvement Act of 2018, informally known as 2018 Farm Bill, within the new Hawaii Cannabis Authority, as those were included in response to concerns raised by the Hawaii Hemp Farmers Association (HHFA). These provisions are intended to provide legal support to the hemp farmers and the hemp industry in Hawaii, particularly those in Section Part VIII.

HDOA supports the inclusion of provisions requiring hemp growers in Hawaii to comply with the USDA regulations regarding hemp production licensing in Section A-132 of SB 3335, Proposed SD1, and requiring compliance with the hemp cultivation buffer zones in Section A-

132(b). This action ensures that no redundant regulations are imposed on the hemp farmers and clarifies that the USDA regulates hemp cultivation in Hawaii.

HDOA supports the language in SB 3335, Proposed SD1, which makes clear that industrial hemp will not be regulated like cannabinoid hemp. The bill clearly differentiates industrial hemp from cannabis, as one of the main concerns of hemp growers is preventing industrial hemp, which is not a Schedule I substance under the Controlled Substances Act, from being lumped in with cannabis. In this bill, it is not.

The HDOA believes that this bill provides substantial protection for hemp farmers and will support the hemp industry into the future, should the Legislature choose to legalize cannabis.

Thank you for the opportunity to testify on this measure.



STATE OF HAWAII
DEPARTMENT OF EDUCATION
KA 'OIHANA HO'ONA'AUAO
P.O. BOX 2360
HONOLULU, HAWAII 96804

Date: 02/13/2024

Time: 09:00 AM

Location: CR 016 & Videoconference

Committee: Senate Health and Human
Services

Senate Judiciary

Department: Education

Person Testifying: Keith T. Hayashi, Superintendent of Education

Title of Bill: SB 3335 RELATING TO CANNABIS.

Purpose of Bill: Establishes the Hawaii Cannabis Authority and Cannabis Control Board within the Department of Commerce and Consumer Affairs to regulate all aspects of the cannabis plant. Beginning January 1, 2026, legalizes the personal adult use of cannabis. Establishes taxes for adult-use cannabis sales. Transfers the personnel and assets of the Department of Health and assets Department of Agriculture to the Hawaii Cannabis Authority. Appropriates funds.

Department's Position:

The Hawaii State Department of Education (Department) respectfully provides comments on SB 3335 SD 1, and wishes to register its strong concerns with the potential impacts this bill could have.

The Department has strong concerns regarding the negative impacts on youth resulting from the legalization of recreational cannabis for adults 21 and over, including unintended costs associated with increased accessibility and acceptance of cannabis use. Our comments focus on key concerns based on cited research, and summarizing the findings regarding the multifaceted costs, both fiscal and educational to the Department.

Legalizing adult recreational cannabis raises fears about youth access and acceptability. Research in the American Journal of Preventive Medicine (2020) links nonmedical cannabis legalization to increased cannabis and alcohol use among youth,

potentially normalizing cannabis and lowering perceived risks, resulting in higher usage.

Higher usage leads to increased negative impact which are of utmost concern to the Department. According to research from the National Institute on Drug Abuse (NIDA, 2021), cannabis impairs brain development in adolescents and young adults under 25. The adolescent brain undergoes critical development until the mid 20s and cannabis use may harm cognition, memory, learning, and attention, all key skills for academic success and overall well-being. In addition, longitudinal study findings by Tarter et al. (2006) suggest a link between early and frequent cannabis use and lower educational attainment, hence jeopardizing future careers and financial prospects.

Moreover, the National Academies of Sciences, Engineering, and Medicine (2017) associates cannabis use with heightened anxiety, depression, and mental health issues in youths, raising concerns about potential long-term effects on overall life satisfaction. Finally, research in the American Journal of Public Health by Williams et al. (2020) indicates that cannabis legalization may widen racial disparities in cannabis arrests, negatively impacting minority communities and perpetuating cycles of disadvantage.

Therefore, if Hawaii legalizes adult recreational cannabis use, it must also invest in prevention and education initiatives. In order to mitigate negative impacts on our youth, the Department would need additional funding for prevention programs teaching the harm associated with cannabis use; expanded school counseling and mental health support; and comprehensive training to help educators identify signs of use and its impact on academic performance.

In conclusion, while legalization offers potential economic benefits, youth impacts and costs would be sizable and demand careful consideration. We must take steps to prevent unintended consequences of more permissive cannabis policies. Further, it is crucial to consider the broader societal costs associated with the harm to the youth of Hawaii.

Thank you for the opportunity to provide testimony on this measure.

JOSH GREEN, M.D.
GOVERNOR
KE KIA'ĀINA



JORDAN LOWE
DIRECTOR

MICHAEL VINCENT
Deputy Director
Administration

JARED K. REDULLA
Deputy Director
Law Enforcement

SYLVIA LUKE
LT GOVERNOR
KE KE'ENA

STATE OF HAWAII | KA MOKU'ĀINA O HAWAII
DEPARTMENT OF LAW ENFORCEMENT

Ka 'Oihana Ho'okō Kānāwai

715 South King Street
Honolulu, Hawaii 96813

TESTIMONY ON SENATE BILL 3335

RELATING TO CANNABIS

Before the Senate Committees on

Health and Human Services and Judiciary

Tuesday, February 13, 2024; 9:00 a.m.

State Capitol Conference Room 016, Via Videoconference

Testifier: Jordan Lowe, Jared Redulla, or Michael Vincent

Chairs San Buenaventura and Rhodes, Vice Chairs Aquino and Gabbard, and members of the Committees:

The Department of Law Enforcement (DLE) has **serious concerns** regarding Senate Bill (SB) 3335, Related to Cannabis.

SB 3335 proposes to: 1) Establish the Hawai'i Cannabis Authority and Cannabis Control Board within the Department of Commerce and Consumer Affairs to regulate all aspects of the cannabis plant, 2) Beginning January 1, 2026, legalize the personal adult use of cannabis, 3) Establish taxes for adult-use cannabis sales, 4) Transfer the personnel and assets of the Department of Health and assets of Department of Agriculture to the Hawai'i Cannabis Authority, and 5) Appropriates funds.

Under Act 278 of the 2022 Session Laws of Hawaii, the Legislature acted to consolidate state law enforcement responsibilities into a single state department (i.e., the DLE) with goals of centralizing state law enforcement functions to increase public safety, improve decision making, promote accountability, streamline communication, decrease costs, reduce duplication of efforts, and provide uniform training and standards. Among the many responsibilities of the DLE arising from Act 278 is the paramount responsibility of the DLE to both increase and safeguard public safety through, just, transparent, unbiased, and responsive law enforcement. Consequently, as a law enforcement agency responsible for the protection of the public, the DLE has respectful, but serious concerns over the legalization of cannabis as proposed in SB 3335. The DLE is seriously concerned for several reasons.

First, the DLE is aware of the experiences of other states that have legalized cannabis systems and where there have been significant risks for the public's safety. One significant risk is the risk associated with driving and roadway safety in states that have legalized cannabis systems. For example, in Colorado, the Rocky Mountain High Intensity Drug Trafficking Area (HIDTA) reported fatal car crashes that involved cannabis nearly doubled between 2013 to 2020 from 55 to 131. Moreover, one in four roadway deaths in Colorado was reported by the Colorado Division of Criminal Justice in 2020 as involving cannabis.

According to the Hawaii Department of Health, more than 100 people die in traffic related crashes each year in Hawaii. Traffic related deaths are the second leading cause of injury related death among 15- to 24-year-olds, and the fourth leading cause of death for all ages. The DLE is concerned and is seriously concerned about SB 3335 because based on the experience of Colorado, if cannabis were to be legalized in an adult use system for Hawaii, then it is highly probable that the rate of fatal car crashes and roadway deaths in Hawaii would very likely increase, especially amongst young drivers in Hawaii. An elevated risk of car crashes and roadway deaths increases the DLE's concern for public safety.

Second, the DLE is also concerned over the gains made in the illicit marketplaces (i.e., "the black market") of other states that have legalized cannabis systems. For example, the Oregon-Idaho HIDTA reported illicit cannabis plant seizures 17-times (17x) greater in 2021 (1,330,766 plants) versus 2020 (76,753) and 2018 (5260). Moreover, a 2019 study showed that 85-90 percent of California-produced cannabis was exported. These statistics are concerning to the DLE because in those states, the black market continues to flourish despite legalization. Moreover, according to a Smart Approaches to Marijuana publication titled, "Preventing Another Big Tobacco", "All legal states have failed to curtail the illicit market."

The black market for contraband continues to flourish in Hawaii. The Hawaii black market offers contraband including illicit drugs, firearms, stolen property, and fireworks. Despite law enforcement's continuing efforts to reduce these types of contraband in the local black market, seizures of contraband continue. The DLE is concerned because the experience of other states that have legal programs has shown that despite legalization, large seizures of illegal bulk cannabis continue in those states. If Hawaii were to legalize cannabis similarly, then Hawaii can expect large seizures of illegal black-market cannabis to compete with limited law enforcement resources which it must also dedicate towards confronting illicit drugs (e.g., fentanyl and methamphetamine), ghost guns, and fireworks. All these types of contraband are high enforcement priorities for the DLE and DLE's resources will be taxed severely if large amounts of illegal cannabis flood the black market.

Finally, the DLE is most concerned about a potential rise in violent crime that could result in Hawaii as the result of cannabis legalization. Last week, San Bernardino County authorities in California announced arrests in a recent mass murder case in which six men were murdered during a shootout in the San Bernardino desert. According to a news report by NBC Los Angeles on 01-31-24, the San Bernardino Sheriff attributed the murders to a “dispute over marijuana” and said violent confrontations over illegal marijuana are not uncommon in San Bernardino County...”. In response to a question over “cartel” involvement in the murders, the Sheriff also said, “...we believe a lot of these things occurring may be related to much bigger things going on”, alluding that the murders might include organized crime or cartel involvement. Additionally, a California ABC-7 news report on 01-31-24 on the same San Bernardino murders described the murders as, “a direct consequence of illegal marijuana operations” and that the California black market “continues to thrive” even though “California voters legalized recreational marijuana in 2016, and the state has become the world's largest legal cannabis marketplace since then.”

Hawaii is not immune to violent crime related to cannabis. In the early 2000s there were two murders related to disputes within indoor cannabis grows that ultimately led to the dismemberment of at least one of the bodies of the victims involved. Additionally, there was a shooting death related to a cannabis grow on the Big Island during that timeframe as well. Moreover, the DLE is aware that illegal cannabis marketplaces continue to thrive in Hawaii despite Hawaii’s legitimate medical use and dispensary schemes. If cannabis becomes legalized for adult use in Hawaii as SB 3335 proposes, then the DLE fears that California’s experience with cannabis-related violent crime may establish a foothold in Hawaii and increase the risk of violence in the community.

Illustrative of the concerns we have with this bill are included in the following research:

The National Fraternal Order of Police stated that a joint study conducted by the University of Colorado, Johns Hopkins University, and Harvard Medical School about the impact of legalization in Colorado determined the following:

1. There is evidence of a persistent black market for marijuana which may increase the presence of Mexican drug cartels that are bringing in other drugs like heroin.
2. There are higher rates of traffic fatalities while driving under the influence of marijuana.
3. An increase in marijuana-related poisonings and hospital visits for children occurs.

4. There was no reduction in crime or significant increase in tax revenues.
5. Use of marijuana by children less than 17 years of age is rising faster than the national average and arrests of juveniles for marijuana-related offenses are up 5%.

The National Association of Assistant United States Attorneys noted that citizens in states that have legalized marijuana for medical use have seen the abuse of such laws:

1. Increased violence directed toward marijuana dispensary owners and employees.
2. Increased burglaries of marijuana dispensaries.
3. Lack of effort on the part of dispensary owners/ employees to control unlawful or nuisance behavior in and around the business or to comply with state laws designed to regulate medical marijuana use.
4. Increased loitering, noises, litter, and property damage, smoking of marijuana in public areas
5. Increased offenses involving driving while under the influence of marijuana.
6. An influx of criminal elements into the neighborhoods where dispensaries are located.
7. Marijuana distributors operating in school zones or close to schools or parks
8. Increased sales of marijuana to juveniles under the age of 18 or to customers who are young and do not have an illness or a serious medical condition.

The National Sheriffs Associations, the National District Attorneys Association, the National Narcotic Officers' Associations Coalition (NNOAC) have noted that states that legalized marijuana have been unable to control the black market for the drug.

The Oregon State Police reported that 70 percent of the marijuana transactions remain illegal, despite legalization laws. Marijuana is sold on the street in legalized states and exported in vast quantities to other, non-legalized jurisdictions.

In conclusion, the DLE is aware that the community's attitudes toward cannabis have evolved. However, the DLE is equally aware of the real-world examples of other states where state legalized cannabis programs have increased risks that affect the public's safety. Consequently, because of the increased risks associated with legalized

cannabis programs described above, the DLE respectfully has serious concerns over the proposed contents of SB 3335.

While the Department has significant concerns with this proposal, should the legislature decide to move this forward, additional resources for law enforcement is a necessary component of this bill. Based on the experiences from other jurisdictions, additional staff and resources for enforcement are critical features needed to offset the substantial predictable illegal activity that our community will see. To provide the DLE with tools to even attempt to enforce the law, the appropriation amount should be at least \$2,500,000 for the enforcement unit and seventeen (17) DLE enforcement staff that is provided in this bill.

JOSH GREEN M.D.
GOVERNOR

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LT. GOVERNOR



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**TESTIMONY OF
GARY S. SUGANUMA, DIRECTOR OF TAXATION**

TESTIMONY ON THE FOLLOWING MEASURE:

S.B. No. 3335, Proposed S.D. 1, Relating to Cannabis.

BEFORE THE:

Senate Committees on Health and Human Services and Judiciary

DATE: Tuesday, February 13, 2024

TIME: 9:00 a.m.

LOCATION: State Capitol, Room 016

Chairs San Buenaventura and Rhoads, Vice-Chairs Aquino and Gabbard, and Members of the Committees:

The Department of Taxation ("Department") offers the following comments regarding the tax provisions in S.B. 3335, Proposed S.D. 1, which establishes the Hawaii Cannabis Authority and Cannabis Control Board; establishes laws for the cultivation, manufacture, sale, and personal adult-use of cannabis; amends or repeals existing laws relating to cannabis, including hemp; establishes taxes for adult-use cannabis sales; legalizes the possession of certain amounts of cannabis for individuals 21 years of age and over as of January 1, 2026; and transfers the personnel and assets of the Office of Medical Cannabis Control and Regulation from the Department of Health to the Hawaii Cannabis Authority.

Summary of Tax Provisions

Part III of the bill, beginning on page 182, creates a new chapter B in title 14, Hawaii Revised Statutes (HRS), entitled "Hawaii Cannabis Tax Law." Under chapter B, persons engaged in the retail sale of cannabis must obtain a cannabis tax permit, which must be renewed on an annual basis. Under section 26 of the bill, retail sales of cannabis will be subject to general excise tax (GET) under a new category and new rate of 10 percent, except for sales of medical cannabis, which will not be subject to the tax.

All revenues from the GET imposed at the 10 percent rate, sales of cannabis at wholesale, and sales of medical cannabis shall be distributed as follows: 50 percent to the Cannabis Regulation Special Fund and 50 percent to the Cannabis Social Equity Special Fund.

Sections 59 and 60 of the bill, on page 318, establishes the following positions within the Department of Taxation:

1. One analyst;
2. One auditor;
3. One investigator;
4. Three cashiers; and
5. One tax law change specialist.

The bill takes effect on July 1, 2024.

Comments and Suggested Amendments

- 1. The Department recommends amending section B-3, HRS, to create a new cannabis tax in lieu of creating a new GET category and new GET rate for retail cannabis sales.***

Although the bill creates a new chapter B, HRS, establishing the Hawaii Cannabis Law, with concomitant permitting, filing, and recordkeeping requirements, the bill does not create a new tax type. Instead, the bill creates a new category of GET for retail sales of cannabis, which will be subject to GET at the rate of 10 percent. This new GET category, which will be subject to the requirements in both chapter 237 and chapter B, will create administrative difficulties and may cause confusion for the significant majority of taxpayers who are subject to GET but will not be selling cannabis.

To ease administrative burdens for the Department and for taxpayers, the Department recommends creating a new cannabis tax under chapter B, HRS, at the rate of 14 percent, which will apply to retail sales of cannabis, and which will apply in lieu of the GET. The Department also recommends that a tax on medical cannabis be imposed under chapter B, HRS, at the rate of 4 percent, which will apply in lieu of the GET.

These amendments will subject all sales of cannabis, including retail and medical sales, to tax under a single chapter of the HRS and will allow revenues from the sales of cannabis to be segregated from GET revenues.

Specifically, the Department recommends amending section B-3, HRS, at page 186, lines 10 to 20, as follows:

SB-3 Tax. (a) Upon every person engaging or continuing within the State in the retail sale of cannabis, beginning January 1, 2026, and continuing thereafter, there is hereby levied and shall be assessed and collected a tax equal to fourteen per cent of the gross proceeds of sales from cannabis; provided that this subsection shall not apply to the sale of medical cannabis~~[pursuant to section 237-13(9)].~~ ~~[Where the tax imposed has been paid on cannabis that thereafter becomes the subject of a casualty loss deduction allowable under chapter 235, the tax paid shall be refunded or credited to the account of the permittee.~~

~~(b) The taxes imposed under subsection (a) shall not apply to sales of medical cannabis by a cannabis retailer.]~~

(b) Upon every person engaging or continuing within the State in the sale of medical cannabis, beginning January 1, 2026, and continuing thereafter, there is hereby levied and shall be assessed and collected a tax equal to four per cent of the gross proceeds of sales from medical cannabis; provided that this subsection shall not apply to sales at wholesale.

This amendment also deletes language that would allow a refund or credit for casualty losses. Because the cannabis tax is a gross receipts tax, provisions that incorporate income tax provisions, such as a casualty loss deduction provision, will create administrative difficulty and may lead to taxpayer confusion.

2. In accordance with Recommendation #1, the Department recommends deleting section 26 of the bill.

Because the new cannabis tax will be imposed under chapter B, HRS, the Department recommends deleting section 26 of the bill, at page 247, line 13, to page 265, line 16, which imposes a new category of GET on retail sales of cannabis, in its entirety.

3. The Department recommends amending section 237-24.3, HRS, to exempt gross income from the sale of cannabis and cannabis taxes passed on and collected under chapter B, HRS.

Because the tax under chapter B, HRS, will be imposed in lieu of all GET taxes, the Department recommends amending section 237-24.3, HRS, to create a GET exemption for amounts received from cannabis sales. The Department notes that although wholesale transactions will not be subject to tax under chapter B, they will be

exempt from GET, primarily to keep cannabis revenues segregated from GET revenues.

Specifically, the Department recommends amending section 27 of the bill, at page 265, line 19, to page 272, line 7, by adding a new paragraph (12) to read as follows:

- (12) Amounts received from:
- (A) Sales of cannabis, whether made at retail or wholesale;
 - (B) Sales of medical cannabis; and
 - (C) Taxes on the retail sale of cannabis or sale of medical cannabis imposed by chapter B and passed on and collected by persons holding permits under that chapter.

4. The Department recommends amending section B-2, HRS, by deleting cannabis tax permit requirements that would impede the tax collection process.

A tax license or permit is primarily used by the Department to identify taxpayers and process and track their payments and returns. Without a tax license or permit, the Department is unable to properly process a taxpayer's tax return or payment. Accordingly, provisions that impose conditions on the ability for a taxpayer to obtain or maintain a tax permit, including provisions requiring the taxpayer to be compliant with all tax laws, would impede the tax collection process.

For example, if a taxpayer who engages in the retail sale of cannabis is unable to renew their cannabis tax permit because they are unable to obtain a tax clearance, the taxpayer would still be liable for cannabis taxes even if they are operating without a cannabis tax permit. The lack of a cannabis tax permit, however, would make it administratively difficult for the Department to process any returns or payments remitted by the taxpayer.

The Department notes that concerns regarding taxpayers' compliance with the laws will be addressed by the requirement that the taxpayer be licensed by the Cannabis Control Board under chapter A, HRS, and the Board's authority to revoke, cancel, or suspend a cannabis license.

Based on the foregoing, the Department recommends amending section B-2, HRS, at page 184, line 10, to page 186, line 9, to read as follows:

§B-2 Cannabis tax permit. (a) No person shall engage in the retail sale of cannabis or sale of medical cannabis unless a permit has been issued to

the person as hereinafter prescribed~~[, and the permit is in full force and effect.]~~ provided that this section shall not apply to persons who make sales at wholesale.

~~[(b) Beginning January 1, 2025, every person engaged in sales at retail of cannabis shall obtain a cannabis tax permit prior to engaging in such sales.~~

~~(e)]~~ (b) The cannabis tax permit shall be issued by the department upon application and ~~[compliance with all requirements of the permit by the applicant. The cannabis tax permit shall be issued in the form and manner prescribed by the department and following the]~~ payment of an application fee of \$25.

~~[(d) No cannabis tax permit shall be issued to a cannabis retailer that is not compliant with the tax filing and payment obligations under title 14.~~

~~(e) Cannabis tax permits shall be valid for no more than one year and expire on December 31 of the permit application year. Cannabis tax permits may be renewed annually upon application by a cannabis retailer in the form and manner prescribed by the department and the payment of a renewal fee of \$25.]~~ Whenever a cannabis tax permit is defaced, destroyed, or lost, or the permittee relocates the permittee's business, the department may issue a duplicate cannabis tax permit to the permittee for a fee of \$5 per copy. The permit provided for by this section shall be effective until canceled in writing. The director may revoke or cancel any license issued under this chapter for cause as provided by rules adopted pursuant to chapter 91.

~~[(g)]~~ (c) A separate cannabis tax permit shall be obtained for each place of business owned, controlled, or operated by a ~~[cannabis retailer.]~~ taxpayer. A ~~[cannabis retailer]~~ taxpayer who owns or controls more than one place of business may submit a single application for more than one cannabis tax permit; provided that the application fee of \$25 shall be required for each permit. Each cannabis tax permit issued shall clearly describe the place of business where the ~~[operation of the cannabis retailer]~~ retail sale of cannabis or sale of medical cannabis is conducted.

~~[(h)]~~ (d) A cannabis tax permit shall be non-assignable and non-transferable. A cannabis tax

permit may be transferred from one business location to another business location after an application has been filed with the department requesting that transfer, the applicant has paid a transfer fee of \$25, and approval has been obtained from the department.

~~[(i)]~~ (e) Any cannabis tax permit issued under this chapter shall be displayed at all times in a conspicuous place at each of the licensed premises of the ~~[cannabis retailer.]~~ taxpayer.

5. The Department recommends amending section B-4, HRS, by adding provisions that require taxpayers to file an annual reconciliation return.

The Department notes that although this bill would require taxpayers to file monthly returns, there is no requirement to file an annual reconciliation return. Imposing an annual filing requirement would help promote tax compliance and assist the Department in administering the new cannabis tax.

Based on the foregoing, the Department recommends amending section B-4, HRS, at page 187, line 1 to 13, as follows:

SB-4 Return; forms; contents. (a) Every person ~~[engaging or continuing in the retail sale of cannabis]~~ subject to tax under this chapter shall, on or before the twentieth day of each month, file with the department ~~[-in the taxation district in which the person's places of business are located, or with the department in Honolulu,]~~ a return showing all sales of cannabis and of the taxes chargeable against the person ~~[engaging or continuing in the retail sale of cannabis]~~ under section B-3 made by the person during the preceding month ~~[, showing separately the amount of the nontaxable sales, the amount of the taxable sales, and the tax payable thereon].~~ The form of return shall be prescribed by the department and shall contain such information as it may deem necessary for the proper administration of this chapter.

(b) On or before the twentieth day of the fourth month following the close of the taxable year, each taxpayer who has become liable for the payment of taxes under this chapter during the preceding tax year shall file a return showing all sales of cannabis made

by the person during the taxable year, in the form and manner prescribed by the department, and shall transmit with the return a remittance covering the residue of the tax due, if any.

6. The Department recommends amending section 231-8.5, HRS, to require taxpayers to file cannabis tax returns electronically.

To help ease administration burdens in processing the new cannabis tax returns and facilitate data collection, the Department requests that a new section be added to the bill to amend section 231-8.5, HRS, to require electronic filing of cannabis tax returns. Specifically, the Department requests that section 231-8.5(b), HRS be amended as follows:

(b) If the requirements of subsection (c) are satisfied, the department may require electronic filing of any tax return, application, report, or other document required under the provisions of title 14 administered by the department for the following taxpayers:

- (1) For withholding tax filings required under chapter 235, only employers whose total tax liability under sections 235-61 and 235-62 for the calendar or fiscal year exceeds \$40,000;
- (2) For income tax filings required under chapter 235, only taxpayers who are subject to tax under section 235-71, 235-71.5, or 235-72;
- (3) For general excise tax filings required under chapter 237, only taxpayers whose total tax liability under chapter 237 for the calendar or fiscal year exceeds \$4,000;
- (4) For transient accommodations tax filings required under chapter 237D, only operators and plan managers whose total tax liability under chapter 237D for the calendar or fiscal year exceeds \$4,000; and
- (5) For filings required under the following chapters, all taxpayers subject to tax under those chapters:
 - (A) 236E;
 - (B) 239;
 - (C) 241;
 - (D) 243;
 - (E) 244D;
 - (F) 245; [~~and~~]

(G) 251[-]; and
(H) B.

7. The Department recommends amending section B-5, HRS, regarding the requirement to pay taxes, so that it applies to all persons subject to tax under chapter B, HRS.

The Department recommends amending section B-5, HRS, at page 187, lines 14 to 20, as follows:

§B-5 Payment of tax; penalties. (a) At the time of the filing of the return required under section B-4 and within the time prescribed therefor, each person ~~[engaging or continuing in the retail sale of cannabis]~~ subject to the tax imposed by this chapter shall pay to the department the tax ~~[imposed by this chapter]~~ required to be shown by the return.

(b) Penalties and interest shall be added to and become a part of the tax, when and as provided by section 231-39.

8. The Department recommends amending section B-6, HRS, relating to the limitation period, by removing references to income tax provisions.

Section B-6, HRS, relating to the limitation period for assessments, collections, and refund claims, appears to have been copied from section 235-111, HRS. Due to the differences between the cannabis tax and the income tax, the Department recommends amending section B-6, HRS, at page 188, line 1, to page 191, line 19, to remove irrelevant provisions and better reflect deadlines that would apply to a tax with an annual return requirement, as follows:

§B-6 Limitation period for assessment levy, collection, or credit[-; net operating loss carrybacks]. (a) General rule. The amount of taxes imposed by this chapter shall be assessed or levied ~~[and the overpayment, if any, shall be credited]~~ within three years after filing of the annual return ~~[for the taxable period]~~, or within three years of the due date prescribed for the filing of the return, whichever is later. No proceeding in court without assessment for the collection of the taxes or the enforcement of the liability shall be begun after the expiration of the period. Where the assessment of the tax imposed by this chapter has been made within the

period of limitation applicable thereto, the tax may be collected by levy or by a proceeding in court under chapter 231; provided that the levy is made, or the proceeding was begun within fifteen years after the assessment of the tax.

Notwithstanding any other provision to the contrary in this section, the limitation on collection after assessment in this section shall be suspended for the period:

- (1) The taxpayer agrees to suspend the period;
- (2) The assets of the taxpayer are in control or custody of a court in any proceeding before any court of the United States or any state, and for six months thereafter;
- (3) An offer in compromise under section 231-3(10) is pending; and
- (4) During which the taxpayer is outside the State for a continuous period of at least six months; provided that if at the time of the taxpayer's return to the State the period of limitations on collection after assessment would expire before the expiration of six months from the date of the taxpayer's return, the period shall not expire before the expiration of the six months.

(b) ~~Limitations on credit or refund. [Claim for credit or refund of an overpayment of any tax imposed by this chapter shall be filed by the taxpayer or employer within three years from the time the return was filed or from the due date prescribed for the filing of the return, or within two years from the time the tax was paid, whichever is later. For the purposes of this section, taxes paid before the due date of the return shall be deemed to have been paid on the due date of the return determined without regard to any extensions.~~

- ~~(1) If the claim was filed by the taxpayer during the three-year period prescribed in this subsection, the amount of the credit or refund shall not exceed the portion of the tax paid within the period, immediately preceding the filing of the claim, equal to three years plus the period of any extension of time for filing the return.~~
- ~~(2) If the claim was not filed within the three-~~

~~year period, the amount of the credit or refund shall not exceed the portion of the tax paid during the two years immediately preceding the filing of the claim.~~

~~(3) If no claim was filed, the credit or refund shall not exceed the amount which would be allowable under paragraph (1) or (2), as the case may be, if the claim was filed on the date the credit or refund is allowed.] No credit or refund shall be allowed for any tax imposed by this chapter unless a claim for credit or refund shall be filed as follows:~~

(1) If an annual return is timely filed, or is filed within three years after the date prescribed for filing the annual return, then the credit or refund shall be claimed within three years after the date the annual return was filed or the date prescribed for filing the annual return, whichever is later.

(2) If an annual return is not filed, or is filed more than three years after the date prescribed for filing the annual return, a claim for credit or refund shall be filed within:

(A) Three years after the payment of the tax; or

(B) Three years after the date prescribed for the filing of the annual return, whichever is later.

Paragraphs (1) and (2) are mutually exclusive.

(c) Exceptions; fraudulent return or no return.

In the case of a false or fraudulent return with intent to evade tax or liability, or of a failure to file the annual return, the tax or liability may be assessed or levied at any time; provided that the burden of proof with respect to the issues of falsity or fraud and intent to evade tax shall be upon the State.

(d) Extension by agreement. [Where, before the expiration of the time prescribed in subsection (a) for the assessment, levy, and collection of the tax or liability, or in subsection (b) for the credit or refund of an overpayment, both the department and the

~~taxpayer have consented in writing to its assessment or levy after that date, the tax or liability may be assessed or levied or the overpayment, if any, may be credited at any time prior to the expiration of the period previously agreed upon.]~~ Where, before the expiration of the period prescribed in subsection (a) or (b), both the department of taxation and the taxpayer have consented in writing to the assessment or levy of the tax after the date fixed by subsection (a) or the credit or refund of the tax after the date fixed by subsection (b), the tax may be assessed or levied or the overpayment, if any, may be credited or refunded at any time prior to the expiration of the period agreed upon. The period so agreed upon may be extended by subsequent agreements in writing made before the expiration of the period previously agreed upon.

~~[(e) Overpayment of carrybacks. If an overpayment results from a net operating loss carryback, the statute of limitations in subsections (a) and (b) shall not apply. The overpayment shall be credited within three years of the due date prescribed for filing the return (including extensions thereof) for the taxable year of the net operating loss, or the period agreed to under subsection (d) with respect to the taxable year, whichever expires later.]~~

9. *The Department recommends amending section B-7, HRS, relating to the disposition of revenues.*

The bill allocates revenues from the new 10 percent tax on retail cannabis sales into two special funds. The bill also allocates revenues from the GET on sales of cannabis at wholesale and sales of medical cannabis into the special funds.

If the bill is amended to create a new cannabis tax under chapter B, and the sum of all revenues collected from the new cannabis tax are allocated to the special funds based on the percentages set forth in the bill, the Department would not have any concerns over the revenue allocation.

The Department, however, has concerns over any provision that would require an allocation of GET revenues based on specific business activity categories. Such an allocation, which would not be based on the total amount of tax collected, would require a fundamental change in the way that the Department accounts for and reports on revenues collected. This would also create administrative difficulties, as taxpayers often report multiple categories of business activities on a single GET return, and the

amounts reported do not always match the amounts paid with the return.

Based on the foregoing, the Department requests that the allocation of revenues into the special funds be limited to amounts collected from the new cannabis tax, and that there be no allocation of GET revenues based on business activity type (i.e., cannabis sales). Specifically, the Department recommends amending section B-7, HRS, at page 198, lines 1 to 3, as follows:

§B-7 Disposition of revenues. The tax collected pursuant to this chapter shall be ~~[distributed as provided in section 237-13(9)]~~ paid into the state treasury as a state realization to be kept and accounted for as provided by law; provided that revenues collected under this chapter shall be distributed in the following priority:

- (1) Fifty per cent of the tax collected shall be deposited into the cannabis regulation, nuisance abate, and law enforcement special fund established by section A-18; and
- (2) Fifty per cent of the tax collected shall be deposited into the cannabis social equity, public health and education, and public safety special fund established by section A-19.

10. The Department recommends amending sections A-18 and A-19, HRS, to reference the allocation of revenues from the new cannabis tax.

The Department recommends that section A-18(b)(1), HRS, at page 52, line 9, at page 54, line 1, be amended to change the reference to "section 237-13(9)(A)" to "section B-7(1)." The Department also recommends that section A-19(b)(1), HRS, at page 54, line 7, be amended to change the reference to "section 237-13(9)(B)" to "section B-7(2)."

11. The Department recommends amending section B-8, HRS, relating to recordkeeping requirements, so that it applies to all persons subject to tax under chapter B, HRS.

The Department recommends amending section B-8, HRS, at page 192, line 4, to page 194, line 2, as follows:

§B-8 Records to be kept. (a) Every person ~~[engaging or continuing in the retail sale of~~

~~eannabis]~~ subject to tax under this chapter shall keep records of all sales of cannabis, in a form prescribed by the department. All such records shall be offered for inspection and examination at any time upon demand by the department or the Hawaii cannabis authority and shall be preserved for a period of five years; provided that the department may in writing consent to their destruction within such period or may adopt rules that require that they be kept longer.

The department may by rule require the person [~~engaging or continuing in the retail sale of eannabis]~~ subject to tax under this chapter to keep such other records as it may deem necessary for the proper enforcement of this chapter.

(b) If any person [~~engaging or continuing in the retail sale of eannabis]~~ subject to tax under this chapter fails to keep records from which a proper determination of the tax due under this chapter may be made, the department may fix the amount of tax for any period from the best information obtainable by it, and assess the tax as hereinbefore provided.

(c) Every person [~~engaging or continuing in the retail sale of eannabis]~~ subject to tax under this chapter shall keep a complete and accurate record of that person's cannabis inventory. The records shall:

- (1) Include:
 - (A) A written statement containing the name and address of the source of cannabis;
 - (B) The date of delivery, quantity, weight, and price of the cannabis; and
 - (C) Documentation in the form of any purchase orders, invoices, bills of lading, other written statements, books, papers, or records in whatever format, including electronic format, which substantiate the purchase or acquisition of the cannabis stored or offered for sale; and
- (2) Be offered for inspection and examination within twenty-four hours of demand by the department or the Hawaii cannabis authority and shall be preserved for a period of five years; provided that the department may in writing consent to their destruction within such period or may adopt rules that require

that they be kept longer.

12. The Department recommends amending section B-9, HRS, relating inspections, so that it applies to all persons subject to tax under chapter B, HRS, and to remove reference to chapter 237, HRS.

The Department recommends amending section B-9, HRS, at page 194, line 3, to page 195, line 4, as follows:

§B-9 Inspection. (a) A person [~~engaging or continuing in the retail sale of cannabis~~] subject to tax under this chapter shall be subject to the inspection and investigation provisions in [~~chapters~~] chapter 231 [~~and 237~~] and shall provide the department with any information deemed necessary to verify compliance with the requirements of this chapter.

(b) The department and the Hawaii cannabis authority may examine all records required to be kept under this chapter, and books, papers, and records of any person [~~engaging or continuing in the retail sale of cannabis~~] subject to tax under this chapter to verify the accuracy of the payment of the tax imposed by this chapter and other compliance with this chapter and rules adopted pursuant thereto. Every person in possession of such books, papers, and records and the person's agents and employees shall give the department and the Hawaii cannabis authority the means, facilities, and opportunities for such examination.

(c) Returns, return information, or reports under this chapter and relating only to this chapter may be provided to the Hawaii cannabis authority by the department for the purpose of enforcing or ensuring compliance with chapter A.

Notwithstanding the foregoing, the inspection, review, or production of any and all federal tax return and return information shall only be provided as permitted in accordance with applicable federal law.

13. The Department recommends deleting section B-11, HRS, relating to suspensions, revocations, and renewal denials of the cannabis tax permit.

As discussed above, provisions that preclude a taxpayer from obtaining or

maintaining a tax permit may impede the tax collection process. Accordingly, the Department recommends deleting section B-11, HRS, at page 195, line 10, to page 200, line 2, relating to suspensions, revocations, and renewal denials of the cannabis tax permit, in its entirety.

14. The Department requests amendments to section 59 to provide additional resources for implementation and administration of this bill.

The Department appreciates the addition of new personnel in section 59 of this bill. The Department, however, anticipates that additional resources will be needed. Specifically, the Department requests the following amendments to section 59 of the bill, at page 318, lines 5 to 17:

SECTION 59. The following positions are established within the department of taxation to implement part III of this Act:

- ~~(1) One full-time equivalent (1.0 FTE) analyst position;~~
- ~~(2) One full-time equivalent (1.0 FTE) auditor position;~~
- ~~(3) One full-time equivalent (1.0 FTE) investigator position;~~
- ~~(4) Three full-time equivalent (3.0 FTE) cashier positions; and~~
- ~~(5) One full-time equivalent (1.0 FTE) tax law change specialist.]~~
- (1) Two full-time equivalent (2.0 FTE) auditor positions;
- (2) One full-time equivalent (1.0 FTE) cashier position;
- (4) Three full-time equivalent (3.0 FTE) special enforcement section investigator positions;
- (5) Two full-time equivalent (2.0 FTE) tax information technician positions; and
- (6) Two full-time equivalent (2.0 FTE) tax law change specialists.

In filling these positions, the director of taxation may appoint [~~a~~] tax law change [~~specialist~~] specialists that shall be exempt from chapter 76.

15. The Department requests amending section 60 to provide additional resources for implementation and administration of this bill.

The Department appreciates the appropriation of \$750,000 to assist with implementation and administration of this bill, but anticipates that an additional \$440,000 will be needed (for a total of \$1,190,000) to cover the 10 positions requested above (estimated at \$790,000), contract costs for a project manager (estimated at \$300,000 for one year), and costs to improve security and confidentiality in the space used to accept cash payments for the cannabis tax (estimated at \$100,000). The Department therefore requests that section 60, at page 318, line 18 to page 319, line 6, be amended as follows:

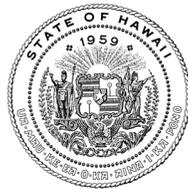
SECTION 60. There is appropriated out of the general revenues of the State of Hawaii the sum of [~~\$750,000~~] \$1,190,000 or so much thereof as may be necessary for fiscal year 2024-2025 for the department of taxation to carry out part III of this Act, including the hiring and filling of [~~seven~~] ten full-time equivalent [~~(7.0 FTE)~~] (10.0 FTE) positions within the department established by this Act, costs for project management services, costs for building and security improvements, and other associated administrative costs.

The sum appropriated shall be expended by the department of taxation for the purposes of this Act.

16. The Department recommends amending the effective date of the bill to make the tax law provisions effective on January 1, 2026.

Finally, the Department requests that section 79 of the bill be amended to make part III effective on January 1, 2026 to provide sufficient time to make the necessary system and form changes and provide taxpayer education on the new cannabis tax.

Thank you for the opportunity to provide comments.



JOSH GREEN, M.D.
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EMPLOYEES' RETIREMENT SYSTEM
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
OFFICE OF THE PUBLIC DEFENDER

ADMINISTRATIVE AND RESEARCH OFFICE
BUDGET, PROGRAM PLANNING AND MANAGEMENT DIVISION
FINANCIAL ADMINISTRATION DIVISION
OFFICE OF FEDERAL AWARDS MANAGEMENT

WRITTEN ONLY
TESTIMONY BY LUIS P. SALAVERIA
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
TO THE SENATE COMMITTEES ON HEALTH AND HUMAN SERVICES
AND JUDICIARY
ON
SENATE BILL NO. 3335, PROPOSED S.D. 1

February 13, 2024
9:00 a.m.
Room 016 and Videoconference

RELATING TO CANNABIS

The Department of Budget and Finance (B&F) offers comments on this bill.

Senate Bill (S.B.) No. 3335, Proposed S.D. 1, intends the following: 1) establishes the Hawai'i Cannabis Authority (HCA), Cannabis Control Board, and Cannabis Control Implementation Advisory Committee, all administratively attached to the Department of Commerce and Consumer Affairs (DCCA), to regulate and license all aspects of cannabis; 2) legalizes the sale and possession of cannabis for non-medical adult use beginning January 1, 2026; 3) establishes the Cannabis Regulation, Nuisance Abatement, and Law Enforcement Special Fund (CRSF) to be administered and expended by HCA, the Department of the Attorney General (AG), and the Department of Law Enforcement (LAW); 4) establishes the Cannabis Social Equity, Public Health and Education, and Public Safety Special Fund (CSESF) to be administered by HCA; 5) establishes the Cannabis Enforcement Unit in LAW; 6) establishes the Social Equity Program, Public Health and Education Grant Program and Public Safety Grant Program (grant programs) in HCA; 7) requires the Department of Taxation (TAX) to administer a cannabis tax permit and

collect 10% of the gross proceeds of sales from cannabis, excluding medical cannabis, effective January 1, 2025, with allocations of 50% of revenues to each of the CRSF and CSESF; 8) transfers all appropriations, property, and other interests held by the Department of Agriculture (DOA) pertaining to the functions of HCA and the Department of Health's (DOH) Office of Cannabis Control and Regulation to HCA; 9) transfers all unexpended and unencumbered balances of the Industrial Hemp Special Fund, Medical Cannabis Registry and Regulation Special Fund, and Hawai'i Hemp Processing Special Fund with 50% allocations to each of the CRSF and CSESF on July 1, 2024; and 10) amends or repeals various parts of the HRS and other Acts pertaining to cannabis.

Furthermore, this bill appropriates the following for FY 25: 1) 8.00 full-time equivalent (FTE) positions, \$14,000,000 in general funds for deposit and \$10,000,000 in special fund ceiling for the CRSF for HCA; 2) \$19,000,000 in general funds for deposit and the corresponding special fund ceiling for the CSESF for the three grant programs in HCA; 3) \$5,000,000 in general funds for establishing a State Cannabis Testing Facility within HCA; 4) 7.00 FTE positions and \$750,000 in general funds for TAX; 5) 8.00 FTE positions and \$1,500,000 in special fund ceiling for the CRSF for AG; and 6) 17.00 FTE positions and \$2,500,000 in special fund ceiling for the CRSF for LAW. In total, this bill appropriates 7.00 FTE general-funded positions; 33.00 FTE special-funded positions; \$38,750,000 in general funds; and \$33,000,000 in special fund ceiling for FY 25 and provides an extended lapse date of June 30, 2026, for all appropriations.

As a matter of general policy, B&F does not support the creation of any special fund which does not meet the requirements of Section 37-52.3, HRS. Special funds should:

- 1) serve a need as demonstrated by the purpose, scope of work and an explanation why the program cannot be implemented successfully under the general fund appropriation

process; 2) reflect a clear nexus between the benefits sought and charges made upon the users or beneficiaries or a clear link between the program and the sources of revenue; 3) provide an appropriate means of financing for the program or activity; and 4) demonstrate the capacity to be financially self-sustaining. Regarding S.B. No. 3335, Proposed S.D. 1, it is difficult to determine whether the proposed CRSF and CSESF will be self-sustaining.

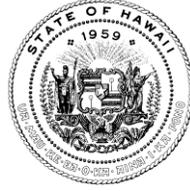
Furthermore, B&F has concerns that the effective date of July 1, 2024, does not allow sufficient time for B&F to consult with the affected agencies and facilitate the transfer of appropriations, positions, and other assets from DOA and DOH to DCCA's HCA as required by Pages 311 to 314 of this bill, and thus recommends this transfer be delayed by at least an additional year to July 1, 2025.

Additionally, B&F highly recommends the details of the budget transfer be specified in the budget worksheets and facilitated through the budget act, rather than in separate legislation, to avoid any ambiguity or misunderstanding in the budget details to be transferred.

Finally, B&F notes that although the tax on the sale of cannabis is proposed to begin on January 1, 2025 (FY 25), the legal sale of cannabis would not begin until January 1, 2026 (FY 26); therefore, TAX estimates this bill will generate estimated tax revenues of \$3,000,000 for FY 26 and \$11,300,000 for FY 27.

B&F defers to DOA, AG, DCCA, DOH, LAW, and TAX on the programmatic merits of this bill.

Thank you for your consideration of our comments.



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Testimony of the Department of Commerce and Consumer Affairs

Before the
Senate Committee on Health and Human Services
and
Senate Committee on Judiciary

Tuesday, February 13, 2024
9:00 a.m.
Conference Room 016 & Via Videoconference

On the following measure:
S.B. 3335, RELATING TO CANNABIS.

Chairs San Buenaventura and Rhoads and Members of the Committees:

My name is Nadine Ando, and I am the Director of the Department of Commerce and Consumer Affairs (Department). The Department offers comments on this bill.

The purposes of this bill are to: (1) establish the Hawai'i Cannabis Authority and Cannabis Control Board within the Department of Commerce and Consumer Affairs to regulate all aspects of the cannabis plant; (2) beginning January 1, 2026, legalizes the personal adult use of cannabis; (3) establish taxes for adult-use cannabis sales; (4) transfers the personnel and assets of the Department of Health and assets Department of Agriculture to the Hawai'i Cannabis Authority; and (5) appropriate funds.

The Department acknowledges the complex nature of the cannabis issue, involving considerations related to public health, safety, and economic opportunities. The commitment to public health protections, including an extensive public health and

education campaign, reflects a responsible approach to mitigate potential risks associated with cannabis use. The DCCA also supports the intent to establish a zero-tolerance policy toward distributing cannabis to individuals under the age of twenty-one and driving under the influence of cannabis.

The DCCA would like to underscore the significance of the clear separation of operations between the Department of Commerce and Consumer Affairs and the Hawai'i Cannabis Authority, as delineated in the proposed legislation. Part II, §A-11 (a) emphasizes that the Hawai'i Cannabis Authority is to be a public body corporate and politic within the Department for administrative purposes only. The legislation explicitly states that the department of commerce and consumer affairs shall not direct or exert authority over the day-to-day operations or functions of the authority. This clear separation ensures that the Hawai'i Cannabis Authority operates independently, fostering effective governance and decision-making in the field of cannabis regulation.

The Department would also like to address challenges faced by financial institutions nationwide, particularly in Hawai'i. It is important to note that financial institutes across the nation are not for or against cannabis sales (medical or adult use). Financial institutions have hesitated to open accounts due to the Anti-Money Laundering Act and the Bank Secrecy Act, which impose severe penalties on individual employees for aiding and abetting money laundering activities. Importantly, the proposed bill cannot address federal penalties for money laundering, a point discussed in detail with relevant authorities. Financial institutions nationwide do not take a stance on marijuana sales but emphasize the limited availability of banking services, with approximately 100 banks and credit unions providing such services across the country.

Thank you for the opportunity to offer comments this bill.



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**Testimony COMMENTING on SB3335_SD1_PROPOSED
RELATING TO CANNABIS**

SENATOR JOY A. SAN BUENAVENTURA CHAIR
SENATE COMMITTEE ON HEALTH AND HUMAN SERVICES

SENATOR KARL RHOADS, CHAIR
SENATE COMMITTEE ON JUDICIARY

Hearing Date, 2-13-24 9:00am and Room Number: 016

1 **Fiscal Implications:** Significant. The Department of Health (“Department”) requests that this
2 measure be considered as a vehicle to provide this needed funding so long as it does not
3 supplant the priorities and requests outlined in the Governors executive budget request.

4 **Department Position:** The Department offers comments regarding SD3335 SD1 PROPOSED
5 which proposes to legalize cannabis for non-medical, adult-use.

6 **Department Testimony:**

7 **PART I**

8 Legalizing adult use of cannabis should be expected to have a negative impact on the health of
9 the public. Whereas cannabis can provide a medical benefit for certain medical conditions,
10 patients can access this through the medical cannabis program. Recreational use is therefore
11 not a program to provide medical benefit and would only add harm. Despite the strong
12 regulatory requirements proposed by SB335 SD1, the DOH remains highly concerned about the
13 public health and environmental impacts that increased accessibility of cannabis and opening of
14 an adult use marketplace will bring. As reported by the Act 169 Dual Use of Cannabis Task

1 Force, Public Health and Safety Working Group¹, there are a wide range of public health and
2 safety concerns associated with cannabis use and exposure.

3 **Mental Health and Substance Use:** Mental health, substance use, and youth suicide are critical
4 priorities of the DOH. There is substantial evidence that adolescents and young adults who use
5 cannabis daily or near-daily are more likely than non-users to develop future psychotic
6 disorders such as schizophrenia and for daily or near-daily adult users to be diagnosed with a
7 psychotic disorder such as schizophrenia.^{2,3,4,5,6,7,8,9,10,11,12,13} There is also substantial evidence
8 that adolescent and young adult cannabis users are more likely than non-users to increase their
9 use and to develop cannabis use disorder and that increases in cannabis use frequency is
10 generally associated with progression to developing cannabis use disorder.^{14,15,16,17,18,19,20,21,22}
11 Additionally, there is moderate evidence that adolescents and young adults who use cannabis
12 are more likely than non-users to have suicidal thoughts or attempt suicide, and have an
13 increased incidence of suicide completion.^{23,24,25,26,27,28,29,30,31,32,33,34,35,36,37,38,39}

14 **Fetus and Newborn Exposures:** Fetus and newborn exposure to cannabis is an increasingly
15 growing concern. National estimates show that between 3-7% of pregnant women report using
16 cannabis while pregnant.^{40,41} Biological evidence shows that tetrahydrocannabinol (THC), the
17 primary intoxicating compound in cannabis is passed through the placenta of women who use
18 cannabis during pregnancy and that the fetus absorbs and metabolizes the THC.^{42,43,44,45,46}
19 Despite this, cannabis use among pregnant women has continued to increase amidst the
20 perceived lack of risk from the increasing acceptance and accessibility of
21 cannabis.^{47,48,49,50,51,52,53,54,55,56} Biological evidence also shows that THC is present in the breast
22 milk of women who use cannabis and that infants who drink breast milk containing THC absorb
23 and metabolize the THC.^{57,58,59,60,61} There is substantial evidence of association between
24 maternal cannabis smoking and lower birth weight of offspring^{62,63} and moderate evidence that
25 maternal use of cannabis during pregnancy is associated with decreased academic ability,

1 attention problems, reduced cognitive function, and decreased IQ scores in exposed
2 offspring.^{64,65,66,67,68,69,70,71,72,73,74,75,76,77}

3 **Environmental Concerns:** According to an October 2020 report by the Denver Environmental
4 Health Cannabis Sustainability Work Group, cultivation of cannabis has had significant impacts
5 on consumption of energy and water, generation of solid waste, effluent discharge, greenhouse
6 gas emissions, land use, nuisance odor control, and, indoor air quality.^{78,79} Also in October
7 2020, the National Cannabis Industry Association issued "Environmental Sustainability in the
8 Cannabis Industry: Impacts, Best Management Practices, and Policy Considerations,"
9 highlighting the impacts of the industry on land and soil health, water use, energy consumption,
10 air quality, and waste.⁸⁰ In addition, the Cannabis Regulators Association (CANNRA) has
11 provided guidance regarding the need for state and local environmental regulatory agencies to
12 engage and work with cannabis businesses in determining and quantifying environmental
13 impacts, and best ways to achieve compliance regarding energy use, waste management, air
14 quality, and water quality.⁸¹ Finally, CANNRA has also provided guidance regarding nuisance
15 odor compliance, which have been and continue to be, an ongoing source of complaints for
16 private residence cultivation, and should be expected to increase with adult use legalization.⁸²

17 **Youth and Young Adults:** Although proposed legalized adult use will be restricted to those
18 aged 21 and older, the human brain continues to develop into the mid-20s and remains
19 vulnerable to the effects of addictive substances.^{83,84} Various research on youth and young
20 adults show associations between e-cigarette use and cannabis use,^{85,86,87,88} and a systematic
21 review and meta-analysis of existing studies showed the odds of youth using cannabis were 3.5
22 times higher if they vaped.⁸⁹ Flavor increases the likelihood that youth will try the vaping
23 product, whether it contains nicotine or cannabis.^{90,91} Protecting young adults legally allowed
24 to use cannabis but still very vulnerable to its detrimental effects will not work with age
25 restrictions alone. Also, although the use of child-resistant packaging reduces unintentional
26 pediatric poisonings from a wide range of products,^{92,93,94} these still rely on the user to properly

1 employ and maintain the packaging. A recent retrospective analysis of National Poison Data
2 System data for pediatric exposures to edible cannabis products in children younger than age 6
3 years found an increase of 1,375% from 2017-2021 with a significant increase in both ICU and
4 non-ICU admissions.⁹⁵ Toxic pediatric exposures continue to be reported.⁹⁶ In addition to
5 packaging requirements, restriction of advertising and marketing practices remain critical to
6 preventing appeal to youth as well as preventing the encouragement of increased consumption
7 and targeting of marginalized communities as practiced by the tobacco industry.^{97,98} There is
8 substantial evidence that more unintentional exposures for children occur in states with
9 increased legal access to cannabis and these exposures can lead to significant clinical effects
10 requiring medical attention.^{99,100,101,102,103,104,105,106,107,108}

11 **Smoking, E-Cigarettes, and Vaping:** Smoked and vaped forms of hemp and cannabis should be
12 prohibited. There is substantial evidence that cannabis smoke contains many of the same
13 cancer-causing chemicals as tobacco smoke^{109,110,111,112,113} and while many flavorings and
14 additives used in e-cigarette or vaped products may be safe for oral ingestion, few, if any have
15 been demonstrated as safe for inhalation. This was highlighted by the outbreak of e-cigarette,
16 or vaping, product use-associated lung injury (EVALI), which caused 2,807 hospitalized cases
17 among all 50 states, the District of Columbia, and two U.S. territories and 68 confirmed
18 deaths.¹¹⁴ EVALI cases rapidly declined after vitamin E acetate, a common dietary supplement
19 that is generally recognized as safe ("GRAS") by the U.S. Food and Drug Administration as a
20 food additive, was removed from products.

21 **Intoxicating Hemp Products:** The DOH greatly appreciates the inclusion of regulatory oversight
22 of hemp-derived cannabinoid products under the Hawaii Cannabis Authority. Cannabinoids are
23 cannabinoids, regardless of whether they are derived from cannabis or hemp plants, or
24 synthesized, and some have psychoactive or intoxicating properties.¹¹⁵ The 2018 Farm Bill's
25 focus on the concentration of delta-9 THC as defining legal hemp and hemp products has
26 created a loophole through which consumers, including children, can walk into convenience

1 stores and gas stations, or shop online and purchase products that have the same psychoactive
2 or intoxicating effects as cannabis. There are a number of these "hemp synthesized intoxicants
3 (HSIs)," the most common being Delta-8 THC and Delta-10 THC. Proponents of HSIs assert that
4 the Farm Bill did not prohibit the chemicals in hemp from being converted into psychoactive
5 compounds. However, opponents of HSIs argue that the Farm Bill legalized hemp as an
6 agricultural commodity and did not intend for the chemicals in hemp to be converted into
7 intoxicating compounds. In October 2023, Virginia's restriction of HSIs was upheld by a federal
8 court, and Attorneys General in Nebraska, California, and Connecticut have filed lawsuits or
9 enforcement actions against HSI manufacturers and sellers, citing health and safety risks to
10 consumers.^{116,117,118} And on December 5, 2023, the U.S. Food and Drug Administration (FDA)
11 issued a warning letter¹¹⁹ to a manufacturer of food products, including gummies, that contain
12 Delta-8 THC. In its warning letter, FDA noted that: "1) Delta-8 THC products have not been
13 evaluated or approved by FDA for safe use and may be marketed in ways that put the public
14 health at risk; 2) FDA has received adverse event reports involving Delta-8 THC containing
15 products; 3) Delta-8 THC has psychoactive and intoxicating effects; 4) FDA is concerned about
16 the processes used to create the concentrations of Delta-8 THC claimed in the marketplace; and
17 5) FDA is concerned about Delta-8 THC products that may be consumed by children, as some
18 packaging and labeling may appeal to children."

19 **Regulatory Standards:** The DOH appreciates requirements for laboratory standards and testing,
20 packaging and labeling, products standards, and advertising and marketing controls. The DOH
21 also greatly appreciates the substantive appropriations for the Public Health and Education
22 Special Fund for cannabis testing. Cannabis testing capability and capacity will be critical to
23 oversight of private commercial testing laboratories and investigations of adverse consumer
24 events. Together, these provisions will help to ensure that cannabinoid-containing products
25 intended for human consumption and use meet the same consumer protection standards as
26 non-cannabinoid-containing products. In other words, other than the effect of the cannabinoid
27 content, a hemp-derived gummie and a cannabis-derived gummie should be as safe to

1 consume as a commercial candy gummie. These requirements will help to protect the public,
2 especially youth, from unintended intoxication, over-toxication, deceptive and misleading
3 claims, and unsafe products. The DOH also appreciates the maintenance of key existing medical
4 use provisions, the limitations against any use of cannabis that endangers the health or well-
5 being of another person, especially the use at any place open to the public, including smoking
6 or vaping cannabis in public as prohibited by chapter 328J, and the use of cannabis by anyone
7 under twenty-one years of age.

8 While DOH appreciates the inclusion of a "Public health and education special fund" for
9 education and substance abuse prevention and treatment, which includes educating the public
10 about cannabis use and laws, preventing and treating substance abuse among youth, and
11 controlling and treating substance abuse; this is not expected to eliminate the harms. Based on
12 what has been experienced with tobacco products, despite laws prohibiting purchase and
13 educational campaigns, use increased among youth. Efforts have been unsuccessful to date and
14 continue to be underway to protect our youth by banning flavored products. Despite best
15 efforts to implement a legal adult cannabis use program as responsibly and safely as possible,
16 there will be harm to the public health, especially for newborns, youth, and young adults.

17 **Offered Amendments:** None

18 Thank you for the opportunity to testify on this measure.

¹ Act 169 Dual Use of Cannabis Task Force Permitted Interaction Group, Public Health and Safety Group report available at: https://health.hawaii.gov/medicalcannabis/files/2022/09/Dual-Use-of-Cannabis-Public-Health-Safety-Working-Group-Report_FINAL_2022-9-26-1.pdf.

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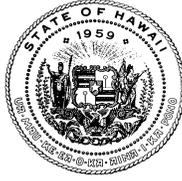
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**Testimony COMMENTING on SB3335_SD1_PROPOSED
RELATING TO CANNABIS**

SENATOR JOY A. SAN BUENAVENTURA CHAIR
SENATE COMMITTEE ON HEALTH AND HUMAN SERVICES

SENATOR KARL RHOADS, CHAIR
SENATE COMMITTEE ON JUDICIARY

Hearing Date, 2-13-24 9:00am and Room Number: 016

1

PART II

2

The DOH-OMCCR provides the following testimony in its capacity as the state regulator of
cannabis for medical use.

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One Plant, One Regulatory Agency: The DOH-OMCCR strongly supports the "one plant, one
regulatory agency" approach that SB3335 SD1 PROPOSED contemplates by placing medical use,
adult use, and hemp cannabinoid processing and products under the Hawaii Cannabis Authority
("HCA"). As a founding member of the Cannabis Regulatory Association ("CANNRA,"

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<https://www.cann-ra.org/>), the DOH-OMCCR has had the opportunity to learn from the

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experience of other states implementing medical use and transitioning to adult use – having

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multiple regulatory agencies has been a common, recurring challenge. As a result, more states

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are either starting as one regulatory agency or transitioning to one agency, especially with

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regard to hemp cannabinoid products. Currently, of CANNRA's 44 member states and the

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District of Columbia, 11 regulate hemp cannabinoid products under the same agency as

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cannabis¹, and an additional four states have pending legislation or have authorized the

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cannabis agency to regulate hemp cannabinoid products.² Hawaii is one of the 11 states where

1 hemp cannabinoid products are regulated by the same agency as cannabis—i.e., the DOH-
2 OMCCR. States where there is not a single regulatory agency often speak about the serious
3 challenges associated with gaps in, and inconsistent, regulations and the resulting uncertainty
4 for the industry and consumers.

5 In following this trend, it is important to emphasize that SB3335 SD1 PROPOSED does not
6 propose to regulate hemp cultivation or industrial hemp products under the HCA, only hemp
7 processing and manufacturing of hemp cannabinoid products that are intended for human
8 consumption and use. This approach will help to ensure that all cannabinoid-containing
9 products, whether derived from cannabis or hemp, will meet the same basic good
10 manufacturing practices of non-infused, commercially available counterparts.

11 **Law Enforcement Role:** The DOH-OMCCR supports the continuing role of law enforcement as
12 proposed by SB3335 SD1 PROPOSED. Cannabis remains illegal under federal law.
13 Notwithstanding, chapter 329, part IX, Hawaii Revised Statutes, provides a safe harbor from
14 state criminal prosecution for medical use to those operating within the scope of Hawaii's laws.
15 As the state's regulator for medical use cannabis, DOH-OMCCR values and relies on the support
16 of the state Narcotics Enforcement Division and county police in addressing non-compliance.
17 The DOH-OMCCR also strongly supports increasing the state's cannabis-related nuisance
18 abatement capacity by authorizing and supporting the Department of the Attorney General in
19 civil enforcement of violations of law. Adult-use legalization will not eliminate the illicit market
20 or bad actors. As experienced by other states, these will persist in parallel to the legal,
21 regulated market. A well-funded and defined law enforcement mission to prevent illicit
22 activities and assist the HCA will help to ensure the viability of the legal market and assure the
23 public safety.

24 **Social Equity Program:** Increasingly, the promotion of social and economic equity in the
25 cannabis industry and through revenue generated by the cannabis industry has become a
26 central mission of states' programs. Acknowledging that equity can only be achieved through

1 the elimination of barriers that prevent the full participation of some groups,³ seventeen of
2 CANNRA's member states maintain equity programs ranging from specific license types to
3 grants and access to capital, technical assistance, community reinvestment, and business
4 incubator or mentorship programs for disproportionately impacted or disadvantaged
5 communities, people with past cannabis-related convictions, farmers, women-, veteran-, and
6 minority-owned businesses, legacy operators, etc. As such, DOH-OMCCR appreciates SB3555's
7 intent to address inequalities by bringing economic opportunity to disadvantaged regions of
8 Hawaii and transition illicit operators to the legal market through a robust social equity grant
9 and fee waiver program.

10 **Delayed Effective Date:** The DOH-OMCCR strongly supports delaying of the effective date for
11 legalized adult use and the opening of the marketplace for a minimum of eighteen (18) months
12 and exemption of certain procurements from requirements under chapter 103D. Adequate
13 time will be needed to establish the HCA and the Cannabis Control Board, adopt Hawaii
14 Administrative Rules, transfer personnel and assets from the Department of Health to the HCA,
15 convert existing and license new businesses, and other myriad aspects of standing up a new
16 agency. Many processes in the state system move slowly and are often constrained by limited
17 resources within the program itself. For example, the reorganization to establish DOH-OMCCR
18 from the Patient Registry and Dispensary Licensing programs was initiated in June 2018 and not
19 recognized until July 2019. Documents to establish the new DOH-OMCCR administrative
20 positions created by the reorganization were submitted in April 2019 and the first positions
21 became available for recruitment September 2019. Even with interim rulemaking authority,
22 limited amendments to administrative rules take at least 4 to 6 months to complete. These
23 limitations are not unique to Hawaii, and other states have reported timelines of 6 months to
24 more than 2 years from the effective date of adult-use to accepting new license applications
25 and an additional 6 to 24 months before issuing licenses. The delayed effective date and
26 flexibility to contract for services to effect the needed changes will be critical to
27 operationalizing an adult-use regime.

1 **Public Health Protections:** The DOH-OMCCR concurs with the compelling public health impact
2 concerns that the Department of Health has regarding adult use legalization. The intoxicating
3 and impairing qualities of cannabis, manufactured cannabis products, and certain hemp-
4 cannabinoid products, has increased, and new and evolving forms and modes of consumption
5 continuously appear. As such, the DOH-OMCCR strongly supports the extensive, well-funded
6 public health protections embedded in SB3335 SD1 PROPOSED and the clear charge to the
7 Cannabis Control Board that "the protection of public health and safety shall be the highest
8 priorities for the board..., and that wherever protection of public health and safety is
9 inconsistent with other interests..., the protection of public health and safety shall be
10 paramount."

11 Protection of youth and young adults will be especially important as problem use in these
12 populations will required significant, long-term investments by the state. Although the rates of
13 consumption among youth do not appear to be increasing in states that have transitioned to
14 adult-use, increasing intensity of use, i.e., more frequent use and/or higher THC use, has been a
15 concerning observed trend. According to the Colorado Retail Marijuana Public Health Advisory
16 Committee, "Adolescents and young adults who use marijuana are more likely to experience
17 psychotic symptoms as adults (such as hallucinations, paranoia, and delusional beliefs), future
18 psychotic disorders (such as schizophrenia) and suicidal thoughts or attempting suicide.
19 Evidence shows that adolescents who use marijuana are more likely to not graduate high
20 school or attain a college degree, can become addicted to marijuana, and that treatment for
21 marijuana addiction can decrease use and dependence." In addition that, "Children born to
22 mothers who used marijuana during pregnancy are more likely to be born small for gestational
23 age, experience attention problems and reduced cognitive function in childhood, and have
24 decreased academic ability, including reduced IQ scores."

25 Implementation of a robust public health and education campaign to inform the public about
26 the new laws and the health risks, as well as preparing for increased demand for addiction and

- 1 substance use treatment services needs to begin before adult-use becomes effective and
- 2 continuously maintained to be assure the protection of the public health.
- 3 **Offered Amendments:** None
- 4 Thank you for the opportunity to testify on this measure.

¹ Connecticut, Maryland, Michigan, Minnesota, New York, Rhode Island, Vermont, Hawaii, Louisiana, Utah, District of Columbia.

² Illinois, Nevada, Oregon, Washington.

³ Bard College (2020). Principles of Equity at Bard College. Cce.bard.edu. <https://cce.bard.edu/about/principles-of-equity/>

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**THE HONORABLE KARL RHOADS, CHAIR
SENATE COMMITTEE ON JUDICIARY**

**Thirty-Second State Legislature
Regular Session of 2024
State of Hawai`i**

February 9, 2024

RE: S.B. 3335; RELATING TO CANNABIS.

Chairs San Buenaventura and Rhoads, Vice-Chairs, and members of the committees, the Department of the Prosecuting Attorney of the City and County of Honolulu (“Department”) submits the following testimony in **strong opposition** to S.B. 3335.

My name is Steve Alm, and I am the Prosecutor of the City and County of Honolulu.

The bill seeks to establish the Hawaii cannabis authority and the cannabis control board within the Department of Commerce and Consumer Affairs to regulate all aspects of the cannabis plant; legalize the possession of certain amounts of cannabis for individuals twenty-one years of age and over as of January 1, 2026; and establishes taxes for adult-use cannabis sales.

We don’t need to guess about the impacts that legalizing commercial marijuana will have on Hawai`i. Local experts have already issued stark warnings and we need only look at other states (e.g. Colorado with ten years of legalization) to see what awaits us if we take the consequential step of legalizing commercial marijuana.

First, marijuana legalization would seriously impact Hawaii’s economic well-being. Tourism, Hawaii’s No. 1 industry, would be negatively affected. Leaders in the Japanese visitor industry, including Tetsuya (Ted) Kubo, President and CEO of Japan Travel Bureau (JTB) Hawaii, have warned that if we legalize marijuana, Japanese tourists will stop coming to Hawai`i.

Second, the marijuana of today is not the marijuana of yesteryear, when it had 3% THC. Marijuana today has 20 – 40% THC with concentrates over 90%. It is a different drug entirely.

Third, there will be more marijuana usage. In 1992, 17.5 million Americans used marijuana. In 2021, that number had risen to 52.5 million.

Fourth, opening up State-approved marijuana stores will not eliminate the black market that has operated for decades. With more marijuana users overall, the black market will increase. And the black market is always cheaper.

Fifth, given that the black market will increase, there will be a greater chance of accidental use of fentanyl-laced marijuana.

Sixth, there will be an increase in fatal car collisions. In the Rocky Mountain area in 2013, 14.8% of drivers involved in traffic fatalities tested positive for marijuana. That number increased to 24.3% in 2020. In addition, 48.8% of teenage drivers who use marijuana repeated driving under the influence. Currently, HPD has no way to test for marijuana for impaired drivers.

Seventh, there will be an increase in mental health problems (including schizophrenia) and more hospital and emergency department admissions.

Eighth, there will be negative environmental impacts with increased marijuana cultivations including energy use, pesticide use, air pollution, land cover change, water pollution and water use (each adult marijuana plant uses 6 gallons of water per day).

Ninth, what kind of message will we be sending to our young people when we put a societal stamp of approval on using marijuana? That will give our keiki permission to use marijuana. Thirty percent of marijuana users have some form of marijuana use disorder. Use before the age of 18 increases the likelihood of marijuana use disorder by seven fold. We should be protecting our keiki's brains when they are most vulnerable, before the age of 25. While this may not have been as critical when marijuana had 3% THC, it is now a much more serious concern with today's much stronger marijuana.

Tenth, regardless of the type of regulatory system you establish or how much money you spend doing so, the fact remains that you would be legalizing for mass consumption a now very powerful drug. Labeling it "adult-use" or spending money on Public Service Announcements to try to deter our keiki from smoking marijuana is naïve at best, and in any case ineffective. We need only look at alcohol, tobacco, and vaping to see how unsuccessful society has been at restricting use to adults.

Eleventh, finally, and perhaps most importantly, the folks from Colorado, where there are now more commercial marijuana stores than Starbucks and McDonald's combined, have warned us that legalizing marijuana would change the character of Hawai'i forever. Let's not do that. Let's keep Hawai'i, Hawai'i and say no to legalizing commercial marijuana.

Thank you for this opportunity to testify on S.B. 3335.

JOSH GREEN, M.D.
GOVERNOR
KE KIA'ĀINA



STATE OF HAWAII | KA MOKU'ĀINA 'O HAWAI'I
HAWAII PAROLING AUTHORITY
Ka 'Ākena Palola o Hawai'i
1177 Alakea Street, First Floor
Honolulu, Hawaii 96813

EDMUND "FRED" HYUN
CHAIR

GENE DEMELLO, JR.
CLAYTON H.W. HEE
MILTON H. KOTSUBO
CAROL K. MATAYOSHI
MEMBERS

COREY J. REINCKE
ACTING ADMINISTRATOR

No. _____

TESTIMONY ON SENATE BILL 3335 RELATING TO CANNABIS

by
Edmund "Fred" Hyun, Chair
Hawaii Paroling Authority

Senate Committee on Health and Human Services
Senator Joy A. San Buenaventura, Chair
Senator Henry J.C. Aquino, Vice Chair

and

Senate Committee on Judiciary
Senator Karl Rhoads, Chair
Senator Mike Gabbard, Vice Chair

Tuesday, February 13, 2024, 9:00 a.m.
State Capitol Conference Room 016 and Via Video Conference

Chair San Buenaventura, Chair Rhoads, Vice Chair Aquino, Vice Chair Gabbard, and Members of both Committees:

The Hawaii Paroling Authority (HPA) stands in strong opposition of SB 3335. The greater majority of the inmates facing the parole board for Minimum Hearings, and parolees currently under HPA's supervision, have a history of marijuana use starting in their teenage years. Known as the "gateway" drug, legalization of recreational marijuana will only add to the safety risks faced by HPA parole officers within their duties of supervision; allowing the recreational use of marijuana will cause an increase in traffic deaths, psychosis, schizophrenia, and acts of violence in comparison to current data. All these factors will create an increased number of parole revocations, population increase within our prison systems, mental health facilities, hospitals/ER visits, and a substantial increase in criminal behavior.

Thank you for the opportunity to present testimony on SB 3335. We will be available to answer any questions the committee may have.

Mitchell D. Roth
Mayor



Benjamin T. Moszkowicz
Police Chief

Reed K. Mahuna
Deputy Police Chief

County of Hawai'i

POLICE DEPARTMENT

349 Kapi'olani Street • Hilo, Hawai'i 96720-3998
(808) 935-3311 • Fax (808) 961-2389

February 9, 2024

Senator Joy A. San Buenaventura
Committee on Health and Human Services
Senator Karl Rhoads
Committee on Judiciary
Chairperson and Committee Members
Hawai'i State Capitol, Room O16
415 South Beretania Street
Honolulu, Hawai'i 96813

Dear Chairs San Buenaventura and Rhoads:

RE: SENATE BILL (SB) 3335, RELATING TO CANNABIS
HEARING DATE: FEBRUARY 13, 2024
TIME: 9:00 AM

The Hawai'i Police Department **STRONGLY OPPOSES** SB 3335, SD1, which establishes the Hawai'i Cannabis Authority and Cannabis Control Board within the Department of Commerce and Consumer Affairs to regulate all aspects of the cannabis plant; establishes the Cannabis Control Implementation Advisory Committee; beginning January 1, 2026, legalizes the personal adult use of cannabis; establishes taxes for adult-use cannabis sales; transfers the personnel and assets of the Department of Health and assets of the Department of Agriculture to the Hawai'i Cannabis Authority; declares that the general fund expenditure ceiling is exceeded; makes appropriations.

Summarized below, available data from states that have legalized marijuana show sharp increases in marijuana-related emergency room visits and/or hospitalizations and clear and convincing evidence that marijuana consumption has proven to be a contributing factor in countless instances in which individuals have experienced fatal; consequences:

In Colorado, traffic fatalities have increased over 51% since 2013 (Colorado Department of Transportation, 2023). The rise in statewide traffic fatalities has coincided with a rise in instances of traffic fatalities where the drivers have tested positive for THC. The number of traffic fatalities involving drivers who tested positive for marijuana in Colorado rose from 55 deaths in 2013 to 131 deaths in 2020. In 2020, 20.1% of all traffic fatalities in Colorado involved a driver who tested positive for marijuana.¹

In Michigan among those fatal crashes where cannabis was tested the proportion of tests that were positive for cannabinoids more than tripled over 13 years from 6.7% in 2004 to 23.4% in 2017.²

In Washington State, a recent report released by AAA found that the number of drivers who tested positive for marijuana after a fatal crash doubled after the legalization of marijuana there.³

SENATOR JOY A. SAN BUENAVENTURA
COMMITTEE ON HEALTH AND HUMAN SERVICES
SENATOR KARL RHOADS
COMMITTEE ON JUDICIARY
CHAIRPERSON AND COMMITTEE MEMBERS
RE: SENATE BILL 3335, RELATING TO CANNABIS
FEBRUARY 9, 2024
PAGE 2 OF 4

In Colorado, there was a reported 148% increase in marijuana-related hospitalizations per 100,000 people since the legalization of marijuana. ⁴

The Colorado Department of Public Safety reported a 586% increase in calls to poison control for marijuana-related incidences in children age 0-5. ⁵

Nationally there were 2,473 in-home THC exposures involving children under 12 years old in 2020. This is up from 598 exposures in 2018 and represents a 313.5% increase in just three years!. ⁶

A study by Kamer in 2020 estimated that an additional 6,800 excess fatal crashes would occur each year if marijuana were legalized nationwide. ⁷

Among many other inclusions, this bill seeks to add a new section to part II, Chapter 291E of the Hawaii Revised Statutes, which seeks to address the refusal to submit to testing for a measurable amount of THC. It goes on to state, “if the person is a medical cannabis patient, THC at a concentration of ten or more nanograms per milliliter of blood, the arresting law enforcement officers shall submit an affidavit to a district court judge, in turn, upon receipt of the affidavit, the district judge shall hold a hearing within 20 days.”

The ultimate goal of a per se law is to identify a specific cannabinoid concentration that directly corresponds to an unsafe level of impairment. Based on current available scientific data, impairing effects of THC on driving performance and crash risk is not clear or uniform. An additionally complicated factor in enforcing impaired driving after consuming cannabis is the time between peak THC concentration in bodily fluids and subjective impairment. Generally, peak THC blood (plasma) concentrations occur five to eight minutes after smoking cannabis and decrease rapidly over time.⁸ However, impairment begins about five minutes after inhalation, with maximum impairment occurring approximately 20 minutes after the peak blood THC concentration.⁹ This means that low THC concentrations do not necessarily exclude impairment, and THC concentrations measured following a crash or traffic stop may be low because of delays in blood collection. In addition, a tolerant THC user may not exhibit signs of impairment, even though they are above an arbitrary per-se limit.

Hawai'i Police Department officers receive specialized and standardized training that gives them the skills necessary to recognize impaired vehicle operators who pose a danger to others on the roadways. The standard testing processes can assist the officer in determining if an individual's impairment is caused by alcohol. If alcohol is ruled out, either as a non-contributing factor or the level of displayed impairment is greater than the level of the blood alcohol concentration, further testing can be conducted by certified officers, who have completed a three-week in-depth, specialized and standardized Drug Recognition Expert (DRE) training, which gives them the knowledge and skills needed to determine if an individual's impairment is caused by alcohol and/or drugs. This requires a series of advanced testing procedures in which the DRE will make a professional determination if the individual is too impaired to operate a motor vehicle safely. The results of a urine or blood test serve as confirmation of impairment levels. Although the officers have received specialized training to recognize impairment in the different categories of drugs, the training does not allow an officer to distinguish a level of impairment that differs amongst medical cannabis patients, as is being proposed in this bill.

SENATOR JOY A. SAN BUENAVENTURA
COMMITTEE ON HEALTH AND HUMAN SERVICES
SENATOR KARL RHOADS
COMMITTEE ON JUDICIARY
CHAIRPERSON AND COMMITTEE MEMBERS
RE: SENATE BILL 3335, RELATING TO CANNABIS
FEBRUARY 9, 2024
PAGE 3 OF 4

This bill identifies mandatory independent laboratory testing of cannabis and other related products and an appropriation of \$5,000,000.00 to establish a cannabis testing facility. However, there is no mention of funding for the establishment of a state laboratory which would require funding, a location for the laboratory to operate, and operational and administrative staff to conduct the testing of samples for investigative purposes. Currently, law enforcement agencies are required to send blood samples to laboratories on the mainland for testing. If this bill were passed, the quantity of testing conducted, along with the related expenses, would increase dramatically and without additional funding, the capabilities of the current system would be greatly exceeded.

The medical marijuana program, governed by specific rules and procedures, is already in place for those individuals deemed by physicians to need medicinal marijuana to improve upon their quality of life. The program restricts availability to those who need it for medical purposes and the availability of marijuana should remain restricted to those who need it for medical reasons.

In summary, the evidence is clear. The legalization of marijuana for adult personal use is not in the best interest of our state. The passage of this bill will negatively affect many aspects of our society. It will create an undue burden on our law enforcement and first responder agencies as there will surely be increases in drug overdoses, emergency room visits, hospitalizations, and impaired driving on our roadways which will result in serious traffic-related injuries including fatalities. Relaxing the marijuana laws and legalizing marijuana in any quantity sends the message that recreational marijuana use in Hawaii is acceptable, it's harmless, and tolerable, and contributes to the misconception that there are no dangers associated with marijuana use. In addition to conveying the message that marijuana is harmless, legalizing marijuana, even in one-ounce quantities, for adult personal use purposes only, will make marijuana more easily accessible by our youth, the same youth that we, as parents, teachers, and law enforcement, teach to "*say no to drugs*" because drugs are unequivocally bad for them. What kind of mixed message would we be sending to our young impressionable youth if we allow the legalization of marijuana? Will we now have to change our teachings to "*say no to drugs, except marijuana?*" The risks are far too great and are not worth any potential reward.

It is for these reasons, that we urge this committee **not to approve** this legislation. Thank you for allowing the Hawai'i Police Department to provide comments relating to Senate Bill 3335.

Sincerely,


BENJAMIN T. MOSZKOWICZ
POLICE CHIEF

SENATOR JOY A. SAN BUENAVENTURA
COMMITTEE ON HEALTH AND HUMAN SERVICES
SENATOR KARL RHOADS
COMMITTEE ON JUDICIARY
CHAIRPERSON AND COMMITTEE MEMBERS
RE: SENATE BILL 3335, RELATING TO CANNABIS
FEBRUARY 9, 2024
PAGE 4 OF 4

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DEREK S.K. KAWAKAMI, MAYOR
REIKO MATSUYAMA, MANAGING DIRECTOR

POLICE DEPARTMENT COUNTY OF KAUAI



TODD G. RAYBUCK, CHIEF OF POLICE

Testimony of Todd G. Raybuck
Chief of Police
Kauai Police Department

Before the
Committee on Health and Human Services
And the
Committee on Judiciary
February 13, 2024, 9:00 AM
Conference Room 016 & via Videoconference

In consideration of
Senate Bill 3335 S.D. 1
Relating to Cannabis

Honorable HHS Chair San Buenaventura, Honorable HHS Vice-Chair Aquino, Honorable JDC Chair Rhoads, Honorable JDC Vice-Chair Gabbard, and Committee Members:

The Kaua'i Police Department (KPD) **strongly opposes** Senate Bill 3335 S.D. 1 Relating Cannabis.

Passage of Senate Bill 3335 S.D. 1 will create a commercialized cannabis industry resulting in the expansion of marijuana use, increased criminal activity, and dangerous roadways thereby negatively affecting our quality of life and impacting public safety.

In 2017, Nevada legalized the possession and commercial sales of marijuana, and I observed first-hand how crime flourished behind the cover of legalization. Homicides related to an altercation over drugs increased twenty-one percent (21%) in 2017 compared to 2016. And marijuana was the cause of the altercation in fifty-three percent (53%) of those homicides. Fifty-eight percent (58%) of all drug-related murders in 2017 involved marijuana.

The commercialization of marijuana leads to increased seizures and illegal shipments of the drug across state lines. Illicit marijuana seizures by Las Vegas Metropolitan Police Department increased 111% and the seizure of THC edibles increased 455% in 2017 compared to 2016. Seventy-two percent (72%) of the drug parcels seized in 2017 by Las Vegas police contained marijuana with at least ten percent (10%) of the marijuana being traced back to legal purchases from dispensaries and production facilities.

State sanctioned marijuana sales do not decrease illegal markets instead, they flourish. In California an audit found nearly 3,000 illegal marijuana businesses dwarfing the legal trade (LA Times, 9/11/2019).



Despite legalization, illegal marijuana grown operations have increased and spread across California resulting in armed turf wars over the illicit marijuana trade including the mass murder of 6 individuals in January 2024 (LA Times, 1/30/2024).

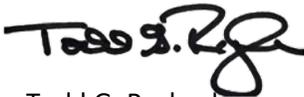
The commercialization of marijuana has led to the normalization and proliferation of illegal public marijuana consumption negatively impacting the quality of life in parks and public spaces. Inescapable green clouds of marijuana smoke hover across the Las Vegas Strip, downtown Denver, San Francisco, Portland, and Seattle.

The commercialization and expansion of marijuana use increases motor vehicle deaths. A recent study found marijuana related traffic fatalities increased in states with legalized marijuana markets. On average, recreational marijuana markets across seven states were associated with a ten percent (10%) increase in motor vehicle accidents. Four of the seven states saw significant increases, Colorado (16%), Oregon (22%), Alaska (20%), and California (14%) (University of Illinois Chicago, 3/28/2023).

Passage of Senate Bill 3335 S.D. 1 will create increased burdens on law enforcement. For these reasons the Kaua'i Police Department (KPD) **strongly opposes** Senate Bill 3335 H.D. 1 Relating Cannabis.

Thank you for your time and consideration.

Sincerely,



Todd G. Raybuck
Chief of Police
Kaua'i Police Department



RICHARD T. BISSEN, JR.
Mayor

ANDREW H. MARTIN
Prosecuting Attorney

SHELLY C. MIYASHIRO
First Deputy Prosecuting Attorney



DEPARTMENT OF THE PROSECUTING ATTORNEY
COUNTY OF MAUI
150 SOUTH HIGH STREET
WAILUKU, MAUI, HAWAII 96793
PHONE (808) 270-7777 • FAX (808) 270-7625

TESTIMONY ON
S.B. 3335
RELATING TO CANNABIS

February 12, 2024

The Honorable Joy A. San Buenaventura
Chair
The Honorable Henry J.C. Aquino
Vice Chair
and Members of the Committee on Health and Human Services

The Honorable Karl Rhoads
Chair
The Honorable Mike Gabbard
Vice Chair
and Members of the Committee on Judiciary

Chairs San Buenaventura and Rhoads, Vice Chairs Aquino and Gabbard, and Members of the Committees:

The Department of the Prosecuting Attorney, County of Maui respectfully submits the following comments **in opposition to S.B. 3335**, Relating to Cannabis, and requests that the measure be deferred. This measure amends significant portions of the H.R.S. to implement the legalization and regulation of non-medicinal cannabis and cannabis products.

We understand that the intent of this measure is to provide a lawful, orderly transition to the sale of adult-use cannabis and cannabis products. However, our unique role as prosecutors also requires us to ensure the integrity of the criminal justice system and preserve public safety. This measure raises the following concerns in that regard:

1. Federal law currently designates cannabis as a Schedule I controlled substance, meaning that it generally cannot be manufactured, distributed, dispensed or possessed. The proposed amendments to the H.R.S. will not alter that status, meaning that Hawai'i citizens who are involved in this industry will be in violation of federal law. Moreover, the current illegality of

cannabis under federal law not only makes it harder for cannabis businesses to use traditional financial institutions, but also makes them more vulnerable to theft, robbery, money laundering and other crimes due to their increased reliance on cash transactions.

2. Hawai'i has a chronic lack of support services for both mental health and substance abuse issues. Legalization of recreational cannabis will not fix that problem, and will in fact make it worse by making an existing intoxicant not only widely available, but heavily advertised. Furthermore, our county has spent decades trying to reduce the tragic consequences of crimes like DUI and drug-related violence and property crimes. Legalizing a psychoactive substance like cannabis for recreational use, even with built-in provisions addressing cannabis-related offenses, nullifies that work.

3. While State and County employees are competent, diligent and hard-working, we believe that the measure's proposed timeframe to create an effective state-wide regulatory scheme for an entirely new industry based upon the manufacturing and sale of a psychoactive substance for consumption by the general public is unrealistic.

For these reasons, the Department of the Prosecuting Attorney, County of Maui **opposes the passage of S.B. 3335 and requests that the measure be deferred.** Please feel free to contact our office at (808) 270-7777 if you have any questions or inquiries.

Thank you very much for the opportunity to provide testimony on this bill.



RICHARD T. BISSEN, JR.
MAYOR

POLICE DEPARTMENT COUNTY OF MAUI

55 MAHALANI STREET
WAILUKU, MAUI, HAWAII 96793
TELEPHONE: (808) 244-6400
FAX: (808) 244-6411



JOHN PELLETIER
CHIEF OF POLICE

WADE M. MAEDA
DEPUTY CHIEF OF POLICE

February 12, 2024

Honorable Karl Rhoads, Chair
Honorable Mike Gabbard, Vice Chair
Senate Committee on Judiciary
Hawaii State Capitol, Rooms 228, 201
415 S. Beretania Street
Honolulu, HI 96813

VIA ONLINE

LATE

RE: SB 3335, RELATING TO CANNABIS

Dear Chair Rhoads, Vice Chair Gabbard and members of the Senate Committee on Judiciary, the Maui Police Department submits the following testimony, **in opposition** to S.B. 3335.

This bill, in its current form, proposes to legalize the adult use of cannabis effective January 1, 2026.

Speaking from experience at my former agency, I stand in firm opposition to the legalization or decriminalization of marijuana. Despite the growing cultural acceptance and claims of its benefits, marijuana remains a dangerous substance with numerous negative consequences. Our duty as law enforcement officers is to uphold public safety, and legalizing marijuana would only exacerbate existing societal issues. The legalization of marijuana would pose significant challenges for law enforcement. It would increase violent crime and would increase homelessness. Additionally, regulating the production and distribution of marijuana would require extensive resources and oversight, diverting much-needed funding away from other critical areas of law enforcement.

We respectfully request SB 3335 not be passed into law.

For these reasons, we are in opposition to this bill. We thank you for the opportunity to testify. Feel free to contact Assistant Chief Gregg Okamoto at (808) 244-6415 or by email at Gregg.Okamoto@mpd.net if you have any questions or concerns.

Sincerely,

JOHN PELLETIER
Chief of Police
Maui Police Department

POLICE DEPARTMENT
KA 'OIHANA MĀKA'I O HONOLULU
CITY AND COUNTY OF HONOLULU

801 SOUTH BERETANIA STREET • HONOLULU, HAWAII 96813
TELEPHONE: (808) 529-3111 • WEBSITE: honoluluupd.org

RICK BLANGIARDI
MAYOR
MEIA



ARTHUR J. LOGAN
CHIEF
KAHU MĀKA'I

KEITH K. HORIKAWA
RADE K. VANIC
DEPUTY CHIEFS
HOPE LUNA NUI MĀKA'I

OUR REFERENCE **ML-HR**

February 13, 2024

LATE

The Honorable Joy A. San Buenaventura, Chair
and Members
Committee on Health and Human Services
The Honorable Karl Rhoads, Chair
and Members
Committee on Judiciary
State Senate
415 South Beretania Street, Room 016
Honolulu, Hawaii 96813

Dear Chairs San Buenaventura and Rhoads and Members:

SUBJECT: Senate Bill No. 3335, Relating to Cannabis

I am Mike Lambert, Major of the Narcotics/Vice Division of the Honolulu Police Department (HPD), City and County of Honolulu.

The HPD opposes Senate Bill No. 3335, Relating to Cannabis.

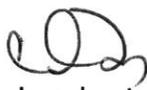
The HPD opposes legislation that seeks to legalize the possession and use of recreational cannabis due to the Federal Schedule of Controlled Substances listing marijuana as a Schedule I controlled substance. The HPD is concerned that increasing the availability of marijuana in the state will have a negative impact on public safety. Some areas of concern include the likelihood of an increased number of impaired drivers and the product's diversion. The passage of this bill would lead to the increased availability of marijuana, which will make it easier for everyone to access, including juveniles.

The Honorable Joy A. San Buenaventura, Chair
and Members
The Honorable Karl Rhoads, Chair
and Members
February 13, 2024
Page 2

The HPD urges you to oppose Senate Bill No. 3335, Relating to Cannabis.

Thank you for the opportunity to testify.

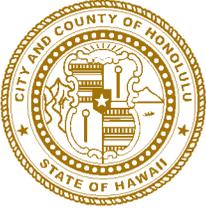
Sincerely,


for Mike Lambert, Major
Narcotics/Vice Division

APPROVED:



Arthur J. Logan
Chief of Police



CITY COUNCIL
CITY AND COUNTY OF HONOLULU
530 SOUTH KING STREET, ROOM 202
HONOLULU, HAWAII 96813-3065
TELEPHONE: (808) 768-5010 • FAX: (808) 768-5011

AUGIE TULBA

Councilmember District 9

Waipahū, Iroquois Point, West Loch, 'Ewa Villages and portions of 'Ewa Beach

Telephone: (808) 768-5009

Email: atulba@honolulu.gov

LATE

TO: Senator Joy San Buenaventura, Chair
Senator Henry Aquino, Vice Chair
Senate Committee on Health and Human Services

Senator Karl Rhoads, Chair
Senator Mike Gabbard, Vice Chair
Senate Committee on Judiciary

FROM: Augie Tulba 
Honolulu City Councilmember, District 9

DATE: February 13, 2024

SUBJECT: OPPOSITION SB 3335, PROPOSED SD1, RELATING TO CANNABIS

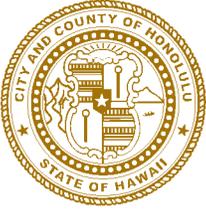
Aloha! I am writing to express my opposition to SB 3335, Proposed SD1, Relating to Cannabis. This bill would allow for the regulated use of recreational marijuana and expand our current state law beyond the medical use of cannabis.

I do support the medical use of cannabis; however, I cannot support the recreational use of marijuana because I believe our State will expose itself to more societal harm than good.

My main reason for not supporting this measure comes from my own personal experience of having many family members who have struggled with drug addiction, drug dependency disorders, and drug overdose. Marijuana has long been a “gateway drug” that generally leads to the use of more dangerous substances. Over the years, I have seen the lives of my loved ones become ruined by drug related activity, which all started with usage of marijuana. Passing this measure would increase the likelihood of people within the State of Hawaii using marijuana, and in turn lead to increased use of more dangerous substances.

The measure before you proposes a regulatory regime that intends to safeguard personal, adult usage of marijuana. However, staggering data out of Colorado must be considered as it shows the low effectiveness of the proposed regulations to keep the public safe from the negative impacts of marijuana use. In 2019 and 2021, the Colorado Department of Health reported the following:

- 14.8% increase in youth under the age of 15 using marijuana over the past 2 year.



CITY COUNCIL

CITY AND COUNTY OF HONOLULU
530 SOUTH KING STREET, ROOM 202
HONOLULU, HAWAII 96813-3065
TELEPHONE: (808) 768-5010 • FAX: (808) 768-5011

- Marijuana vaping and dabbing is up 40+% among youth.
- 400% increase in marijuana poisonings of children 0-9 years of age.
- 23,009 homes with children are not storing marijuana products safely.
- 32,800 homes where children 1-14 years of age are exposed to second-hand marijuana smoke.
- Marijuana related hospitalizations in Colorado have increased 101% since legalization.
- Calls to poison control for marijuana exposures more than doubled after legalization.
- Increase in Colorado traffic fatalities where the driver tested positive for marijuana.

Public safety is of utmost concern, especially protecting our keiki. The proposed measure would require adults to use child resistant and resealable packaging and mandate storage in areas not easily accessible to persons under 21. This requirement, however, does not ensure proper regulation and enforcement by qualified officials, which leaves users responsible to self-police and the public at risk to bad and negligent actors. As is evidenced by the reports coming out of Colorado, thousands of homes do not follow storage regulations resulting in an increase in marijuana poisonings of children. This is one example of how the proposed law is inadequately written to keep the public safe.

As a legislator and government official, your primary responsibility is to keep the public safe through the creation of good public policy. However, supporting this legislation without properly safeguarding youth and children from its negative effects will increase the vulnerability of an under-age population to a highly addictive substance and grow their likelihood of addiction and drug-related issues throughout their life.

Please defer this measure at this time.

Thank you for the opportunity to testify!



Hawaii Cannabis Industry Association
Testimony
IN SUPPORT
SB3335, Relating To Cannabis, Proposed SD1

Aloha Chairs San Buenaventura and Rhoads,

Mahalo for the opportunity to testify in SUPPORT of the proposed SD1 for SB3335, Relating to Cannabis.

The Hawaii Cannabis Industry Association (HICIA) supports the proposed SD1 as it would consolidate various entities within Hawaii's cannabis industry including our members, the medical cannabis dispensary licensees, under a single regulatory umbrella. Under this regulatory model, greater efficiencies in government oversight can be achieved and redundancy can be avoided.

HICIA, however, believes there are two primary aspects of the measure that should be addressed:

1) Reduce Appropriations in Response to Budget Constraints

Given current budget constraints arising from a decrease in tourism and the need to address the tragedy of Maui wildfires, HICIA urges the legislature to reduce the appropriations requested under SB3335.

HICIA fully supports strong enforcement, regulatory oversight and taxation of an adult-use cannabis industry. We believe, however, that these goals can be achieved with more efficient spending, lower up-front costs to the state, and Adult-Use Tax collections from preliminary sales.

As an example, Massachusetts established and launched its adult-use cannabis program with only an initial \$7.5 million appropriation. With a population of 7 million people (five times the size of Hawaii), they started their Cannabis Control Commission from scratch in 12-months without immediate support or staffing from existing agencies at a fraction of the cost proposed under SB3335.

In addition, the Department of Health's (DOH) Office of Medical Cannabis Control and Regulation (OMCCR) asserted in written testimony last session (March 1, 2023) that it could undertake oversight of an adult-use program with an additional \$5.3 million in annual funding for a public education campaign and additional staff - again a fraction of the cost currently proposed under SB3335.

Recommendations

Adjust appropriations requested under the measure with consideration to the following:

- Utilize existing OMCCR staff, expertise, and resources (as contemplated in proposed SD1)
 - 17 full-time employees
 - \$3-4M annual operating budget appropriation
 - \$2M in annual revenue from licensing fees and patient registration fees (special fund)
 - \$2.5M in annual GET revenue from medical cannabis sales
- Grants for social equity and other programs should be appropriated in a future tranche after initial sales have launched and the new state cannabis tax collections are generated. Instead, focus initial appropriations under this measure on state staffing and resources, especially in law enforcement and public education. This can result in an up-front savings of \$10-20M.
- Eliminate \$5M for a state laboratory. Hawaii already has a certified lab that conducts independent testing for Hawaii medical cannabis products. Establishing a state laboratory is simply unnecessary.

2) Launch Sales Earlier to Avoid Illicit Market Proliferation and Generate Revenue

Currently, SB3335 would only allow adult-use cannabis licenses to be issued 18 months after passage. This delay would inevitably result in a proliferation of illicit market activity and a significant loss in state revenue as has occurred in nearly all jurisdictions that have delayed legal sales after passage of law.

Resources:

["Roadblocks and Red Tape: New York's Cannabis Effort at a Crossroads,"](#) New York Times, June 6, 2023

["Adults can now legally possess and grow marijuana in Ohio — but there's nowhere to buy it,"](#) PBS News Hour, December 7, 2023

["Ohio governor wants changes to looming recreational marijuana law to avoid 'black market,'"](#) NBC 4i, December 6, 2023

["Calling Cannabis Rollout a 'Disaster,' Hochul Blames Law for Rampant Illegal Sales,"](#) The City, January 31, 2024

["New York Governor Blasts Marijuana Licensing 'Disaster' And Wishes Lawmakers Would 'Start Over With Legalization Law,'"](#) Marijuana Moment, January 31, 2024

Recommendation

Amend required delay in SB335 to allow for earlier sales to occur (suggested language):

"No later than 12-months after enactment, with permissible adult-use sales on an earlier interim basis for licensed entities under HRS 329-D".

This amendment would significantly reduce the risk of Hawaii repeating the mistakes of other jurisdictions like New York and Ohio.

More than \$35M in state tax revenue (GET+Adult-Use Tax) in the first year of adult-use sales can be generated immediately under interim sales to cover the full cost of regulatory, enforcement, and programmatic needs.

Roughly \$82M in annual state tax revenue is projected to be achieved when Hawaii's adult-use market matures, resulting in a significant revenue stream for the state to address other critical needs.

HICIA greatly appreciates the committee's consideration of the recommendations in our testimony. We strongly urge the committee to factor in both the budget constraints facing our state as well as the risks of illicit market proliferation with delayed legal sales as the bill continues through the legislative process.

Mahalo,

TY Cheng
Chairman, Hawaii Cannabis Industry Association



Green Aloha Ltd.
Testimony
IN SUPPORT
SB3335, Relating To Cannabis, Proposed SD1

Aloha Chairs San Buenaventura and Rhoads,

Mahalo for the opportunity to testify in SUPPORT of the proposed SD1 for SB3335, Relating to Cannabis.

Green Aloha Ltd. is one of the 8 Licensed Medical Marijuana Dispensaries for the State of Hawaii, serving the island of Kauai. Green Aloha is a member of HICIA.

Green Aloha agrees with HICIA in supporting this bill and also believes there are two primary aspects of the measure that should be addressed:

1) Reduce Appropriations in Response to Budget Constraints

Given current budget constraints arising from a decrease in tourism and the need to address the tragedy of Maui wildfires, Green Aloha urges the legislature to reduce the appropriations requested under SB3335.

Green Aloha fully supports strong enforcement, regulatory oversight and taxation of an adult-use cannabis industry. We believe, however, that these goals can be achieved with more efficient spending, lower up-front costs to the state, and Adult-Use Tax collections from preliminary sales.

As an example, Massachusetts established and launched its adult-use cannabis program with only an initial \$7.5 million appropriation. With a population of 7 million people (five times the size of Hawaii), they started their Cannabis Control Commission from scratch in 12-months without immediate support or staffing from existing agencies at a fraction of the cost proposed under SB3335.

In addition, the Department of Health's (DOH) Office of Medical Cannabis Control and Regulation (OMCCR) asserted in written testimony last session (March 1, 2023) that it could undertake oversight of an adult-use program with an additional \$5.3 million in annual funding

for a public education campaign and additional staff - again a fraction of the cost currently proposed under SB3335.

Recommendations

Adjust appropriations requested under the measure with consideration to the following:

- Utilize existing OMCCR staff, expertise, and resources (as contemplated in proposed SD1)
 - 17 full-time employees
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 - \$2M in annual revenue from licensing fees and patient registration fees (special fund)
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- Grants for social equity and other programs should be appropriated in a future tranche after initial sales have launched and the new state cannabis tax collections are generated. Instead, focus initial appropriations under this measure on state staffing and resources, especially in law enforcement and public education. This can result in an up-front savings of \$10-20M.
- Eliminate \$5M for a state laboratory. Hawaii already has a certified lab that conducts independent testing for Hawaii medical cannabis products. Establishing a state laboratory is simply unnecessary.

2) Launch Sales Earlier to Avoid Illicit Market Proliferation and Generate Revenue

Currently, SB3335 would only allow adult-use cannabis licenses to be issued 18 months after passage even if the Cannabis Authority is ready. This delay would inevitably result in a proliferation of illicit market activity and a significant loss in state revenue as has occurred in nearly all jurisdictions that have delayed legal sales after passage of law. In addition, Green Aloha is struggling to survive in the small medical market of Kauai, which has by far the fewest patients of any of the licenses, while also being the island with the highest cost of living. If Green Aloha were to not survive the 18 months until Adult Use sales expand the market, the 700 patients that come to our dispensaries will have nowhere to get safe tested medicine and will have no choice but to turn to the illicit market. This will only further embolden the illicit market to expand and meet the demand of patients as well as those looking for Adult Use purposes. There will be many residents and visitors who will see the headlines about legalization and not read the details about the 18 month delay in sales. They will assume that they can just go to a dispensary and when they are turned away, they will go straight into the open arms of the illicit market.

Recommendation

Amend required delay in SB335 to allow for earlier sales to occur (suggested language):

“No later than 12-months after enactment, with permissible adult-use sales on an earlier interim basis for licensed entities under HRS 329-D”.

This amendment would significantly reduce the risk of Hawaii repeating the mistakes of other jurisdictions like New York and Ohio.

More than \$35M in state tax revenue (GET+Adult-Use Tax) in the first year of adult-use sales can be generated immediately under interim sales to cover the full cost of regulatory, enforcement, and programmatic needs.

Roughly \$82M in annual state tax revenue is projected to be achieved when Hawaii's adult-use market matures, resulting in a significant revenue stream for the state to address other critical needs.

Green Aloha greatly appreciates the committee's consideration of the recommendations in our testimony. We strongly urge the committee to factor in both the budget constraints facing our state as well as the risks of illicit market proliferation with delayed legal sales as the bill continues through the legislative process.

Thank you for the opportunity to testify,

Casey Rothstein
Green Aloha, CEO



Cultivation Sector Consulting, LLC

150 Mahiai Place

Makawao, HI 96768

TO: Senator Joy A. San Buenaventura, Chair
Senator Henry J.C. Aquino, Vice Chair
Committee on Health and Human Services

Senator Karl Rhoads, Chair
Senator Mike Gabbard, Vice Chair
Committee on Judiciary

FR: Jennifer Martin, Member/Manager
Cultivation Sector Consulting, LLC

RE: **SB3335, Proposed SD1 RELATING TO CANNABIS.**

DATE: Tuesday, February 13, 2024

TIME: 9:00 VIA VIDEOCONFERENCE; Conference Room 016

Chair Buenaventura, Vice-Chair Aquino and members of the Committee on Health and Human Services; and Chair Rhoads, Vice-Chair Gabbard and members of the Committee on Judiciary:

My name is Jennifer Martin, sole member and manager of Cultivation Sector Consulting, LLC. I have been active in the cannabis industry since 1996 and have been a consultant in Hawai'i, operating locally and internationally as a cannabis compliance, licensing and operations expert since 2017.

Cultivation Sector Consulting supports SB3335, Proposed SD1 which establishes the Hawai'i Cannabis Authority and Cannabis Control Board within the Department of Commerce and Consumer Affairs to regulate all aspects of the cannabis plant.

Concerns Related to Persons Convicted of a Felony

We are opposed, however, to specific provisions which prohibit persons convicted of any felony from the following:

- Applying for a license (§A-72 Applicant criteria);
- Serving as an officer, director, manager or general partner of a business entity applying for a license (§A-72(c)(1); and
- Working for a licensed business (§A-79(f) Licensed business operations).

If adopted, SB3335 would be one of the most conservative and punitive prohibitions in the nation for former felons. Currently, Massachusetts is the only state with a total ban for **all** prior felony convictions. The most common and reasonable prohibition provides for a 10-year lookback period, including Nevada and Washington. Several other states, such as Alaska, Oregon, New Jersey and New York, only have 3- to-5-year lookback periods.

A 10-year lookback period is particularly suitable because of the United States Bureau of Justice Statistics' research on recidivism (the rate at which prior felons commit additional offenses). The BJS's data shows that the vast majority of repeat offenders will likely be rearrested and convicted within a 9-year period. This means that a 10-year lookback period would preclude those most likely to reoffend while



Cultivation Sector Consulting, LLC

150 Mahiai Place

Makawao, HI 96768

providing licensing and employment opportunities for those rehabilitated persons who have stayed out of trouble.

Cultivation Sector respectfully submits background information to this Committee, including research, data and conclusions supporting the 10-year look-back period. In particular, we are attaching (1) a study by the Reason Foundation from 2018, which evaluated each state's recreational licensing prohibitions related to felonies; and (2) a summary of the Bureau of Justice Statistics Report, published May 2018, which analyzed the recidivism rate of prisoners from 2012-2017, showing that the vast majority of recidivism occurs in the first 3 years after the first offense, with less and less occurring over a 9-year period. Overall, these studies demonstrate that Hawai'i's suggested ban on persons convicted of felonies creates an unreasonably punitive effect on rehabilitated persons, so we support an amendment adding a maximum 10-year lookback provision to SB3335.

Recommendation: 10-Year Lookback Period for Persons Convicted of a Felony

We therefore recommend your respective Committees amend the above-referenced provisions to clearly state that persons convicted of a felony exceeding a 10-year period be permitted to apply for cannabis licenses, as well as manage and work for a licensed cannabis operator.

We urge your support of SB3335, Proposed SD1 with a 10-year lookback amendment provision for persons convicted of a felony. Thank you for the opportunity to testify on this matter.

Sincerely,

Jennifer Martin

Jennifer Martin
Cultivation Sector Consulting, LLC
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Makawao, HI 96768
Jennifer@CultivationSector.com
877-757-7437



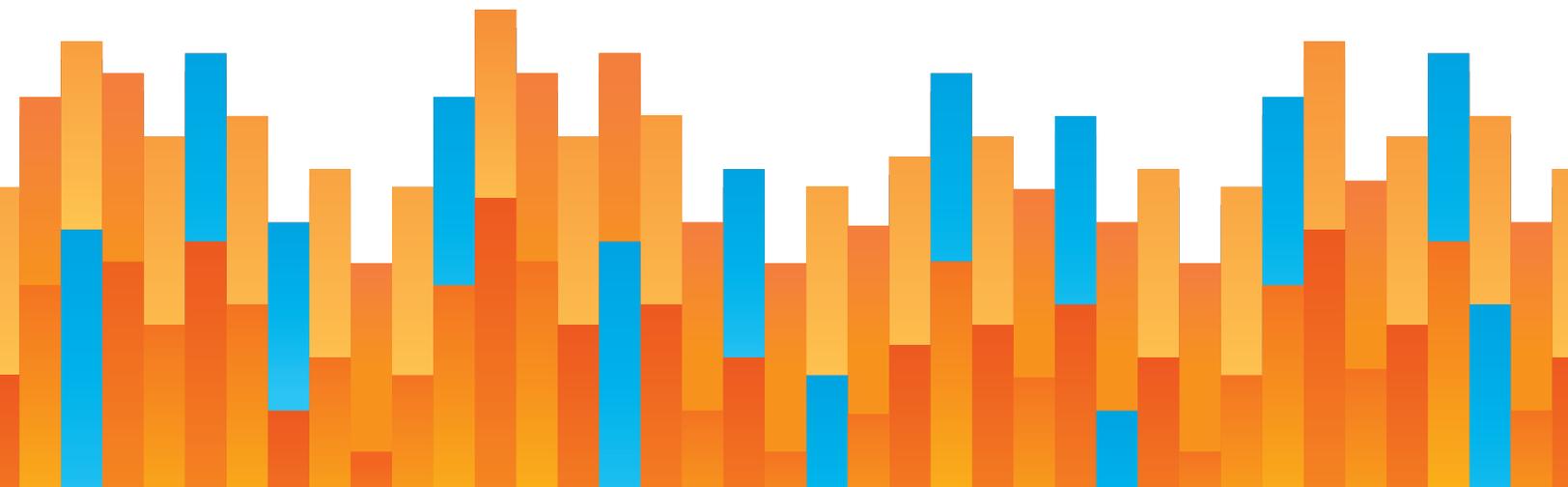
reason
FOUNDATION

Attachment 1

* See *yellow highlights* on p.4, 5, 6, 7, 17 & 18 for quick review.

CRIMINAL CONVICTION RESTRICTIONS FOR MARIJUANA LICENSING

by Allie Howell
September 2018





reason
FOUNDATION

Reason Foundation's mission is to advance a free society by developing, applying and promoting libertarian principles, including individual liberty, free markets and the rule of law. We use journalism and public policy research to influence the frameworks and actions of policymakers, journalists and opinion leaders.

Reason Foundation's nonpartisan public policy research promotes choice, competition and a dynamic market economy as the foundation for human dignity and progress. Reason produces rigorous, peer-reviewed research and directly engages the policy process, seeking strategies that emphasize cooperation, flexibility, local knowledge and results. Through practical and innovative approaches to complex problems, Reason seeks to change the way people think about issues, and promote policies that allow and encourage individuals and voluntary institutions to flourish.

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PART 1

JUSTIFICATIONS FOR LICENSE RESTRICTIONS

Both medical and recreational marijuana businesses require a state-issued license. In many states, working in the industry as a budtender, medical caregiver, or cashier also requires a permit. Some state licensing authorities have prohibitions on those with certain criminal convictions from working in the industry. In other states, “good moral character” clauses give licensing authorities the ability to reject an applicant based on criminal history.

Criminal conviction restrictions are an attempt to use past behavior to predict public safety risks in the future. In most industries, these restrictions are defended as necessary for consumer safety. In the legal marijuana industry, consumer safety concerns are coupled with a desire for the industry to comply with the Cole Memo. The Cole Memo was issued in 2013 by then-Deputy Attorney General James Cole in response to legalization in Washington and Colorado. The memo lays out the following key enforcement priorities for marijuana:

1. Preventing the distribution of marijuana to minors
2. Preventing revenue from the sale of marijuana from going to criminal enterprises, gangs, and cartels
3. Preventing the diversion of marijuana from states where it is legal under state law in some form to other states

4. Preventing state-authorized marijuana activity from being used as a cover or pretext for the trafficking of other illegal drugs or other illegal activity
5. Preventing violence and the use of firearms in the cultivation and distribution of marijuana
6. Preventing drugged driving and the exacerbation of other adverse public health consequences associated with marijuana use
7. Preventing the growing of marijuana on public lands and the attendant public safety and environmental dangers posed by marijuana production on public lands
8. Preventing marijuana possession or use on federal property

The memo expects that legal states implement “strong and effective regulatory and enforcement systems” because “[i]f state enforcement efforts are not sufficiently robust to protect against the harms set forth above, the federal government may seek to challenge the regulatory structure itself in addition to continuing to bring individual enforcement actions, including criminal prosecutions, focused on those harms.”¹ States that voted to legalize marijuana under the Cole Memo worked to meet its objectives. In Washington, for example, regulatory decisions made by the Liquor and Cannabis Board were “made with the Cole Memo in mind.”²

Restrictions on licensure for convicted criminals is justified because, according to regulators and law enforcement, it reduces the likelihood that the legal industry will be used for criminal enterprises by so-called bad actors.³ As summarized by Ken Corney, President of the California Police Chiefs Association, marijuana regulations have “strong protections against black market activity. A key component of these protections—and

¹ Cole, James M. “Memorandum for all United States Attorneys.” U.S. Department of Justice Office of the Deputy Attorney General. Aug. 29, 2013.

<https://www.justice.gov/iso/opa/resources/3052013829132756857467.pdf>

² “Executive Summary.” *Washington State Liquor and Cannabis Board*.

<https://lcb.wa.gov/sites/default/files/publications/WSLCB%20Home%20Grows%20Study%20Report%20FINAL.PDF>

³ Garofoli, John. “Medical Marijuana Law Could Ban Pot Felons from Industry.” *San Francisco Chronicle*. Sept. 16, 2015. <https://www.sfchronicle.com/business/article/Medical-marijuana-law-could-ban-pot-felons-from-6509874.php>

consistent with laws for other state licenses—is permitting the state to deny a business license to a person with a felony conviction if there is a public safety concern.”⁴



Restrictions on licensure for convicted criminals is justified because, according to regulators and law enforcement, it reduces the likelihood that the legal industry will be used for criminal enterprises by so-called bad actors.



Since Attorney General Jeff Sessions has rescinded the Cole Memo, there is concern that states must be even more careful to maintain a safe, legal market that doesn't impose externalities on the community.⁵ In Massachusetts, Cannabis Control Commissioner Britte McBride cited Sessions' policy as reason to automatically disqualify license applicants with trafficking convictions for drugs other than marijuana: “[W]e no longer have the relative safety of the Cole Memorandum. We are dealing in a world where unwanted federal attention could lead to undermining the industry we're working really hard to establish. I think it is common sense to understand that the engagement of individuals with convictions for dangerous drug crimes could potentially bring the exact unwanted attention I think we're trying hard to avoid.”⁶

⁴ McGreevy, Patrick. “New Law Could Put Some Medical Marijuana Dispensaries Out of Business.” *Los Angeles Times*. May 13, 2016. <http://www.latimes.com/politics/la-pol-sac-pot-dispensary-felon-owners-20160513-story.html>

⁵ Sessions III, Jefferson B. “Memorandum for all United States Attorneys.” *U.S. Department of Justice Office of the Attorney General*. Jan. 4, 2018. <https://www.justice.gov/opa/press-release/file/1022196/download>

⁶ State House News Service. “Drug Trafficking Conviction Would Bar Employment in Legal Pot Industry.” *Worcester Business Journal*. March 1, 2018. <http://www.wbjournal.com/article/20180301/NEWS01/180309999/drug-trafficking-conviction-would-bar-employment-in-legal-pot-industry>

PART 2

COSTS OF CRIMINAL CONVICTION LICENSE RESTRICTIONS

When evaluating any regulation, one should consider if the supposed benefits outweigh any unintended consequences. For criminal conviction restrictions, one must consider whether the potential reduction in crime in the legal marijuana market is beneficial enough to make it worth the reduction in employment opportunities.

Researchers estimate that 8% of the U.S. population has felony convictions and 33% of the African American male population has a felony conviction. California, Massachusetts and Washington were three of the top five states for African Americans convicted of felonies.⁷ While good data on how this impacts marijuana business ownership is lacking, there have been numerous complaints that these restrictions disproportionately keep minorities out of the legal marijuana industry.

Further, broad restrictions undermine the legal market by forcing some to stay in the black market, as summarized by a Blue Ribbon Commission report on marijuana regulations for California: “If a strategy of legalization is to bring current participants in the illicit market

⁷ Flurry, Alan. “Study Estimates U.S. Population With Felony Convictions.” *UGA Today*. Oct. 1, 2017. <https://news.uga.edu/total-us-population-with-felony-convictions/>

who are willing to comply with regulations into the legal market, then categorical exclusions of people who have in the past or are currently in the illicit market would be counterproductive, leaving many to continue working in the illicit market. Such categorical exclusions would also exacerbate racial disparities given past disparities in marijuana enforcement. For these reasons, categorical exclusions that are too broad, and that overly rely on past convictions as predictors of future behavior, should not be considered.”⁸



California’s early medical marijuana market provides some evidence of how much market reduction criminal conviction restrictions may cause.



California’s early medical marijuana market provides some evidence of how much market reduction criminal conviction restrictions may cause. The industry did not require state licenses until 2018, but California was the first state to legalize medical marijuana. As a result, Casey O’Neill, board chairman of the California Growers Association estimated that in 2016, 25–30% of the group’s 500 members had felony drug convictions.⁹ Given that the black market continued to thrive during this period, it seems likely that these people were trying to move out of illegal markets and into legal ones.¹⁰

There is also evidence that burdensome occupational licensing for convicted criminals makes recidivism more likely. A study conducted by the Center for the Study of Economic Liberty at Arizona State University examined the relationship between occupational licensing laws and new crime recidivism rates (new crime recidivism does not include technical violations such as a parole violation). States with the highest occupational licensing burdens, including prohibitions on ex-prisoners receiving licenses, saw an increase in three-year new crime recidivism of 9.4% between 1997 and 2007. This is in

⁸ Newsom, Gavin, Keith Humphreys, and Abdi Soltani. “Pathways Report: Policy Options for Regulating Marijuana in California.” *Blue Ribbon Commission on Marijuana Policy*. July 22, 2015. <https://www.safeandmartpolicy.org/wp-content/uploads/2015/07/BRCPathwaysReport.pdf>

⁹ McGreevy, Patrick. “New Law Could Put Some Medical Marijuana Dispensaries Out of Business.”

¹⁰ Yackowicz, Will. “Legal Cannabis Entrepreneurs Get a Rude Awakening: A Thriving Black Market.” *Inc*. Jan. 4, 2018. <https://www.inc.com/will-yakowicz/california-recreational-marijuana-and-black-market.html>

comparison to a 2.6% average increase in survey states and a 4.2% decrease in states with the lowest occupational licensing burden.¹¹

“

States with the highest occupational licensing burdens, including prohibitions on ex-prisoners receiving licenses, saw an increase in three-year new crime recidivism of 9.4% between 1997 and 2007.

”

¹¹ Slivinski, Stephen. “Turning Shackles into Bootstraps.” *Center for the Study of Economic Liberty at Arizona State University*. Nov. 7, 2016. <https://research.wpcarey.asu.edu/economic-liberty/wp-content/uploads/2016/11/CSEL-Policy-Report-2016-01-Turning-Shackles-into-Bootstraps.pdf>

PART 3

SUMMARY OF CRIMINAL CONVICTION RESTRICTIONS BY STATE

For recreational marijuana, all states restrict who will be issued a marijuana business license based on criminal conviction history. Some states only look at recent criminal history, such as the 10-year look-back period for completed sentences in Nevada and Washington. All states but California and Washington prevent people with certain criminal convictions from even being employed in marijuana establishments. The following state-by-state descriptions look only at criminal conviction restrictions for the initial license application. Restrictions may be more stringent for renewal applications. There may be other restrictions related to criminal behavior in each state, such as a good moral character clause, that are not discussed.

3.1

ALASKA¹²**Business Owner Restrictions**

Establishments may not be licensed to owners, officers, or agents with a felony conviction in the last five years or those still on parole for felony convictions. Also banned are those who have sold alcohol without a license or to someone under 21, those with certain misdemeanors within the last five years, and people with certain class A misdemeanors for marijuana within the last two years.

Employee Restrictions

Marijuana handler permits are required for licensees, employees, and agents of a marijuana establishment to be on the licensed premises. Those with felonies within the last five years, certain class A misdemeanors within the last two, and those on parole for a felony or under indictment for a disqualifying offense are not eligible.

3.2

CALIFORNIA¹³**Business Owner Restrictions**

License may be denied for convictions “substantially related to the qualifications, functions, or duties of the business.” Controlled substance convictions that are not substantially related and for which the sentence and probation are completed cannot be the sole reason for license denial.

Employee Restrictions

None

¹² Alaska Administrative Code. 3 AAC Chapter 306.
<https://www.commerce.alaska.gov/web/Portals/9/pub/MCB/StatutesAndRegulations/MarijuanaRegulations.pdf>; Alaska Statutes. Chapter 17.38. The Regulation of Marijuana.
<https://www.commerce.alaska.gov/web/Portals/9/pub/MCB/StatutesAndRegulations/AS17.38.pdf>; “Marijuana Handler Permit Notice of Upcoming Changes.” *Alcohol and Marijuana Control Office*.
<https://www.commerce.alaska.gov/web/Portals/9/pub/MCB/MJHandlerPermit/MHCBackground.pdf>

¹³ Medicinal and Adult-Use Cannabis Regulation and Safety Act (MAUCRSA). California Law.
https://leginfo.ca.gov/faces/codes_displayexpandedbranch.xhtml?tocCode=BPC&division=10.&title=&part=&chapter=&article

3.3

COLORADO¹⁴**Business Owner Restrictions**

Ineligible from occupational licenses are people subject to or discharged from felony convictions in five years preceding the application, and felony controlled substance convictions in the ten years preceding their application date or five years from May 28, 2013 (whichever is longer). Those with state marijuana possession or use felony convictions which would no longer be felonies can still get a license.

Employee Restrictions

In addition to owners, all managers and employees working in a marijuana establishment must be licensed. Key and support employees face the same criminal background restrictions as owners.

3.4

MASSACHUSETTS¹⁵**Business Owner Restrictions**

No person who has been convicted of a felony in Massachusetts or in another state that would still be a felony in Massachusetts can be a controlling person in a business. Prior convictions solely for marijuana or another controlled substance possession are exempt from this rule unless the conviction was distribution. The commission may determine that the applicant is not suitable for licensure based on a suitability criterion for other legal issues.

Employee Restrictions

All employees, board members, directors, executives, managers, and volunteers must be registered for each marijuana establishment. Marijuana establishment agents cannot have been convicted of an offense involving the distribution of a controlled substance to minors in Massachusetts or any other state/territory. The commission may determine that the applicant is not suitable for licensure based on a suitability criterion for other legal issues. Criminal conviction restrictions are more stringent for laboratory agents.

¹⁴ Code of Colorado Regulations. 1 CCR 212-2.
<https://www.colorado.gov/pacific/sites/default/files/ColoradoRegister.pdf1%20CCR%20212%20-2%20Retail%20Effective%2020222018.pdf>

¹⁵ 935 Code of Massachusetts Regulations. Cannabis Control Commission.
<https://www.mass.gov/files/documents/2018/03/27/935cmr500.pdf>

3.5

NEVADA¹⁶**Business Owner Restrictions**

Owners, officers, or board members convicted of an “excluded felony offense” may not obtain a license. This includes convictions that would constitute a category A felony if convicted in Nevada or convictions for two or more offenses that would constitute felonies if committed in Nevada. Sentences completed more than ten years prior and offenses for conduct that would be immune from penalty under medical marijuana law (unless the conduct occurred before Oct. 1, 2001 or was prosecuted by another authority) do not count.

Employee Restrictions

All owners, board members, officers, contractors, employees, and volunteers must obtain a marijuana establishment agent card. Applicants also cannot have an “excluded felony offense.”

3.6

OREGON¹⁷**Business Owner Restrictions**

Convictions “substantially related to the fitness and ability of the applicant to lawfully carry out activities under the license” may result in application denial. Convictions for marijuana manufacturing or delivery to persons 21 and older may not be considered if the conviction is from two years prior or there is only one conviction. Marijuana possession convictions may also not be considered.

Employee Restrictions

Marijuana worker permits are required for employees carrying out certain tasks. Applicants may be denied permits based on certain felony convictions within the past three years (five

¹⁶ Nevada Revised Statutes (NRS). Chapter 453D. <https://www.leg.state.nv.us/NRS/NRS-453D.html#NRS453Dsec230>; “Marijuana Establishment Agent Card Application and Checklist.” *State of Nevada Department of Taxation*. Nov. 18, 2017. <https://tax.nv.gov/uploadedFiles/taxnvgov/Content/Forms/Agent%20application.pdf>

¹⁷ Oregon Revised Statutes. Chapter 475B. Cannabis Regulation. https://www.oregonlegislature.gov/bills_laws/ors/ors475B.html; Oregon Administrative Rules. Oregon Liquor Control Commission. Division 25. Recreational Marijuana. https://www.oregon.gov/olcc/marijuana/Documents/Rules/OAR_845_Div_25_RecreationalMarijuana.pdf

years for more than one conviction). All marijuana possession convictions and marijuana delivery/manufacturing convictions from two years prior do not count.

3.7

WASHINGTON¹⁸

Business Owner Restrictions

Points are given to an applicant based on severity of offense. For felonies, points will be assigned for any conviction over the past 10 years. For gross misdemeanor and misdemeanor convictions, the look-back period is three years. Applicants with eight points or more may not receive a license. Applicants currently under federal or state supervision for a felony receive eight points. A felony conviction is 12 points, a gross misdemeanor is five points, and a misdemeanor is four. Two federal or state marijuana possession misdemeanors in the previous three years do not count toward points in the initial application. State possession convictions accrued after December 6, 2013 exceeding allowable amounts of marijuana still count towards points. A single state or federal conviction for marijuana growing, sale, or possession will be considered for mitigation on the initial application. A decision to mitigate is made on an individual basis and is based on the quantity of marijuana involved and other circumstances.

Employee Restrictions

None

3.8

OTHER STATES

For the 30 states and Washington D.C. with medical marijuana laws, the restrictions may be even more stringent. For example, under the medical marijuana pilot program in Illinois, restrictions even apply to patients.¹⁹ In New York, a marijuana conviction automatically keeps one from working in a medical marijuana dispensary.²⁰

¹⁸ Washington Administrative Code. Title 314. Chapter 314-55. *Marijuana Licenses, Application Process, Requirements, and Reporting*. <http://apps.leg.wa.gov/wac/default.aspx?cite=314-55>

¹⁹ Illinois Compiled Statutes. 410 ICLS 130. Compassionate Use of Medical Cannabis Pilot Program Act. <http://www.ilga.gov/legislation/ilcs/ilcs3.asp?ActID=3503&ChapterID=35>

²⁰ "Marijuana Reform in New York: Diversity and Inclusion in the Marijuana Industry." *Drug Policy Alliance*. Sept. 2017. <http://smart-ny.com/wp->

PART 4

THE HYPOCRISY OF CRIMINAL CONVICTION RESTRICTIONS IN THE MARIJUANA INDUSTRY

Supporters of keeping those with certain criminal convictions out of the new industry claim that doing so makes legal marijuana reputable. Last year, the CEO of medical marijuana provider Patriot Care wrote: “Permitting those who have demonstrated the interest and willingness to ignore state and federal drug laws sends the wrong signals to those who would participate in the legal, regulated industry.” The CEO’s statement was in response to efforts in Massachusetts to remove the ban on convicted drug felons in the medical marijuana program. Ironically, as pointed out in *Forbes*, all marijuana businesses—including Patriot Care—are in violation of federal law.²¹

content/uploads/2017/06/StartSMART_DPA_NY_Marijuana_Reform_Diversity_Inclusion_09.14.2017.pdf

²¹ Zhang, Mona. “Cannabis Industry Struggles With Hiring People With Past Pot Convictions.” *Forbes*. Oct. 4, 2017. <https://www.forbes.com/sites/monazhang/2017/10/04/cannabis-industry-hiring-people-past-pot-convictions/#3069de2a5cd4>

Restrictions on participation in the marijuana market based on previous marijuana crimes have been a contentious issue. In most industries, prior experience works in an applicant's favor. But in the marijuana industry, previous experience could have resulted in a criminal record. Further, it seems contrary to one of the key goals of legalization—minimizing the harms of the drug war—to continue to penalize license applicants for marijuana crimes.



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For recreational marijuana, most states have some limited exemption for past marijuana crimes built into the law. In Nevada, the exemption is especially narrow: offenses for conduct that would be immune from penalty under medical marijuana law are exempt—unless the conduct occurred before Oct. 1, 2001 or was prosecuted by another authority.²² Alaska specifically prevents those that have “within two years before submitting an application, been convicted of a class A misdemeanor relating to selling, furnishing, or distributing marijuana or operating an establishment where marijuana is consumed contrary to state law” from obtaining a license.²³

²² NRS Chapter 453D.

²³ 3 AAC Chapter 306.

PART 5

SHOULD THE MARIJUANA INDUSTRY PAY REPARATIONS FOR THE DRUG WAR?

Given the hypocrisy of keeping drug criminals out of the legal drug industry, some states and localities have taken the opposite stance that convicted drug criminals should receive preferential treatment in licensing. In Massachusetts, for example, applicants “who are able to demonstrate experience in—or business practices that promote—economic empowerment in communities disproportionately impacted by high rates of arrest and incarceration for offenses under state and federal laws, including the Controlled Substances Act” receive priority review. The state also has a social equity program for applicants who have resided in areas of disproportionate impact for five of the last ten years, lived in Massachusetts for the past 12 months with a drug conviction, or are married to or children of convicted drug criminals and have been state residents for the past year. Social equity participants have access to training and assistance raising funds.²⁴

²⁴ “Summary of Equity Provisions.” *Massachusetts Cannabis Control Commission*. <http://mass-cannabis-control.com/wp-content/uploads/2018/03/UPDATED-Guidance-Summary-of-Equity-Provisions-with-6th-criterion-added-1.pdf>



Given the hypocrisy of keeping drug criminals out of the legal drug industry, some states and localities have taken the opposite stance that convicted drug criminals should receive preferential treatment in licensing.



Ohio, Maryland, Florida, and Pennsylvania all have equity programs for their medical marijuana markets. A few localities in California have adopted similar measures for recreational marijuana.²⁵ Oakland, for example, requires that half of all permits must be issued to equity applicants during the initial permitting phase.²⁶

The underlying premise of these programs is that minorities who were more likely to be arrested for marijuana crimes and participants in the marijuana black market “paved the way” for the legal industry.²⁷ Thus, as summarized by New York gubernatorial candidate Cynthia Nixon: “We can't let them [rich white men] rake in profits while thousands of people, mostly people of color, continue to sit in jail for possession and use.”²⁸ Some states have opted for “marijuana forgiveness remedies,” to divert or expunge prosecution of marijuana charges that are no longer legal offenses, or are lesser offenses.²⁹ While social equity programs and preferential licensing attempt to address the issue, their impact has been constrained thus far. The way to redress the injustices of the war on drugs is directly through criminal justice reforms and forgiveness. Imposing mandates or quotas in the legal marijuana market imposes costly economic distortions and ultimately hurts the same people.

²⁵ Mock, Brentin. “California’s Race to the Top on Cannabis.” *CityLab*. Feb. 5, 2018. <https://www.citylab.com/equity/2018/02/the-racial-equity-race-to-the-top-on-cannabis-in-california/551912/>

²⁶ “Become an Equity Applicant or Incubator.” *City of Oakland*. <http://www2.oaklandnet.com/government/o/CityAdministration/cannabis-permits/OAK068455>

²⁷ Zhang, Mona. “Cannabis Industry Struggles With Hiring People With Past Pot Convictions.”

²⁸ Riggs, Mike. “What Do Cannabis Entrepreneurs Owe Victims of the Drug War?” *Reason*. May 15, 2018. <http://reason.com/blog/2018/05/15/social-justice-warriors-want-to-write-th>

²⁹ Craven, James. “Marijuana Forgiveness Remedies.” *Reason*. June 4, 2018. <https://reason.org/policy-brief/marijuana-forgiveness-remedies/>



The way to redress the injustices of the war on drugs is directly through criminal justice reforms and forgiveness. Imposing mandates or quotas in the legal marijuana market imposes costly economic distortions and ultimately hurts the same people.



For example, Oakland, California has so far granted 16 dispensary permits. Eight new permits were given in January with six going to equity applicants. With 115 applicants for eight new permits, the city chose winners through two different processes. Four new permit holders were selected through a competitive point process—two of these permits went to equity-owned business. The other four permits were selected through a lottery drawing of equity applicants.³⁰ While this program has been beneficial for the select few, the program has done nothing to benefit the remaining applicants.

³⁰ Boyd, Karen. “City Announces First Cannabis Dispensary Permit Recipients Under Equity Program.” *City of Oakland*. Jan. 31, 2018.
<http://www2.oaklandnet.com/oakca1/groups/cityadministrator/documents/pressrelease/oak068879.pdf>

PART 6

CONCLUSION

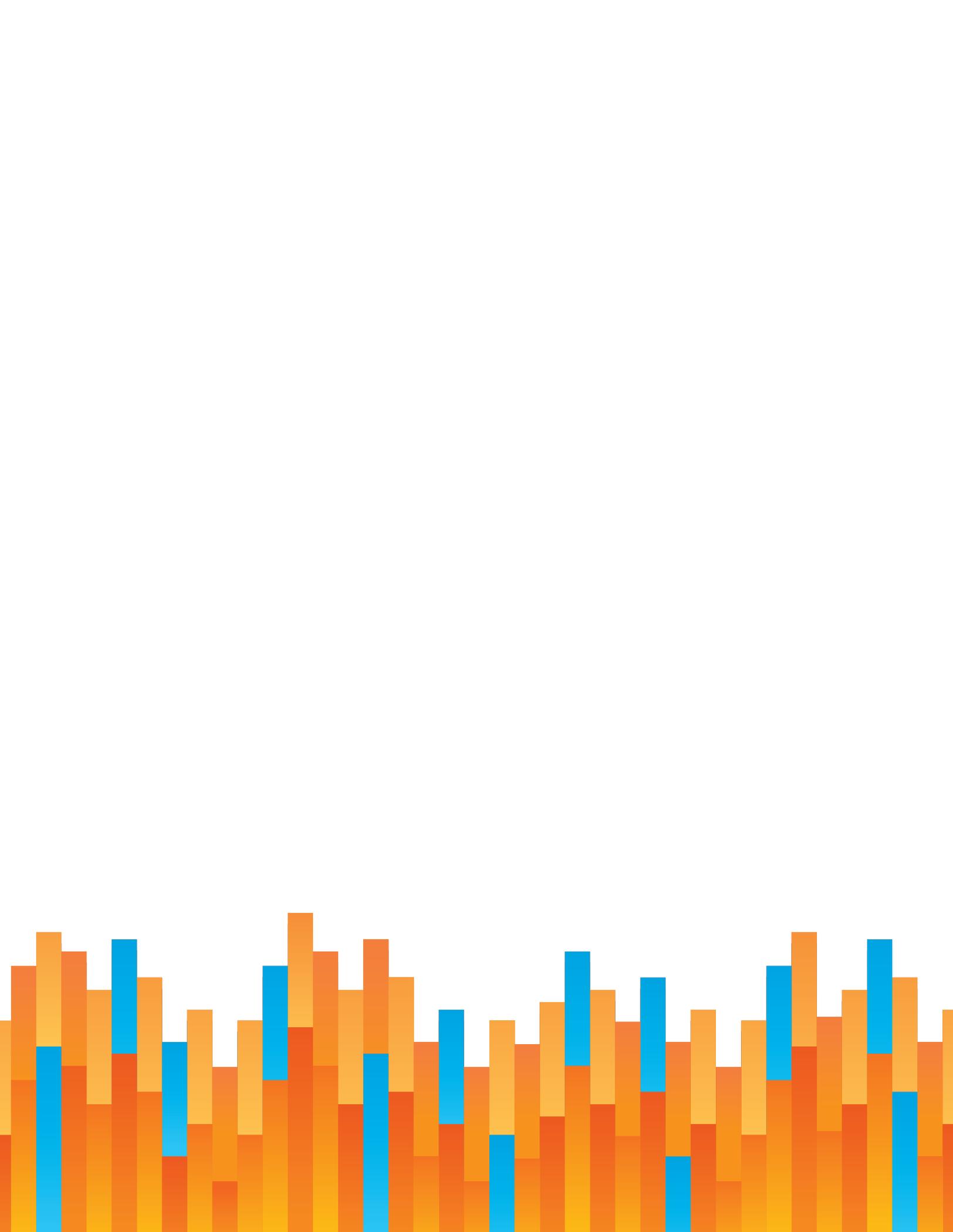
Criminal conviction restrictions are justified as one way to ensure that the legal marijuana market will not be used to divert drugs out of state, to minors, or to fund criminal enterprises. But using past behavior as a predictor for future actions is an imperfect measure. It is impossible to determine how exactly these restrictions contribute to public safety since they are always coupled with other regulations. We do know, however, that there are other ways to facilitate a functioning legal market using regulations that are not subject to prediction error. Security requirements, marijuana tracking systems, and bookkeeping requirements deter criminal behavior without using an applicant's past to make assumptions.

In addition to uncertainties that criminal conviction restrictions are the best way to ensure a functioning legal market, it is also important to consider the costs of these restrictions. Criminal conviction restrictions reduce entry into the legal marijuana industry. By excluding drug criminals, conviction restrictions may fundamentally undermine the goals of marijuana legalization by forcing some to stay in the black market. Having a safe legal market is useless if the black market is still the primary supplier of marijuana.

Given the hypocrisy of these criminal conviction regulations, it is not surprising that some states and localities have adopted policies to help those negatively impacted by previous drug policies enter the marijuana industry. Equity programs, however, will only help a chosen few priority applicants. Fundamentally opening up employment opportunities in the marijuana industry by reducing conviction restrictions has the potential to help many people who have been impacted by the drug war.

ABOUT THE AUTHOR

Allie Howell is a research intern at Reason Foundation. Previously, she was a Burton C. Gray Memorial intern at Reason and an economic policy intern at the Manhattan Institute. Allie has been published by Economics21.org, the Foundation for Economic Education, and Reason. She is a recent graduate of Hillsdale College where she majored in economics and mathematics. Allie will be attending Notre Dame Law School in the fall of 2018.



Attachment 2

2018 Update on Prisoner Recidivism: A 9-Year Follow-up Period (2005-2014)



Bureau of Justice Statistics

Summary | NCJ 250975 | May 2018

Five in 6 (83%) state prisoners released in 2005 across 30 states were arrested at least once during the 9 years following their release. The 9-year follow-up period shows a much fuller picture of offending patterns and criminal activity of released prisoners than prior studies that used a 3- or 5-year follow-up period.

Long-term patterns

Overall, released state prisoners were arrested an estimated 2 million times within the 9 years following release in 2005. Extending the follow-up period to 9 years captured more than twice as many post-release arrests as were captured during a 3-year study. Six in 10 (60%) arrests occurred during years 4 through 9.

The percentage of prisoners who were arrested following release declined each year during the follow-up period. Forty-four percent of prisoners were arrested at least once during their first year after release, 34% were arrested during their third year, and 24% were arrested during their ninth year.

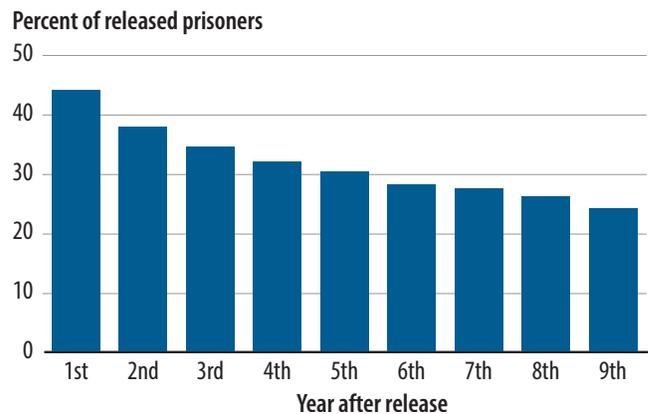
Type of offense of state prisoners arrested after release

Released property and drug offenders were more likely to be arrested than released violent offenders; however, released violent offenders were more likely to be arrested for a violent crime. More than three-quarters (77%) of released drug offenders were arrested for a non-drug crime within nine years, and more than a third (34%) were arrested for a violent crime.

Other key findings

The percentage of prisoners who were arrested following release in another state increased each year during the follow-up period. Eight percent of prisoners arrested during the first year following release were arrested outside of the state from which they were released. In comparison, 14% of prisoners who were arrested during the ninth year following release were arrested outside of their state of release.

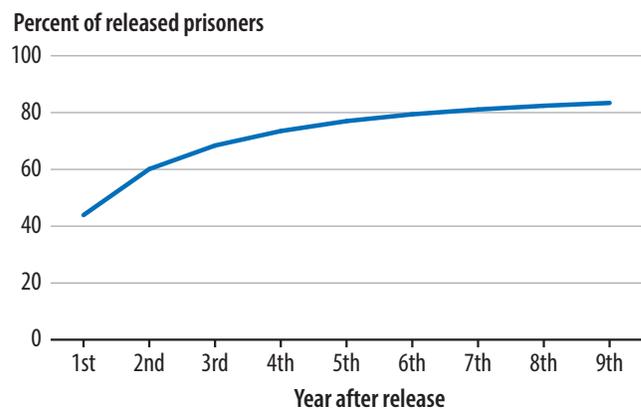
Annual arrest percentage of prisoners released in 30 states in 2005



Note: The denominator for annual percent is 401,288 (total state prisoners released in 30 states in 2005).

Source: Bureau of Justice Statistics, Recidivism of State Prisoners Released in 2005 data collection, 2005–2014.

Cumulative percentage of prisoners released in 30 states in 2005 who were arrested since release, by year after release



Source: Bureau of Justice Statistics, Recidivism of State Prisoners Released in 2005 data collection, 2005–2014.

The full report (*2018 Update on Prisoner Recidivism: A 9-Year Follow-up Period (2005-2014)*, NCJ 250975), related documents, and additional information about the Bureau of Justice Statistics can be found at www.bjs.gov.



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Senator Joy A. San Buenaventura, Chair
Senator Henry J.C. Aquino, Vice Chair
Committee on Health and Human Services

Senator Karl Rhoads, Chair
Senator Mike Gabbard, Vice Chair
Committee on Judiciary

Tuesday, February 13, 2024
9:00 AM via Videoconference

RE: **SB3335** Responsible Adult Use Cannabis - **Support ONLY With Amendments**

Dear Chairs San Buenaventura & Rhoads, Vice Chairs Aquino & Gabbard and Members of both Committees,

The Chamber of Sustainable Commerce represents over 100 small businesses across the state that strive for a triple bottom line: people, planet and prosperity; we know Hawaii can strengthen its economy without hurting workers, consumers, communities or the environment. This is why we would support SB3335 only with the following amendments:

- All the proposed changes contained within the testimony submitted by the Hawaii Alliance for Cannabis Reform that will ensure a regulatory system with robust social equity and expungement provisions.
- Commercial growing permits for non-medical cannabis shall be issued first to farmers who are already growing produce for local consumption: this will ensure cannabis cultivation subsidizes the high costs of growing food in Hawaii; for example, if an acre of non-medical cannabis results in \$1M profit a year, the farmer can use those profits to underwrite the costs of labor, land and water to grow produce for in state consumption on 9 acres of land. As more grow permits are issued maintain the requisite ratio of produce production for local consumption
- Allow local produce farmers, with permits to grow non-medical cannabis, to build and cite small, non-permanent dwellings for farmers close to their crops, including on state ag land; these non-permanent dwellings should have hygienically maintained toilets and potable water in appropriate proximity.
- Allow non-commercial "care growers", individuals and cooperatives, to continue growing cannabis for patients who do not have the ability to grow their own medicine and allow them to be reimbursed for related expenditures.

We agree with the statements made by Governor Green on Hawaii News Now on February 6, 2024:

"I don't think the sky would fall, honestly, if marijuana were legalized. . . . I also have some thoughts that marijuana might blunt the effect, if you will, of people on these heavy drugs, these horrible drugs. . . . People are far less violent. They are much hungrier, but they—aside from the snacking and stealing Cheetos—will probably do less harm."



To: Senator Joy A. San Buenaventura, Chair
Senator Henry J.C. Aquino, Vice Chair

To: Senator Karl Rhoads, Chair
Senator Mike Gabbard, Vice Chair

Members of the Joint Committee on Health and Human Services & Judiciary

From: Jaclyn Moore, Pharm.D., Co-Founder & CEO Big Island Grown Dispensaries

Re: **Testimony in Support of SENATE BILL (SB)3335 SD1 RELATING TO CANNABIS**

Establishes the Hawai'i Cannabis Authority and Cannabis Control Board within the Department of Commerce and Consumer Affairs to regulate all aspects of the cannabis plant. Beginning January 1, 2026, legalizes the personal adult use of cannabis. Establishes taxes for adult-use cannabis sales. Transfers the personnel and assets of the Department of Health and assets Department of Agriculture to the Hawai'i Cannabis Authority. Appropriates funds.

Aloha Chair San Buenaventura, Chair Rhoads, and Members of the Committees,

My name is Jaclyn Moore, co-founder and CEO of Big Island Grown, one of the state's eight medical cannabis dispensary licensees.

We stand in strong support of SB3335 and the proposed SD1. This measure was thoughtfully crafted by the Attorney General with proposed amendments from your committee.

At its core, this measure seeks to regulate Hawaii's cannabis industry, establish safeguards for the community, and establish a new tax on adult-use sales of cannabis to generate revenue for the state.

As we know, cannabis use has been prevalent in Hawaii for decades but it has been dominated by unregulated/illicit sales. For too long, this issue has been ignored. We laud the efforts of the legislature and the administration to finally tackle this issue head on.

At the same time, we are sensitive to the cost considerations that should be factored in considering this measure. To this point, we offer the following information:

- **\$32M Year One - Projected Tax Revenue:** *Within the first year under this measure, the state is projected to generate approximately \$32 million in tax revenue from GET, the new 10% cannabis tax, as well as income tax from the industry.*
- **\$80+M Year Four – Projected Tax Revenue:** *By year four, the industry has the potential to generate more than \$80 million in tax revenue for the state.*
- **Reduce Up-Font Costs:** Massachusetts launched its adult-use cannabis program with roughly \$7M to serve a population of 7 million people, which is five times the size of Hawaii. Alaska also

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



established its program with roughly \$7M albeit with a population half the size of Hawaii. No matter how you slice it, the \$38M up-front appropriation requested under this bill would make Hawaii's program among the highest (if not *the* highest) in the country on a per capita basis.

- **Eliminate Unnecessary Spending, Stagger Spending to Coincide with Revenue Generation:** Appropriations under this bill include \$5M for a state laboratory. This is unnecessary as an independent state-certified lab is already established and is currently testing all products under the state's Medical Cannabis program. In addition, the bill includes appropriations for numerous grants that would be better suited for funding once the state begins to capture tax revenue from the industry.
- **Minimize Risk of Unregulated/Illicit Sales; Allow Legal Sales Early:** Practically all jurisdictions that have delayed issuance of licenses and legal sales of cannabis have faced disastrous consequences of the proliferation of unregulated/illicit cannabis sales. The state should avoid this by establishing an earlier timeline for new licenses to be issued and allowing initial sales to begin through cannabis producers already regulated by the state.

With further refinement, we believe the regulatory framework and tax regime for cannabis adult use proposed under SB3335 would help Hawaii achieve its policy goals. We encourage the committees to consider amendments submitted by the Hawaii Cannabis Industry Association (HICIA).

Thank you for the opportunity to testify,

Jaclyn L. Moore, Pharm.D.

SB-3335

Submitted on: 2/12/2024 8:53:59 AM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Bill Jarvis	Testifying for Noa Botanicals	Support	Written Testimony Only

Comments:

To: Senator Joy San Buenaventura, Chair

Senator Henry J.C. Aquino, Vice Chair

From: Bill Jarvis, CEO of Noa Botanicals, LLC

Noa Botanicals is a licensed dispensaries on Oahu, with three locations, and we SUPPORT the proposed SD1 for SB3335, Relating to Cannabis.

Noa Botanicals strongly supports this bill, however we believe there are two primary aspects of the measure that should be addressed:

1) Reduce Appropriations in Response to Budget Constraints

Given current budget constraints arising from a decrease in tourism and the need to address the tragedy of Maui wildfires, Noa urges the legislature to reduce the appropriations requested under SB3335.

Noa fully supports strong enforcement, regulatory oversight and taxation of an adult-use cannabis industry. We believe, however, that these goals can be achieved with more efficient spending, lower up-front costs to the state, and Adult-Use Tax collections from preliminary sales.

As an example, Massachusetts established and launched its adult-use cannabis program with only an initial \$7.5 million appropriation. With a population of 7 million people (five times the size of Hawaii), and multiples more licensees to regulate than Hawaii, they started their Cannabis Control Commission from scratch in 12-months without immediate support or staffing from existing agencies at a fraction of the cost proposed under SB3335.

In addition, the Department of Health’s (DOH) Office of Medical Cannabis Control and Regulation (OMCCR) asserted in written testimony last session (March 1, 2023) that it could undertake oversight of an adult-use program with an additional \$5.3 million in annual funding for a public education campaign and additional staff - again a fraction of the cost currently proposed under SB3335.

Recommendations

Adjust appropriations requested under the measure with consideration to the following:

Utilize existing OMCCR staff, expertise, and resources as contemplated in proposed SD1, consisting of 17 employees, a \$3-4M budget, and \$2M in annual revenue from licensing fees and patient registration fees. Another \$2.5M is collected from annual GET taxes from medical cannabis sales.

Grants for social equity and other programs would be appropriated in a future tranche of funding after initial sales have launched and the new state cannabis tax collections are generated. Focus initial appropriations on state staffing and resources, especially in law enforcement and public education. These changes will create a fiscally responsible bill while protecting public health and safety, while saving \$10-20M.

We'd also propose eliminating the \$5M appropriation for a state run testing laboratory. An independent lab already exists in Hawaii, and a state run laboratory is unnecessary.

2) Launch Sales Earlier to Avoid Illicit Market Proliferation and Generate Revenue

Currently, SB3335 would only allow adult-use cannabis licenses to be issued 18 months after passage even if the Cannabis Authority is ready. This delay would inevitably result in a proliferation of illicit market activity and a significant loss in state revenue as has occurred in nearly all jurisdictions that have delayed legal sales after passage of law.

Resources:

[“Roadblocks and Red Tape: New York’s Cannabis Effort at a Crossroads,”](#) New York Times, June 6, 2023

[“Adults can now legally possess and grow marijuana in Ohio — but there’s nowhere to buy it,”](#) PBS News Hour, December 7, 2023

[“Ohio governor wants changes to looming recreational marijuana law to avoid ‘black market,’”](#) NBC 4i, December 6, 2023

[“Calling Cannabis Rollout a ‘Disaster,’ Hochul Blames Law for Rampant Illegal Sales,”](#) The City, January 31, 2024

[“New York Governor Blasts Marijuana Licensing ‘Disaster’ And Wishes Lawmakers Would ‘Start Over’ With Legalization Law,”](#) Marijuana Moment, January 31, 2024

Recommendation

Amend required delay in SB335 to allow for earlier sales to occur (suggested language):

“No later than 12-months after enactment, with permissible adult-use sales on an earlier interim basis for licensed entities under HRS 329-D”.

This amendment would significantly reduce the risk of Hawaii repeating the mistakes of other jurisdictions like New York and Ohio.

More than \$35M in state tax revenue (GET+Adult-Use Tax) in the first year of adult-use sales can be generated immediately under interim sales to cover the full cost of regulatory, enforcement, and programmatic needs.

Roughly \$82M in annual state tax revenue is projected to be achieved when Hawaii’s adult-use market matures, resulting in a significant revenue stream for the state to address other critical needs.

Noa greatly appreciates the committee’s consideration of the recommendations in our testimony. We strongly urge the committee to factor in both the budget constraints facing our state as well as the risks of illicit market proliferation with delayed legal sales as the bill continues through the legislative process.

Mahalo,

Bill Jarvis, CEO of Noa Botanicals

LATE

SB-3335

Submitted on: 2/12/2024 10:17:43 AM
Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Brian Murphy	Testifying for PATIENTS WITHOUT TIME	Support	Written Testimony Only

Comments:

Aloha Senators,

Cannabis is, far and away, the largest grossing agricultural product in Hawaii, so It would be a good idea to regulate it.

Legalization would have great the advantages to tax revenue, employee safety, insurance, and benefits, vital medical research, and it would also cut court and police costs.

Please, pass SB3335 to legalize cannabis, and end the long-stating prejudice and discrimination against citizens that grow and/or consume an herb that is far safer than beer, and is actually a known medicine to treat numerous illnesses.

Mahalo,

[Patients Without Time](#)

Brian Murphy, Director

To: Senate Committees on Health and Human Services and Judiciary

DATE: Tuesday, February 13, 2024; 9:00am

PLACE: VIA VIDEOCONFERENCE and Conference Room 016

RE: SB 3335 Proposed SD1 - Comments Only

Aloha Chair San Buenaventura, Chair Rhoads and Members of the Senate Committees on Health and Human Services

On behalf of Hawaii Children's Action Network Speaks! (HCAN Speaks!) I am writing to express our concerns and provide suggestions regarding the proposal to legalize recreational marijuana in Hawaii. As an organization dedicated to the well-being of children, we believe it is crucial to carefully consider the potential impact of such legislation on the health and safety of our youth.

We have significant concerns about the accessibility of marijuana to children and youth if it were to be legalized for recreational use. In states where marijuana has been legalized, there has been an increase in accidental ingestion by children, leading to emergency room visits and calls to poison control centers.

In light of these concerns, we urge the Hawaii State Legislature to prioritize the implementation of regulations that prioritize the protection of children and adolescents should this measure move forward. These regulations should include:

1. Raising the legal age of marijuana use and purchase to 25.
2. Ensure any points of sale are not within close proximity of schools and universities.
3. Do not allow products that are attractive to children and young people such as candies and flavored products.
4. Restrict marketing and advertising practices that appeal to youth or are highly visible. Require products to be contained in generic packaging that uses only black lettering, contains no colors, pictures, cartoons, or images that might appeal to children and youth.

Additionally, we strongly recommend that any tax revenue generated from the legalization of recreational marijuana be earmarked for education and public health purposes only. Investing in programs that support the well-being of our children and youth is crucial for ensuring a healthy and prosperous future for our state.

While we understand the potential economic benefits of legalizing recreational marijuana, we believe that the health and safety of our children must be prioritized above all else. We urge the Hawaii State Legislature to proceed with caution and carefully consider the potential impact of this legislation on the youngest members of our community.

Thank you for your attention to this important matter.

Sincerely,

Deborah Zysman, MPH
Executive Director

TAX FOUNDATION OF HAWAII

126 Queen Street, Suite 305

Honolulu, Hawaii 96813 Tel. 536-4587

SUBJECT: INCOME, GENERAL EXCISE, TOBACCO, MISCELLANEOUS, Legalize and Tax Adult-Use Cannabis

BILL NUMBER: SB 3335, HB 2600

INTRODUCED BY: SB by KEOHOKALOLE, AWA, CHANG, DECOITE, FEVELLA, KANUHA, LEE, SAN BUENAVENTURA, Kidani, Kim; HB by TARNAS, AMATO, BELATTI, GANADEN, GATES, HOLT, HUSSEY-BURDICK, KAHALOA, KAPELA, LOWEN, MARTEN, MIYAKE, PERRUSO, POEPOE, TAKAYAMA, TODD, Sayama

EXECUTIVE SUMMARY: Establishes the Hawai'i Cannabis Authority and Cannabis Control Board within the Department of Commerce and Consumer Affairs to regulate all aspects of the cannabis plant. Beginning January 1, 2026, legalizes the personal adult use of cannabis. Establishes taxes for adult-use cannabis sales. Transfers the personnel and assets of the Department of Health and assets Department of Agriculture to the Hawai'i Cannabis Authority.

SYNOPSIS: As it relates to taxation:

Adds a new chapter to the HRS designated in the bill as Chapter B, Hawaii Cannabis Tax Law.

New section B-2 requires a retail seller of cannabis to obtain a permit from the Department of Taxation. Permits last for one year and cost \$25. Permits shall not be issued to a cannabis retailer that is not compliant with the tax filing and payment obligations under title 14.

New section B-3 purports to impose tax, but relies on section 237-13(9) in the General Excise Tax Law to set the amount of the tax. Provides that where the tax imposed has been paid on cannabis that thereafter becomes the subject of a casualty loss deduction allowable under chapter 235, the tax paid shall be refunded or credited to the account of the permittee.

New section B-6 purports to prescribe limitation periods for assessment, levy, collection, or credit. The section refers to net operating loss carrybacks, but because the tax is on gross income it appears that net operating losses will never result.

Amends section 235-2.4, HRS, to provide that section 280E of the Internal Revenue Code, which disallows as a deduction any expenses associated with the illegal sale of drugs, is not operative in Hawaii with respect to the cultivation, processing, and sale of cannabis by cannabis businesses licensed or permitted under chapter A (the Hawaii Cannabis Law added by the bill).

Amends section 237-13, HRS, to impose the General Excise Tax at 10% of the gross proceeds of sales from cannabis at retail (but not on sales of medical cannabis). The proceeds of the tax are split between six different special funds that are created by the bill:

- (A) 35% to the cannabis regulation special fund (section A-17 of the bill);
- (B) 25% to the cannabis social equity special fund (section A-18);

- (C) 15% to the public health and education special fund (section A-19);
- (D) 10% to the public safety special fund (section A-20);
- (E) 7.5% to the cannabis nuisance abatement special fund (section A-21); and
- (F) 7.5% to the cannabis law enforcement special fund (section A-22).

Amends section 237-24.3, HRS, to remove any cannabis products from being “prescription drugs” eligible for GET exemption.

Amends section 245-1, HRS, to exclude from the definition of “e-liquid” any cannabis sales or paraphernalia.

EFFECTIVE DATE: July 1, 2024; provided that: (1) Sections A-51 through A-53, Hawaii Revised Statutes of section 2 of this Act shall take effect on January 1, 2026; and (2) Amendments made to section 291E-61, Hawaii Revised Statutes, by section 16 of this Act and 291E-61.5, Hawaii Revised Statutes, by section 17 of this Act shall not be repealed when those sections are reenacted on June 30, 2028.

STAFF COMMENTS:

Special Funds

The 1989 Tax Review Commission noted that use of special fund financing is a “departure from Hawaii’s sound fiscal policies and should be avoided.” It also noted that special funds are appropriate where the revenues to the funds maintain some direct connection between a public service and the beneficiary of that service. The Commission found that special funds which merely set aside general funds cannot be justified as such actions restrict budget flexibility, create inefficiencies, and lessen accountability. It recommended that such programs can be given priority under the normal budget process without having to resort to this type of financing.

This bill creates no less than six new special funds. Four are to be administered by the new cannabis authority, one by the Department of Attorney General, and one by the Department of Law Enforcement. We do not understand why the special funds are needed. The revenue brought in by government should be overseen by the legislature by way of the appropriations process. If the intent is for the levy on recreational cannabis sales to be self-adjusting to cover their own costs of enforcement, which is how DCCA is structured in theory, then the bill should be reworked to impose a user fee rather than a tax.

Need for New Tax Chapter

The bill creates a new tax chapter, chapter B, but does not use it to impose the new tax. Rather, the tax on cannabis sales is imposed under the General Excise Tax Law by way of amendment to section 237-13, HRS, the GET imposition section. We believe that it would be far more efficient to delete the new tax chapter and attach any new and unique provisions, such as the permitting provisions, to the GET Law. That way, the machinery to report, audit, and collect the tax is already in place, there would be no need to re-invent any wheels, and the likelihood of inconsistencies (such as the reference to net operating losses which don’t exist in the GET space) would be lessened.

The law that is left then needs to be checked for inconsistencies. For example, proposed section B-11(d) allows the Department to suspend a cannabis tax permit for up to five years. This needs to be reconciled with the fact that cannabis tax permits last only one year under proposed section B-2(e).

We also recommend that the tax, if attached to the GET, not depart from the GET's existing structure, as that could create confusion. Section 237-13, HRS, imposes the tax; section 237-31, HRS, is where the earmarks on the GET are kept.

Finally, we recommend that the language of proposed 237-13(9), HRS, be reworded to clarify that medical cannabis sales are not exempt from the GET, but tax is imposed at the normal retail rate; only recreational cannabis sales are subject to the new 10% rate. The proviso in the existing language ("provided that this tax shall not apply to the sales of medical cannabis as defined in section A-3") could be interpreted as an exemption for medical cannabis sales.

Digested: 2/7/2024



Akamai Cannabis Consulting

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**TESTIMONY ON SENATE BILL 3335
RELATING TO CANNABIS**

By
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Senate Committee on Health and Human Services
Senator Joy A. San Buenaventura, Chair
Senator Henry J.C. Aquino, Vice Chair
and
Senate Committee on Judiciary
Senator Karl Rhoads, Chair
Senator Mike Gabbard, Vice Chair

Tuesday, February 13, 2024; 9:00 AM
State Capitol, Room 016 & Videoconference

Thank you for the opportunity to provide COMMENTS on this measure.

The U.S. Department of Health and Human Services (HHS) and the Food and Drug Administration (FDA), a branch of HHS, after what was probably the most robust scientific and medical review ever performed on cannabis by a federal agency, [determined](#) that cannabis has accepted medical use in the United States and should be placed in federal Schedule III. This means that the abuse potential of cannabis warrants that it still be regulated as a controlled substance.

And yet, this body is seriously considering allowing anybody twenty-one years or older to grow their own cannabis and purchase cannabis products at retail locations.

We listened to the Centers for Disease Control and Prevention (CDC), a [branch](#) of HHS, when it came to health recommendations during the COVID Pandemic. And yet now we are going to ignore the recommendations of HHS on cannabis?

To do so is irresponsible and runs counter to protecting the public health and safety.

In addition, this bill does not address the federal situation with cannabis in Hawaii, which is already causing severe negative consequences for our medical cannabis patients and will only impact a greater number of residents when they violate federal law to participate in a state adult use program.

The Office of the Attorney General is [saying](#) that patients cannot have legal safe harbor from federal drug law. But if this is true, then why are members of the Native American Church able to enjoy legal safe harbor from federal Schedule I for the ceremonial use of [peyote](#)?

Congress has demonstrated a clear [intent](#) to shield state medical cannabis programs from federal interference for the past ten years. Congress has not done so for state recreational use programs, which are reportedly attracting organized [criminal activity](#) on a scale never seen before.

If you establish a program that requires violation of federal law to participate, then you are going to attract criminals. Go figure.

The constitutional authority of the State to decide how cannabis is regulated within the state is worth protecting. Without this authority we would not have a medical cannabis program in the first place. But this authority must be wielded very carefully and comes with a moral and constitutional obligation to harmonize with federal law.

Hawaii is nothing like any other state, geographically, culturally, politically, and economically. Some things that occur on the mainland are simply not allowed in Hawaii. Take [invasive species](#) for example. Recreational legalization is the latest form of invasive species that will wreck our island state if allowed to enter prematurely.

If protecting public health and safety is our top priority, then the State should wait until Congress removes cannabis from the federal Controlled Substances Act entirely and establishes a national regulatory framework for cannabis.

In the meantime, the State is in a much stronger position if it focuses on fixing and expanding our Medical Cannabis Program to better meet the needs of patients.

Please delay moving forward with the adult use of cannabis in Hawaii until Congress acts on this issue, and instead replace this bill with the provisions from [SB3278](#):

SECTION 1. The purpose of this Act is to amend state laws governing the medical use of cannabis and medical cannabis dispensary system to ensure patient access and protect patient

safety, especially as the State contemplates authorizing the adult use of cannabis.

SECTION 2. Section 329-121, Hawaii Revised Statutes, is amended as follows:

1. By adding a new definition to be appropriately inserted and to read:

"Cannabis plant" means a plant of the genus Cannabis that is greater than twelve vertical inches in height from where the base of the stalk emerges from the growth medium to the tallest point of the plant, or greater than twelve horizontal inches in width from the end of one branch to the end of another branch; provided that multiple stalks emanating from the same root ball or root system shall be considered part of the same single plant."

2. By amending the definition of "adequate supply" to read:

"Adequate supply" means an amount of ~~medical~~ cannabis jointly possessed between the qualifying patient and the primary caregiver that is not more than is reasonably necessary to ensure the uninterrupted availability of cannabis for the purpose of alleviating the symptoms or effects of a qualifying patient's debilitating medical condition; provided that an "adequate supply" shall not exceed: ten cannabis plants~~[7~~
~~whether immature or mature,~~] and four ounces of usable cannabis at any given time~~[7]~~, or an amount determined by the

certifying physician or certifying advanced practice registered nurse. The ~~[four ounces]~~ adequate supply ~~[of usable cannabis]~~

obtained from a dispensary shall include any combination of ~~[usable]~~ cannabis and manufactured cannabis products, as provided in chapter 329D, with the cannabis in the manufactured cannabis products being calculated using information provided pursuant to section 329D-9(c)."

3. By amending the definition of "advanced practice registered nurse" to read:

"Advanced practice registered nurse" means ~~[an advanced practice registered nurse with prescriptive authority as described in section 457-8.6 and registered under section 329-32.]~~ a person licensed to practice under chapter 457."

4. By amending the definitions of "debilitating medical condition", "medical use", and "physician" to read:

"Debilitating medical condition" means~~[÷~~

~~(1) Cancer, glaucoma, lupus, epilepsy, multiple sclerosis, rheumatoid arthritis, positive status for human immunodeficiency virus, acquired immune deficiency syndrome, or the treatment of these conditions;~~

~~(2) A chronic or debilitating disease or medical condition or its treatment that produces one or more of the following:~~

~~(A) Cachexia or wasting syndrome;~~

- ~~(B) Severe pain;~~
- ~~(C) Severe nausea;~~
- ~~(D) Seizures, including those characteristic of epilepsy;~~
- ~~(E) Severe and persistent muscle spasms, including those characteristic of multiple sclerosis or Crohn's disease; or~~
- ~~(F) Post-traumatic stress disorder; or~~

~~(3) Any other medical condition approved by the department of health pursuant to administrative rules in response to a request from a physician or advanced practice registered nurse or potentially qualifying patient.] a medical condition for which the certifying physician or certifying advanced practice registered nurse has determined that the medical use of cannabis is appropriate.~~

"Medical use" means the acquisition, possession, cultivation, use, distribution, or transportation of cannabis or paraphernalia relating to the administration of cannabis to alleviate the symptoms or effects of a qualifying patient's debilitating medical condition; provided that "medical use" does not include the cultivation or distribution of cannabis or paraphernalia by a qualifying out-of-state patient or the caregiver of a qualifying out-of-state patient. For the purposes of "medical use" ~~[7]~~ for qualifying patients, the term

"distribution" is limited to the transfer of cannabis and paraphernalia~~[-]~~ between qualifying patients.

"Physician" means a person who is licensed to practice under chapter 453 [~~and is licensed with authority to prescribe drugs and is registered under section 329-32~~]. "Physician" does not include a physician assistant as described in section 453-5.3."

5. By amending the definitions of "usable cannabis" and "written certification" to read:

"Usable cannabis" means the dried leaves and flowers of the plant genus Cannabis [~~family Moraceae~~], and any mixture or preparation thereof, including hash and rosin, that are appropriate for [~~the~~] each patient's medical use of cannabis. "Usable cannabis" does not include the seeds, stalks, and roots of the plant.

"Written certification" means the qualifying patient's medical records or a statement signed by a qualifying patient's physician or advanced practice registered nurse, stating that in the physician's or advanced practice registered nurse's professional opinion, the qualifying patient has a debilitating medical condition and the potential benefits of the medical use of cannabis would likely outweigh the health risks for the qualifying patient. The department of health [may] shall require, through its rulemaking authority, that all

written certifications comply with a designated form. "Written certifications" are valid for one year from the time of signing[; ~~provided that the department of health may allow for the validity of any written certification for three years if the qualifying patient's physician or advanced practice registered nurse states that the patient's debilitating medical condition is chronic in nature~~]."

SECTION 3. Section 329-122, Hawaii Revised Statutes, is amended as follows:

1. By amending subsections (c) and (d) to read:

"(c) Notwithstanding any law to the contrary, the medical use of cannabis within the State by a qualifying out-of-state patient aged eighteen years or older legally authorized to use cannabis for medical purposes in another state, a United States territory, or the District of Columbia shall be permitted only if the qualifying out-of-state patient:

(1) [~~Provides to the department of health a valid medical use of cannabis card with an explicit expiration date that has not yet passed from the issuing jurisdiction and a valid photographic identification card or driver's license issued by the same jurisdiction;~~] Possesses a valid registration card from another medical cannabis state;

(2) [~~Attests under penalty of law pursuant to section 710-1063 that the condition for which the qualifying out-of-state~~

~~patient is legally authorized to use cannabis for medical purposes is a debilitating medical condition as defined in section 329-121;~~ Possesses valid government-issued identification; and

~~(3) Provides consent for the department of health to obtain information from the qualifying out-of-state patient's certifying medical provider and from the entity that issued the medical cannabis card for the purpose of allowing the department of health to verify the information provided in the registration process;~~

~~(4) Pays the required fee for out-of-state registration to use cannabis for medical purposes;~~

~~(5) Registers with the department of health pursuant to section 329-123.5 to use cannabis for medical purposes;~~

~~(6) Receives a medical cannabis registry card from the department of health; and~~

~~(7)]~~ (3) Abides by all laws relating to the medical use of cannabis, including not possessing an amount of cannabis that exceeds an adequate supply.

(d) Notwithstanding any law to the contrary, the medical use of cannabis by a qualifying out-of-state patient under eighteen years of age shall only be permitted if:

(1) The qualifying out-of-state patient and the caregiver of the qualifying out-of-state patient ~~[provides the information~~

~~required pursuant to subsection (c); and] possess a valid registration card from another medical cannabis state;~~

(2) The qualifying out-of-state patient and the caregiver of the qualifying out-of-state patient ~~[consents in writing to:~~

- ~~(A) Allow the qualifying out-of-state patient's medical use of cannabis;~~
- ~~(B) Undertake the responsibility for managing the well-being of the qualifying out-of-state patient who is under eighteen years of age with respect to the medical use of cannabis; and~~
- ~~(C) Control the acquisition of the cannabis, the dosage, and the frequency of the medical use of cannabis by the qualifying out-of-state patient who is under eighteen years of age.] possess a valid government-issued identification; and~~

(3) The qualifying out-of-state patient and the caregiver of the qualifying out-of-state patient abide by all laws relating to the medical use of cannabis, including not possessing an amount of cannabis that exceeds an adequate supply."

2. By amending subsection (f) to read

"(f) For the purposes of this section, "transport" means the transportation of cannabis, usable cannabis, or any manufactured cannabis product between:

(1) A qualifying patient and the qualifying patient's primary caregiver;

(2) A qualifying out-of-state patient under eighteen years of age and the caregiver of a qualifying out-of-state patient;

(3) The production centers and the retail dispensing locations under a dispensary licensee's license;

(4) Dispensaries, to the extent authorized by section 329D-6(r); or

(5) A production center, retail dispensing location, qualifying patient, primary caregiver, qualifying out-of-state patient, or caregiver of a qualifying out-of-state patient and a certified laboratory for the purpose of laboratory testing; provided that a qualifying patient, primary caregiver, qualifying out-of-state patient, or caregiver of a qualifying out-of-state patient may only transport up to one gram of cannabis per test to a certified laboratory for laboratory testing and may only transport the product if the qualifying patient, primary caregiver, qualifying out-of-state patient, or caregiver of a qualifying out-of-state patient:

(A) Secures an appointment for testing at a certified laboratory;

(B) Obtains confirmation, which may be electronic, that includes the specific time and date of the appointment and a detailed description of the

product and amount to be transported to the certified laboratory for the appointment; and

(C) Has the confirmation, which may be electronic, available during transport.

For purposes of interisland transportation, "transport" of cannabis, usable cannabis, or any manufactured cannabis product, by any means is allowable only between dispensaries to the extent authorized by section 329D-6(r) and between a production center or retail dispensing location and a certified laboratory for the sole purpose of laboratory testing pursuant to section 329D-8, as permitted under section 329D-6(m) and subject to section 329D-6(j), ~~[and] or by qualifying patients or qualifying out-of-state patients for their own personal use,~~ with the understanding that state law and its protections do not apply outside of the jurisdictional limits of the State. ~~[Allowable transport pursuant to this section does not include interisland transportation by any means or for any purpose between a qualifying patient, primary caregiver, qualifying out-of-state patient, or caregiver of a qualifying out-of-state patient and any other entity or individual, including an individual who is a qualifying patient, primary caregiver, qualifying out-of-state patient, or caregiver of a qualifying out-of-state patient.]"~~

SECTION 4. Section 329-123, Hawaii Revised Statutes, is amended to read as follows:

"§329-123 Registration requirements; qualifying patients;

primary caregivers. (a) Physicians or advanced practice registered nurses who issue written certifications shall provide, in each written certification, the name, address, patient identification number, and other identifying information of the qualifying patient. The department of health shall require, in rules adopted pursuant to chapter 91, that all written certifications comply with a designated form completed by or on behalf of a qualifying patient. The form shall require information from the applicant, primary caregiver, and physician or advanced practice registered nurse as specifically required or permitted by this chapter. The form shall require the ~~[address of the location where the cannabis is grown]~~ adequate supply determined by the certifying physician or certifying advanced practice registered nurse and shall appear on the registry card issued by the department of health. The certifying physician or advanced practice registered nurse shall be required to have a bona fide physician-patient relationship or bona fide advanced practice registered nurse-patient relationship, as applicable, with the qualifying patient. All current active medical cannabis permits shall be honored through their expiration date.

(b) Qualifying patients shall register with the department of health. The registration shall be effective until the

expiration of the ~~[certificate issued by the department of health and signed by the physician or advanced practice registered nurse.]~~ written certification. Every qualifying patient shall provide sufficient identifying information to establish the personal identities of the qualifying patient and the primary caregiver. Qualifying patients shall report changes in information within ten working days. ~~[Every]~~ A qualifying patient ~~[shall have only one primary caregiver at any given time.]~~ may share a primary caregiver with nine other registered patients. The department of health shall issue to the qualifying patient a registration certificate and may charge a fee for the certificate in an amount adopted by rules pursuant to chapter 91.

(c) Primary caregivers shall register with the department of health. ~~[Every]~~ A primary caregiver ~~[shall]~~ may be responsible for the care of ~~[only one qualifying patient]~~ ten qualifying patients at any given time~~[, unless the primary caregiver is the parent, guardian, or person having legal custody of more than one minor qualifying patient, in which case the primary caregiver may be responsible for the care of more than one minor qualifying patient at any given time; provided that the primary caregiver is the parent, guardian, or person having legal custody of all of the primary caregiver's qualifying patients].~~ The department of health may permit

registration of up to two primary caregivers for a minor qualifying patient; provided that both primary caregivers are the parent, guardian, or person having legal custody of the minor qualifying patient.

(d) Upon inquiry by a law enforcement agency, which inquiry may be made twenty-four hours a day, seven days a week, the department of health shall immediately verify whether the subject of the inquiry has registered with the department of health and may provide reasonable access to the registry information for official law enforcement purposes.

(e) This section shall not apply to [~~registration of~~] a qualifying out-of-state patient or a caregiver of a qualifying out-of-state patient."

SECTION 5. Section 329-125.5, Hawaii Revised Statutes, is amended to read as follows:

"§329-125.5 Medical cannabis patient and caregiver protections. (a) No school shall refuse to enroll or otherwise penalize, and no landlord shall refuse to lease property to or otherwise penalize, a person solely for the person's status as a qualifying patient or primary caregiver in the medical cannabis program under this part, unless failing to do so would cause the school or landlord to lose a monetary or licensing-related benefit under federal law or regulation; provided that the qualifying patient or primary caregiver strictly complied with

the requirements of this part; provided further that the qualifying patient or primary caregiver shall present a medical cannabis registry card or certificate and photo identification, to ensure that the qualifying patient or primary caregiver is validly registered with the department of health pursuant to section 329-123.

(b) For the purposes of medical care, including organ transplants, a registered qualifying patient's use of cannabis in compliance with this part shall be considered the equivalent of the use of any other medication under the direction of a physician and shall not constitute the use of an illicit substance or otherwise disqualify a registered qualifying patient from medical care.

(c) No qualifying patient or primary caregiver under this part shall be denied custody of, visitation with, or parenting time with a minor, and there shall be no presumption of neglect or child endangerment, for conduct allowed under this part; provided that this subsection shall not apply if the qualifying patient's or primary caregiver's conduct created a danger to the safety of the minor, as established by a preponderance of the evidence.

(d) Unless a failure to do so would cause the employer to lose a monetary or licensing-related benefit under a contract or federal law, an employer shall not discriminate against a person

in hiring, termination, or any term or condition of employment, other than that contained in a collective bargaining agreement, if the discrimination is based upon either of the following:

(1) The person's status as a cardholder; or

(2) A registered qualifying patient's positive drug test for cannabis components or metabolites, unless the registered qualifying patient was impaired by cannabis during the hours of employment;

provided that nothing in this subsection shall abridge any existing right of an employer to send an employee for medical evaluation when the employer has safety concerns about the impairment of the employee; provided further that an employer may take adverse action against or discipline an employee who uses or possesses medical cannabis in the workplace and is impaired.

(e) In a potentially dangerous occupation, an employer may use a fit-for-duty test as a risk-based assessment tool for a registered qualifying patient.

(f) No employer shall have any liability to any employee who is injured or killed during the performance of the employee's job if the employee's impairment by medical cannabis was the sole contributing factor to the employee's death or injury.

~~[(d)]~~ (g) This section shall apply to qualifying patients~~[7]~~ and primary caregivers~~[7]~~ who are validly registered with the department of health, and qualifying out-of-state patients~~[7]~~ and caregivers of qualifying out-of-state patients who are ~~[validly registered with the department of health]~~ recognized pursuant to this part and the administrative rules of the department of health."

SECTION 6. Section 329-126, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

"(b) For purposes of this section, a bona fide physician-patient relationship may be established via telehealth, as defined in section 453-1.3(j), and a bona fide advanced practice registered nurse-patient relationship may be established via telehealth, as defined in section 457-2~~;~~ ~~provided that treatment recommendations that include certifying a patient for the medical use of cannabis via telehealth shall be allowed only after an initial in-person consultation between the certifying physician or advanced practice registered nurse and the patient]~~."

SECTION 7. Section 329-130, Hawaii Revised Statutes, is amended to read as follows:

"§329-130 Authorized sources of medical cannabis. (a) ~~[After December 31, 2024, a]~~ A qualifying

patient shall obtain medical cannabis or manufactured cannabis products only:

(1) From a dispensary licensed pursuant to chapter 329D; provided that the cannabis shall be purchased and paid for at the time of purchase; or

(2) By cultivating cannabis in an amount that does not exceed an adequate supply for the qualifying patient, pursuant to section 329-122; provided that each location used to cultivate cannabis shall be used by no more than ~~[five]~~ ten qualifying patients~~[-]~~; provided further that more than ten qualifying patients may utilize the same grow site if the grow site can demonstrate an underserved need by local qualifying patients; provided further that qualifying patients registered to the same grow site may assist each other with the cultivation and processing of cannabis; provided further that the department shall provide patient education and conduct voluntary routine grow site inspections without law enforcement at grow sites with more than ten qualifying patients to ensure grow site compliance; provided further that the department shall adopt rules to implement this section.

~~[After December 31, 2024, no primary caregiver shall be authorized to cultivate cannabis for any qualifying patient.~~

~~(b) This section shall not apply to:~~

~~(1) A qualifying patient who is a minor or an adult lacking legal capacity and the primary caregiver is the parent, guardian, or person having legal custody of a qualifying patient described in this paragraph; or~~

~~(2) A qualifying patient on any island on which there is no medical cannabis dispensary licensed pursuant to chapter 329D.~~

~~(e)]~~ (b) A qualifying out-of-state patient and a caregiver of a qualifying out-of-state patient shall be authorized to obtain cannabis for medical use only from retail dispensing locations of dispensaries licensed pursuant to chapter 329D."

SECTION 8. Section 329D-1, Hawaii Revised Statutes, is amended by amending the definition of "manufactured cannabis product" to read as follows:

"Manufactured cannabis product" means:

(1) Any capsule, lozenge, oil or oil extract, tincture, ointment or skin lotion, pill, or transdermal patch~~[, or pre-filled and sealed container used to aerosolize and deliver cannabis orally or by inhalation, such as an inhaler, nebulizer, or device that provides safe pulmonary administration, that has been manufactured using cannabis];~~

(2) Edible cannabis products; or

~~[(3) Pre-rolled cannabis flower products; or~~

~~(4)]~~ (3) Any other products as specified by the department pursuant to section [~~329D-10(a)(11).~~] 329D-10(a)(10)."

SECTION 9. Section 329D-6, Hawaii Revised Statutes, is amended to read as follows:

"§329D-6 Dispensary operations. (a) No person shall operate a dispensary, or engage in the production, manufacture, or sale of cannabis or manufactured cannabis products, unless the person has obtained a license from the department pursuant to this chapter.

(b) No dispensary licensee, its officers, employees, or agents shall provide written certification for the use of medical cannabis or manufactured cannabis products for any person.

(c) No person under the age of twenty-one shall be employed by a dispensary licensee.

(d) Notwithstanding any other law to the contrary, including sections 378-2 and 378-2.5, dispensaries:

- (1) Shall deny employment to any individual who has been:
 - (A) Convicted of murder in any degree;
 - (B) Convicted of a class A or class B felony; or
 - (C) Convicted of a class C felony involving trafficking, distributing, or promoting a schedule I or II controlled substance other than cannabis within the last ten years; and

(2) May deny employment to any individual who has been convicted of a class C felony involving:

- (A) Fraud, deceit, misrepresentation, embezzlement, or theft; or
- (B) Endangering the welfare of a minor.

Employment under this chapter shall be exempt from section 378-2(a)(1), as it relates to arrest and court record discrimination, and section 378-2.5.

(e) Retail dispensing locations shall not be open for retail sales before 8:00 a.m. or after 8:00 p.m., Hawaii-Aleutian Standard Time, Monday through Sunday.

(f) All dispensary facilities, including production centers and retail dispensing locations, shall be enclosed indoor facilities and shall maintain twenty-four hour security measures, including an alarm system, video monitoring and recording on the premises, and exterior lighting. A dispensary licensee that intends to utilize, as a production center, an enclosed indoor facility that includes a roof that is partially or completely transparent or translucent, as provided under section 329D-1, shall notify the department of that intention before altering or constructing the facility. Production centers shall remain locked at all times. Retail dispensing locations shall remain locked at all times, other than business

hours as authorized by subsection (e), and shall only be opened for authorized persons.

(g) In all dispensary facilities, only the licensee, if an individual, registered employees of the dispensary licensee, registered employees of a subcontracted production center or retail dispensing location, employees of a certified laboratory for testing purposes, state employees authorized by the director of health, and law enforcement and other government officials acting in their official capacity shall be permitted to touch or handle any cannabis or manufactured cannabis products, except that a qualifying patient, primary caregiver, qualifying out-of-state patient, or caregiver of a qualifying out-of-state patient may receive manufactured cannabis products at a retail dispensing location following completion of a sale.

(h) A dispensary shall provide the department with the address, tax map key number, and a copy of the premises lease, if applicable, of the proposed location of a production center allowed under a license for a county no later than thirty days before any medical cannabis or manufactured cannabis products being produced or manufactured at that production center.

(i) A dispensary shall provide the department with the address, tax map key number, and a copy of the premises lease, if applicable, of the proposed location of each retail

dispensing location allowed under a license [~~ne~~] not less than sixty days before opening for business.

(j) The department shall establish, maintain, and control a computer software tracking system that shall have real time, twenty-four-hour access to the data of all dispensaries.

(1) The computer software tracking system shall collect data relating to:

- (A) The total amount of cannabis in possession of all dispensaries from either seed or immature plant state, including all plants that are derived from cuttings or cloning, until the cannabis, cannabis plants, or manufactured cannabis product is sold or destroyed pursuant to section 329D-7;
- (B) The total amount of manufactured cannabis product inventory, including the equivalent physical weight of cannabis that is used to manufacture manufactured cannabis products, purchased by a qualifying patient, primary caregiver, qualifying out-of-state patient, and caregiver of a qualifying out-of-state patient from all retail dispensing locations in the State in any fifteen-day period;
- (C) The amount of waste produced by each plant at harvest; and

(D) The transport of cannabis and manufactured cannabis products between production centers and retail dispensing locations and as authorized by subsection (r), including tracking identification issued by the tracking system, the identity of the person transporting the cannabis or manufactured cannabis products, and the make, model, and license number of the vehicle being used for the transport;

(2) The procurement of the computer software tracking system established pursuant to this subsection shall be exempt from chapter 103D; provided that:

(A) The department shall publicly solicit at least three proposals for the computer software tracking system; and

(B) The selection of the computer software tracking system shall be approved by the director of the department and the chief information officer; and

(3) Notwithstanding any other provision of this subsection to the contrary, once the department has authorized a licensed dispensary to commence sales of cannabis or manufactured cannabis products, if the department's computer software tracking system is inoperable or is not functioning properly, as an alternative to requiring dispensaries to temporarily cease

operations, the department may implement an alternate tracking system that will enable a qualifying patient, primary caregiver, qualifying out-of-state patient, and caregiver of a qualifying out-of-state patient to purchase cannabis or manufactured cannabis products from a licensed dispensary on a temporary basis. The department shall seek input regarding the alternate tracking system from medical cannabis licensees. The alternate tracking system may operate as follows:

- (A) The department may immediately notify all licensed dispensaries that the computer software tracking system is inoperable; and
- (B) Once the computer software tracking system is operational and functioning to meet the requirements of this subsection, the department may notify all licensed dispensaries, and the alternate tracking system in this subsection shall be discontinued.

(k) A dispensary licensed pursuant to this chapter shall purchase, operate, and maintain a computer software tracking system that shall:

- (1) Interface with the department's computer software tracking system established pursuant to subsection (j);
- (2) Allow each licensed dispensary's production center to submit to the department in real time, by automatic

identification and data capture, all cannabis, cannabis plants, and manufactured cannabis product inventory in possession of that dispensary from either seed or immature plant state, including all plants that are derived from cuttings or cloning, until the cannabis or manufactured cannabis product is sold or destroyed pursuant to section 329D-7;

(3) Allow the licensed dispensary's retail dispensing location to submit to the department in real time for the total amount of cannabis and manufactured cannabis product purchased by a qualifying patient, primary caregiver, qualifying out-of-state patient, and caregiver of a qualifying out-of-state patient from the dispensary's retail dispensing locations in the State in any fifteen day period; provided that the software tracking system shall impose an automatic stopper in real time, which cannot be overridden, on any further purchases of cannabis or manufactured cannabis products, if the maximum allowable amount of cannabis has already been purchased for the applicable fifteen day period; provided further that additional purchases shall not be permitted until the next applicable period; and

(4) Allow the licensed dispensary to submit all data required by this subsection to the department and permit the department to access the data if the department's computer software tracking system is not functioning properly and sales

are made pursuant to the alternate tracking system under subsection (j).

(l) No free samples of cannabis or manufactured cannabis products shall be provided at any time, and no consumption of cannabis or manufactured cannabis products shall be permitted by customers on any dispensary premises[-]; provided that dispensaries shall make an accommodation for employees who are registered patients and must engage in the medical use of cannabis during working hours to relieve the symptoms of their debilitating medical condition; provided further that such accommodation shall only be allowed if impairment does not result at work.

(m) Except as authorized by subsection (r), a dispensary shall not transport cannabis or manufactured cannabis products to another county or another island; provided that this subsection shall not apply to the transportation of cannabis or any manufactured cannabis product solely for the purposes of laboratory testing pursuant to section 329D-8, and subject to subsection (j), if no certified laboratory is located in the county or on the island where the dispensary is located; provided further that a dispensary shall only transport samples of cannabis and manufactured cannabis products for laboratory testing for purposes of this subsection in an amount and manner prescribed by the department, in rules adopted pursuant to this

chapter, and with the understanding that state law and its protections do not apply outside of the jurisdictional limits of the State.

(n) A dispensary [~~shall be prohibited from~~] may engage in the off-premises delivery of cannabis or manufactured cannabis products to a qualifying patient, or primary caregiver[7]; provided that such delivery shall only occur to the qualifying patient's or primary caregiver's residential address. A dispensary shall be prohibited from the off-premises delivery of cannabis or manufactured cannabis products to a qualifying out-of-state patient, or caregiver of a qualifying out-of-state patient.

(o) A dispensary shall not:

(1) Display cannabis or manufactured cannabis products in windows or in public view; or

(2) Post any signage other than one or two signs, each no greater than one thousand six hundred square inches bearing only the business or trade name in text without any pictures or illustrations; provided that if any applicable law or ordinance restricting outdoor signage is more restrictive, that law or ordinance shall govern.

(p) No cannabis or manufactured cannabis products shall be transported to, from, or within any federal fort or arsenal,

national park or forest, any other federal enclave, or any other property possessed or occupied by the federal government.

(q) A dispensary licensed pursuant to this chapter shall be prohibited from providing written certification pursuant to section 329-122 for the use of medical cannabis for any person.

(r) The department may authorize a dispensary to purchase cannabis and manufactured cannabis products from another dispensary in a manner prescribed by the department by rules adopted pursuant to section 329D-27; provided that:

(1) The purchasing dispensary establishes to the department's satisfaction that:

(A) The purchase is necessary to ensure that qualifying patients have continuous access to cannabis for medical use; or

(B) The cannabis and manufactured cannabis products are for medical, scientific, or other legitimate purposes approved by the State;

(2) The selling dispensary may transport no more than eight hundred ounces, or other amounts with prior approval by the department, of cannabis or manufactured cannabis products to the purchasing dispensary within a thirty-day period;

(3) The cannabis and manufactured cannabis products are transported between the dispensaries for medical, scientific, or other legitimate purposes approved by the State; and

(4) Nothing in this subsection shall relieve any dispensary of its responsibilities and obligations under this chapter and chapter 329.

(s) Dispensaries may sell viable cannabis seeds; provided that such seeds shall be produced in the State with the understanding that state law and its protections do not apply outside of the jurisdictional limits of the State."

SECTION 10. Section 329D-7, Hawaii Revised Statutes, is amended to read as follows:

"§329D-7 Medical cannabis dispensary rules. The department shall establish standards with respect to:

(1) The number of medical cannabis dispensaries that shall be permitted to operate in the State;

(2) A fee structure, set by rules adopted pursuant to chapter 91, for:

(A) The submission of applications and renewals of licenses to dispensaries; provided that the department shall consider the market conditions in each county in determining the license renewal fee amounts;

(B) The submission of applications and renewals for each additional production center; and

(C) Dispensary-to-dispensary sales authorized by section 329D-6(r);

provided that no designated fee shall increase by more than two and one-half per cent annually;

(3) Criteria and procedures for the consideration and selection, based on merit, of applications for licensure of dispensaries; provided that the criteria shall include but not be limited to an applicant's:

- (A) Ability to operate a business;
- (B) Financial stability and access to financial resources; provided that applicants for medical cannabis dispensary licenses shall provide documentation that demonstrates control of not less than \$1,000,000 in the form of escrow accounts, letters of credit, surety bonds, bank statements, lines of credit or the equivalent to begin operating the dispensary;
- (C) Ability to comply with the security requirements developed pursuant to paragraph (6);
- (D) Capacity to meet the needs of qualifying patients and qualifying out-of-state patients;
- (E) Ability to comply with criminal background check requirements developed pursuant to paragraph (8);
and
- (F) Ability to comply with inventory controls developed pursuant to paragraph (13);

(4) Specific requirements regarding annual audits and reports required from each production center and dispensary licensed pursuant to this chapter;

(5) Procedures for announced and unannounced inspections by the department or its agents of production centers and dispensaries licensed pursuant to this chapter; provided that inspections for license renewals shall be unannounced;

(6) Security requirements for the operation of production centers and retail dispensing locations; provided that, at a minimum, the following shall be required:

(A) For production centers:

(i) Video monitoring and recording of the premises; provided that recordings shall be retained for fifty days;

(ii) Fencing that surrounds the premises and that is sufficient to reasonably deter intruders and prevent anyone outside the premises from viewing any cannabis in any form;

(iii) An alarm system; and

(iv) Other reasonable security measures to deter or prevent intruders, as deemed necessary by the department; and

(B) For retail dispensing locations:

- (i) Presentation of a valid government-issued photo identification and a valid identification as issued by the department pursuant to section 329-123 by a qualifying patient or caregiver, or section 329-123.5 by a qualifying out-of-state patient or caregiver of a qualifying out-of-state patient, upon entering the premises;
- (ii) Video monitoring and recording of the premises; provided that recording shall be retained for fifty days;
- (iii) An alarm system;
- (iv) Exterior lighting; and
- (v) Other reasonable security measures as deemed necessary by the department;

(7) Security requirements for the transportation of cannabis and manufactured cannabis products between production centers and retail dispensing locations and between a production center, retail dispensing location, qualifying patient, primary caregiver, qualifying out-of-state patient, or caregiver of a qualifying out-of-state patient and a certified laboratory, pursuant to section 329-122(f);

(8) Standards and criminal background checks to ensure the reputable and responsible character and fitness of all license

applicants, licensees, employees, subcontractors and their employees, and prospective employees of medical cannabis dispensaries to operate a dispensary; provided that the standards, at a minimum, shall exclude from licensure or employment any person convicted of any felony;

(9) The training and certification of operators and employees of production centers and dispensaries;

(10) The types of manufactured cannabis products that dispensaries shall be authorized to manufacture and sell pursuant to sections 329D-9 and 329D-10;

(11) Laboratory standards related to testing cannabis and manufactured cannabis products for content, contamination, and consistency;

(12) The quantities of cannabis and manufactured cannabis products that a dispensary may sell or provide to a qualifying patient, primary caregiver, qualifying out-of-state patient, or caregiver of a qualifying out-of-state patient; provided that no dispensary shall sell or provide to a qualifying patient, primary caregiver, qualifying out-of-state patient, or caregiver of a qualifying out-of-state patient any combination of cannabis and manufactured cannabis products that:

- (A) During a period of fifteen consecutive days, exceeds the equivalent of four ounces of cannabis; or

(B) During a period of thirty consecutive days, exceeds the equivalent of eight ounces of cannabis;

(13) Dispensary and production center inventory controls to prevent the unauthorized diversion of cannabis or manufactured cannabis products or the distribution of cannabis or manufactured cannabis products to a qualifying patient, primary caregiver, qualifying out-of-state patient, or caregiver of a qualifying out-of-state patient in quantities that exceed limits established by this chapter; provided that the controls, at a minimum, shall include:

(A) A computer software tracking system as specified in section 329D-6(j) and (k); and

(B) Product packaging standards sufficient to allow law enforcement personnel to reasonably determine the contents of an unopened package;

(14) Limitation to the size or format of signs placed outside a retail dispensing location or production center; provided that the signage limitations, at a minimum, shall comply with section 329D-6(o)(2) and shall not include the image of a cartoon character or other design intended to appeal to children;

(15) The disposal or destruction of unwanted or unused cannabis and manufactured cannabis products;

(16) The enforcement of the following prohibitions against:

(A) The sale or provision of cannabis or manufactured cannabis products to unauthorized persons;

(B) The sale or provision of cannabis or manufactured cannabis products to a qualifying patient, primary caregiver, qualifying out-of-state patient, or caregiver of a qualifying out-of-state patient in quantities that exceed limits established by this chapter; and

(C) Any use or consumption of cannabis or manufactured cannabis products on the premises of a retail dispensing location or production center; and

(17) The establishment of a range of penalties for violations of this chapter or rule adopted thereto;

(18) A process to recognize [~~and register~~] patients who are authorized to purchase, possess, and use medical cannabis in another state, a United States territory, or the District of Columbia as qualifying out-of-state patients; provided that this [~~registration~~] process may commence no sooner than January 1, 2018; and

(19) Security requirements and restrictions regarding waiting rooms, including but not limited to:

- (A) Security measures to prevent unauthorized access to any area within the retail dispensing location outside of the waiting room;
- (B) Restrictions on marketing and advertising within the waiting room;
- (C) Restrictions on signage within the waiting room; and
- (D) Other reasonable security measures or restrictions as deemed necessary by the department."

SECTION 11. Section 329D-8, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

"(a) The department shall establish and enforce standards for laboratory-based testing of cannabis and manufactured cannabis products for content, contamination, and consistency; provided that in establishing these standards, the department shall:

(1) Review and take guidance from the testing programs and standards utilized in other jurisdictions;

(2) Consider the impact of the standards on the retail cost of the product to the qualifying patient;

(3) Review and take guidance from the testing programs and standards for pesticides under the regulations of the United States Environmental Protection Agency;

(4) [~~Consider~~] Establish processes that [~~may~~] allow cannabis or manufactured cannabis products that fail testing standards to be remediated[+] and make these processes available to the public;

(5) For the testing for microbiological impurities, consider the benefits of organically grown cannabis that features the use of bacteria in lieu of pesticides; [~~and~~]

(6) Include permission for qualifying patients and primary caregivers to obtain testing services directly from certified laboratories on the island where the qualifying patient and primary caregiver reside[+];

(7) Establish and maintain standards for testing of cannabis and manufactured cannabis products at the department's state lab for reference purposes and post-marketing testing; and

(8) Promote the formation of prep labs on islands that do not have a certified testing facility to facilitate the preparation of "de minimis" samples that fall below the threshold for federal regulation and can be transported legally to another island for required potency and contaminant testing."

SECTION 12. Section 329D-10, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

"(a) The types of medical cannabis products that may be manufactured and distributed pursuant to this chapter shall be limited to:

- (1) Capsules;
- (2) Lozenges;
- (3) Pills;
- (4) Oils and oil extracts;
- (5) Tinctures;
- (6) Ointments and skin lotions;
- (7) Transdermal patches;
- (8) Pre-filled and sealed containers used to aerosolize

and deliver cannabis orally [~~or by inhalation, such as an inhaler, nebulizer, or device that provides safe pulmonary administration; provided that:~~

~~(A) Containers need not be manufactured by the licensed dispensary but shall be filled with cannabis, cannabis oils, or cannabis extracts manufactured by the licensed dispensary or purchased from another dispensary pursuant to section 329D-6(r); but shall not contain nicotine, tobacco-related products, or any other non-cannabis derived products; and~~

~~(B) For devices that provide safe pulmonary administration:~~

~~(i) The heating element of the device, if any, shall be made of inert materials such as~~

~~glass, ceramic, or stainless steel, and not
of plastic or rubber;~~

~~(ii) The device shall be distributed solely for
use with single use, pre-filled, tamper-
resistant, sealed containers that do not
contain nicotine or other tobacco products;~~

~~(iii) There shall be a temperature control on the
device that is regulated to prevent the
combustion of cannabis oil; and~~

~~(iv) The device need not be manufactured by the
licensed dispensary;~~

~~(9) Pre-rolled cannabis flower products, as specified by
the department];~~

~~[(10)]~~ (9) Edible cannabis products, as specified by the
department; and

~~[(11)]~~ (10) Other products as specified by the department."

SECTION 13. Section 329D-13, Hawaii Revised Statutes, is
amended by amending subsection (c) to read as follows:

"(c) Beginning on January 1, 2018, this section
[~~may~~] shall apply to qualifying out-of-state patients from other
states, territories of the United States, or the District of
Columbia; provided that the patient meets the [~~registration~~]
requirements of [~~section 329-123.5.~~] sections 329-122 and 329-
130."

SECTION 14. Section 329D-25, Hawaii Revised Statutes, is amended to read as follows:

"§329D-25 Coordination among state and federal agencies. The department shall initiate ongoing dialogue among relevant state and federal agencies to identify processes and policies that ensure the privacy of qualifying patients and qualifying out-of-state patients and the compliance of qualifying patients, primary caregivers, qualifying out-of-state patients, and caregivers of qualifying out-of-state patients and medical cannabis dispensaries with state and federal laws and regulations related to medical cannabis."

SECTION 15. Section 329D-27, Hawaii Revised Statutes, is amended by amending subsections (b) and (c) to read as follows:

"(b) No later than January 4, 2016, the department shall adopt interim rules, which shall be exempt from chapter 91 and chapter 201M, to effectuate the purposes of this chapter; provided that the interim rules shall remain in effect until [~~July 1, 2025,~~] August 1, 2024, or until rules are adopted pursuant to subsection (a), whichever occurs sooner.

(c) The department may amend the interim rules, and the amendments shall be exempt from chapters 91 and 201M, to effectuate the purposes of this chapter; provided that any amended interim rules shall remain in effect until [~~July 1,~~

2025,] August 1, 2024, or until rules are adopted pursuant to subsection (a), whichever occurs sooner."

SECTION 16. Section 329-123.5, Hawaii Revised Statutes, is repealed.

~~["§329-123.5 Registration requirements; qualifying out-of-state patient; caregiver of a qualifying out-of-state~~

~~patient. (a) Notwithstanding section 329-123, a qualifying out-of-state patient and a caregiver of a qualifying out-of-state patient shall register with the department of health as established by rule. The registration shall be effective for no more than sixty days and may be renewed for no more than one additional sixty-day period that begins no later than twelve months after the preceding registration date; provided that the department shall not register any qualifying out-of-state patient for a period that exceeds the term of validity of the qualifying out-of-state patient's authority to use medical cannabis in the qualifying out-of-state patient's home jurisdiction.~~

~~(b) A qualifying out-of-state patient aged eighteen or older, at a minimum, shall meet the following criteria for registration:~~

~~(1) Provide a valid government-issued medical cannabis card issued to the qualifying out-of-state patient by another state, United States territory, or the District of Columbia;~~

~~provided that the medical cannabis card has an expiration date and has not expired;~~

~~(2) Provide a valid photographic identification card or driver's license issued by the same jurisdiction that issued the medical cannabis card; and~~

~~(3) Have a debilitating medical condition, as defined in section 329-121.~~

~~(c) A qualifying out-of-state patient under eighteen years of age may be registered pursuant to this section only if the qualifying patient has a debilitating medical condition as defined in section 329-121 and the caregiver of the qualifying out-of-state patient, at a minimum, meets the requirements of paragraphs (1) and (2) of subsection (b) and consents in writing to:~~

~~(1) Allow the qualifying out-of-state patient's medical use of cannabis;~~

~~(2) Undertake the responsibility for managing the well-being of the qualifying out-of-state patient who is under eighteen years of age, with respect to the medical use of cannabis; and~~

~~(3) Control the acquisition of the cannabis, the dosage, and the frequency of the medical use of cannabis by the qualifying out-of-state patient who is under eighteen years of age.~~

~~(d) In the case of any qualifying out-of-state patient who is under eighteen years of age, the department of health shall register the qualifying out-of-state patient and the caregiver of the qualifying out-of-state patient; provided that the department may register two caregivers for a qualifying out-of-state patient if each caregiver is the parent, guardian, or person having legal custody of the qualifying out-of-state patient who is under eighteen years of age.~~

~~(e) Each qualifying out-of-state patient shall pay a fee in an amount established by rules adopted by the department pursuant to chapter 91 for each registration and renewal.~~

~~(f) Upon inquiry by a law enforcement agency, the department of health shall immediately verify whether the subject of the inquiry has registered with the department of health and may provide reasonable access to the registry information for official law enforcement purposes. An inquiry and verification under this subsection may be made twenty-four hours a day, seven days a week.~~

~~(g) The department of health may temporarily suspend the registration of a qualifying out-of-state patient or a registered caregiver of a qualifying out-of-state patient for a period of up to thirty days if the department of health determines that the registration process for qualifying patients or primary caregivers is being adversely affected or the supply~~

~~of cannabis for medical use available in licensed dispensaries is insufficient to serve qualifying patients and qualifying out-of-state patients. A temporary suspension may be extended by thirty-day periods until the department of health determines that:~~

~~(1) Adequate capacity exists to register qualifying out-of-state patients and caregivers of qualifying out-of-state patients in addition to qualifying patients and primary caregivers; and~~

~~(2) The licensed dispensaries are able to meet the demands of qualifying patients."]~~

SECTION 17. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 18. This Act shall take effect upon its approval.



Feb 13, 2024

Re Testimony Concerning Attorney General's Cannabis Legalization Bill Draft

Re: Comments: SB 3335-SD 1 - Cannabis Legalization

Position: Opposed Unless Amended

To: Chairs San Buenaventura and Rhoads, Vice Chairs Aquino and Gabbard, and Distinguished Members of the Health and Human Services & Judiciary Committees

Aloha, Chairs San Buenaventura and Rhoads, Vice Chairs Aquino and Gabbard, and Distinguished Committee Members,

My name is Bryon Adinoff. I am the President of [Doctors for Drug Policy Reform](#), a group of several hundred physicians, other medical professionals, and scientists advocating for evidence-based drug policies and best practices that advance public health.

Prior to leaving full-time academia 5 years ago, I was the Distinguished Professor of Alcohol and Drug Abuse Research at the University of Texas Southwestern Medical Center in Dallas and for over 30 years I was an addiction psychiatrist in the Department of Veterans Affairs. I have [published](#) and spoken widely on the biological effects and treatment of addictive disorders and I am the Editor of [The American Journal of Drug and Alcohol Abuse](#). My research has been funded by the National Institute on Drug Abuse (NIDA), the National Institute on Alcohol Abuse and Alcoholism (NIAAA) and the Department of Veterans Affairs.

The medical professionals and scientists at D4DPR assert that the most significant detriment of cannabis lies in the severe consequences of arrests or imprisonment, profoundly impacting both individual and societal well-being. The ramifications of a cannabis-related arrest or conviction can endure a lifetime, hindering employment prospects, access to financial resources like car loans or mortgages, eligibility for student financial aid, and securing public housing. These adverse effects, stemming from cannabis prohibition, not only detrimentally affect an individual's mental and physical health but also reverberate through their family and community, with the most profound impact seen among those with limited means and belonging to disenfranchised groups.

Another pivotal reason we advocate for ending cannabis prohibition is to establish a secure and regulated system for cannabis cultivation, distribution, and sale. With more than 50% of the US population residing in states where adult-use cannabis is legalized, the positive outcomes of this system are evident. However, we express concern that the proposed bill by the Attorney General falls short of adequately addressing the individual and public health aspects associated with cannabis.

As health professionals and scientists, we apprehensively observe various aspects of the bill that undermine the potential benefits of cannabis legalization. Despite appearing to support legalization, the Attorney General's office seems intent on maintaining or expanding the role of law enforcement in criminalizing cannabis. Specifically:

- The proposal advocates for increased cannabis law enforcement, imposing severe penalties for vague offenses like "open containers," "nuisance abatement," use by minors, improper storage, and public consumption, alongside requirements for "strict compliance." These measures, lacking evidence-based support, defy common sense and fail to enhance public health or safety.
- Critical protections supporting public health and safety are absent, leaving responsible cannabis users vulnerable to losing custody of their children, professional or occupational licenses, and state benefits.
- The suggested per se "driving under the influence" limit of 10 nanograms per milliliter of THC exemplifies the bill's lack of reliance on evidence-based standards. The academic literature is unequivocal that using THC concentrations has no scientific validity in assessing cannabis impairment, potentially leading to the unwarranted arrest of individuals without cannabis-related impairment.

We implore that due consideration be given to the input provided by D4DPR and other members of the Hawai'i Alliance for Cannabis Reform. It is our fervent hope that the legalization of adult-use cannabis genuinely enhances, rather than harms, the public health of Hawaiians.

Bryon Adinoff, MD
President, Doctors for Drug Policy Reform



Tuesday, February 13, 2024 at 9:00 am
Conference Room 016

Senate Committee on Health and Human Services

To: Chair Joy A. San Buenaventura
Vice Chair Henry J.C. Aquino

Senate Committee on Judiciary

To: Chair Karl Rhoads
Vice Chair Mike Gabbard

From: Hilton R. Raethel
President and CEO
Healthcare Association of Hawaii

Re: Submitting Comments
SB 3335 Proposed SD 1, Relating to Cannabis

The Healthcare Association of Hawaii (HAH), established in 1939, serves as the leading voice of healthcare on behalf of 170 member organizations who represent almost every aspect of the healthcare continuum in Hawaii. Members include acute care hospitals, skilled nursing facilities, home health agencies, hospices, assisted living facilities and durable medical equipment suppliers. In addition to providing access to appropriate, affordable, high-quality care to all of Hawaii's residents, our members contribute significantly to Hawaii's economy by employing over 30,000 people statewide.

Thank you for the opportunity to submit **comments** on this measure. We are concerned with the potential negative impacts of the legalization of cannabis will have not only our public health, but also on underserved communities in our state. In speaking with healthcare partners in states that have legalized cannabis, there has been a consistent narrative that the commercialization of this substance has had a deleterious effect on communities where health disparities are already the most glaring.

We appreciate that there is an intention to consider public health, but we do not believe that there are enough protections, especially for minors, to ensure that prohibited access and problematic use are adequately addressed. Further, we understand the interest in raising revenues, but would suggest that the additional costs to public safety and public health may ultimately outweigh any tax benefit the state sees.

Thank you for considering our comments with concerns about the commercialization of cannabis.



Senate Committee on Health and Human Services
Senator Joy A. San Buenaventura, Chair
Senator Henry J.C. Aquino, Vice Chair

Senate Committee on Judiciary
Senator Karl Rhoads, Chair
Senator Mike Gabbard, Vice Chair

Hearing Date: Tuesday, February 13, 2024

ACS CAN COMMENTS on SB 3335 Proposed SD1: RELATING TO CANNABIS.

Cynthia Au, Government Relations Director – Hawaii Guam
American Cancer Society Cancer Action Network

Thank you for the opportunity to **COMMENT** on SB 3335 Proposed SD1: RELATING TO CANNABIS. The American Cancer Society Cancer Action Network (ACS CAN) is the nonprofit, nonpartisan advocacy affiliate of the American Cancer Society. We support fact-based policy and legislative solutions designed to eliminate cancer as a major health problem. We support all efforts to invest in comprehensive policies that would strengthen the health infrastructure in Hawaii to prevent youth from starting to use tobacco and help adults already addicted to tobacco to quit.

ACS CAN remains concerned about reducing smoking including the use of e-cigarettes and reducing exposure to secondhand smoke. Expanding the use of cannabis only heightens these concerns and we encourage the legislature to ensure cannabis laws do not undermine effective tobacco control laws and further health disparities.

ACS CAN opposes smoking or aerosolization of any form of cannabis. Recent history from our tobacco control work has shown how creating different terms and definitions is a strategic move by Big Tobacco to ensure certain products are regulated or taxed differently or escape regulation

and taxation all together. ACS CAN requests clarification that smoking, including the use of e-cigarettes, of any and all cannabis or cannabis derived products, whether natural or synthetic, is prohibited in all workplaces and public places. This includes prohibiting indoor smoking associated with permits for special events and social consumption.

ACS CAN is pleased to see the fund for cannabis social equity, public health education and public safety fund. We urge the state be required to collect baseline data and monitor the ongoing impact of cannabis on the use of tobacco and other substances including alcohol, opioids and tracking psychosis and other behavioral health conditions. We also urge the state be required to collect data on how engaging “disproportionately impacted area(s)” in the cannabis industry impacts health equity, including the impact of cannabis use, sales and all cannabis business locations in these areas as well as ensure equitable enforcement.

ACS CAN opposes the changes to the e-liquid definition to exempt cannabis, cannabis products or cannabis accessories. This creates a major loophole for companies to mix cannabis with tobacco or nicotine to avoid tobacco control laws. The only exemption ACS CAN supports in this definition is one for drugs, devices, or combination products authorized for sale by the U.S. Food and Drug Administration, as defined in the Federal Food, Drug, and Cosmetic Act.

To date, four THC-based drugs have been approved by the U.S. Food and Drug Administration (FDA) for the treatment of nausea, and several other similar drugs are being tested in clinical trials.ⁱ None of the FDA-approved drugs require the smoking or aerosolizing of the drug.

ACS CAN also recommends prohibiting any cannabis retail stores from selling tobacco products, including e-cigarettes that contain tobacco or nicotine whether natural or synthetic. ACS CAN also recommends requiring all cannabis and hemp businesses to be located at least 1000 feet from schools and other child focused areas and extending the advertising prohibition from 750 feet to 1000 feet.

Health Effects:

Marijuana smoke, like tobacco smoke, is a lung irritant and can pose significant risks to people who use and to those near use. Individuals who use marijuana may also experience other adverse effects, such as altered senses, changes in mood, and impaired cognitive and motor functions in the short-term; to impacts on breathing, brain development and the potential for addiction and risk of other drug or alcohol use in the long-term. Use of marijuana during pregnancy can have an impact on offspring before and after birth.ⁱⁱ

The most common way marijuana is used by adults is by smoking.ⁱⁱⁱ Among youth, the aerosolization of marijuana through e-cigarettes increased prior to the pandemic. In 2019, 3.9

percent of 8th graders, 12.6 percent of 10th graders, and 14.0 percent of 12th graders were current users (defined as use in the past 30 days).^{iv} The 2023 levels remain substantial, with the percentage of youth using marijuana in the last year at 29% in 12th grade, 18% in 10th grade, and 8% in 8th grade.^v

Marijuana smoking affects lung function including inflammation of the large airways, increased airway resistance, and lung hyperinflation.^{vi} Marijuana smoke contains the same fine particulate matter found in tobacco smoke that can cause heart attacks.^{vii} Individuals under the age of 45 who frequently smoke marijuana (defined as 4 or more times in the past 30 days) are almost twice as likely as those who don't smoke marijuana to have a heart attack.^{viii} Marijuana smoke contains many of the cancer-causing substances found in tobacco smoke and has been shown to cause testicular cancer. The presence of cancer-causing substances is cause for concern and more research is needed to assess the impact of exposure to marijuana smoke on other types of cancer.^{ix}

Cigarette dependence is significantly higher among individuals with daily marijuana use compared with those with non-daily or no marijuana use. Increasing marijuana use among people who smoke cigarettes can be a barrier to smoking cessation with adverse public health implications for tobacco control.^x

ACS CAN supports prohibiting smoking or aerosolizing of marijuana and other cannabinoids in public places because the cancer-causing substances found in marijuana smoke pose numerous health hazards to the individual using and others in their presence. Secondhand marijuana smoke can pass THC, with people exposed feeling a psychoactive effect.^{xi} This can be especially dangerous for children who are exposed. Allowing the smoking or aerosolizing of marijuana in public places also undermines the effectiveness of 100% smoke-free laws.

Thank you again for the opportunity to provide comment. Should you have any questions, please do not hesitate to contact Government Relations Director Cynthia Au at 808.460.6109, or Cynthia.Au@Cancer.org.

ⁱ FDA. FDA and Cannabis: Research and Drug Approval Process. February 24, 2023. <https://www.fda.gov/news-events/public-health-focus/fda-and-cannabis-research-and-drug-approval-process>.

ⁱⁱ National Institute on Drug Abuse; National Institutes of Health; U.S. Department of Health and Human Services. Marijuana Drug Facts. December 2019. <https://www.drugabuse.gov/publications/drugfacts/marijuana>.

ⁱⁱⁱ Schauer GL, Njai R, Grant-Lenzy AM. Modes of marijuana use - smoking, vaping, eating, and dabbing: Results from the 2016 BRFSS in 12 States. *Drug Alcohol Depend.* 2020 Apr 1;209:107900. doi: 10.1016/j.drugalcdep.2020.107900. Epub 2020 Feb 6. PMID: 32061947.

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- ^{iv} Miech, R. A., Patrick, M. E., O'Malley, P. M., Johnston, L. D., & Bachman, J. G. (2020). Trends in Reported Marijuana Vaping Among US Adolescents, 2017-2019. *JAMA*, 323(5), 475–476. <https://doi.org/10.1001/jama.2019.20185>
- ^v Miech, R. A., Johnston, L. D., Patrick, M. E., O'Malley, P. M., & Bachman, J. G. (2023). Monitoring the Future national survey results on drug use, 1975–2023: Secondary school students. Monitoring the Future Monograph Series. Ann Arbor, MI: Institute for Social Research, University of Michigan. Available at <https://monitoringthefuture.org/results/annual-reports>
- ^{vi} Gracie, K., & Hancox, R. J. (2021). Cannabis Use Disorder And The Lungs. *Addiction*, 116(1), 182-190.
- ^{vii} Brook, R.D., Rajagopalan, S., Pope, C.A., 3rd, Brook, J.R., Bhatnagar, A., Diez-Roux, A.V., Holguin, F., Hong, Y., Luepker, R.V., Mittleman, M.A., Peters, A., Siscovick, D., Smith, S.C., Jr., Whitsel, L., and Kaufman, J.D. (2010). Particulate matter air pollution and cardiovascular disease: An update to the scientific statement from the American Heart Association. *Circulation* 121: 2331-78.
- ^{viii} Ladha KS, Mistry N, Wijeyesundera DN, et al. Recent cannabis use and myocardial infarction in young adults: a cross-sectional study. *CMAJ* September 2021: 193 (35) E1377-E1384; <https://doi.org/10.1503/cmaj.202392>.
- ^{ix} Ghasemiesfe, M., Barrow, B., Leonard, S., Keyhani, S., & Korenstein, D. (2019). Association Between Marijuana Use And Risk Of Cancer: A Systematic Review And Meta-Analysis. *JAMA Network Open*, 2(11), E1916318-E1916318.
- ^x Weinberger AH, Dierker L, Zhu J, Levin J, Goodwin RD. Cigarette dependence is more prevalent and increasing among US adolescents and adults who use cannabis, 2002-2019. *Tobacco Control*. Published Online First: 23 November 2021. Doi: 10.1136/tobaccocontrol-2021-056723.
- ^{xi} CDC. Marijuana FAQs. Accessed February 11, 2022: <https://www.cdc.gov/marijuana/faqs.htm>



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Derbyshire, England, LEAP UK

Date: February 6, 2024

Re: Comments: HB 2600/SB 3335 - Cannabis Legalization

Position: No Position - Requires Amendment

To: Chairs Tarnas and Gates, Vice Chairs Takayama and Kahaloa, and distinguished members of the Judiciary & Hawaiian Affairs and Agriculture Committees

Aloha, Chairs Tarnas and Gates, Vice Chairs Takayama and Kahaloa, and distinguished committee members,

As a career law enforcement professional, I am writing on behalf of the Law Enforcement Action Partnership (LEAP) to share our comments regarding bills HB 2600 & SB 3335, which would legalize the personal adult use of cannabis.

LEAP is a nonprofit group of police, prosecutors, judges, and other criminal justice professionals who speak from our experience within the justice system. Our mission is to make communities safer by focusing law enforcement resources on the greatest threats to public safety and working toward healing police-community relations.

Many years in the law enforcement profession have taught us that cannabis prohibition causes much more damage than the use of the drug itself. Our cannabis laws brew deep distrust of police and the criminal justice system, breaking community ties and increasing violence.

Prohibition forces people in the cannabis trade into an illicit market that is besieged by gun violence to resolve disputes that legal businesses handle in court. Legalizing and regulating cannabis sales will redirect its profits back into the communities that have been harmed the most by the illicit market. It will also ensure that cannabis is sold only by regulated, licensed businesses that uphold environmental laws, consumer safety regulations, and check IDs.

LawEnforcementActionPartnership.org

Formerly known as Law Enforcement Against Prohibition

As Law Enforcement, we think regulating cannabis is one of the smartest things Hawaii can do to improve its criminal justice system, however the bills currently under consideration need a number of amendments. As currently written, the bills do not include common protections to prevent Hawaii residents from losing their job, custody of their children, state benefits, or having their parole/probation revoked for the responsible use of cannabis in their off-hours. Criminalizing people in this way leads to more instability in people's lives, not less.

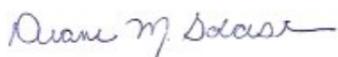
The bills will also expand enforcement by focusing more officers on cannabis, and re-criminalizing minors in possession of cannabis. This would not only divert law enforcement resources from solving serious crime, but would also increase unnecessary criminalization of Hawaii residents.

Instead, we believe the bills should include state-initiated expungement and re-sentencing for cannabis offenses that help people rebuild their lives so that a criminal record for something legal in 24 states in the country will no longer follow them.

Meaningful amendments to these bills, such as these and others described by the Hawai'i Alliance for Cannabis Reform, will refocus police resources on what matters most: helping communities recover from decades of unjust conditions that give rise to violent crime and social hardship.. Communities deserve a regulated model in the name of public safety and opportunity.

Thank you for the opportunity to submit our comments and concerns regarding HB 2600 & SB 3335.

Mahalo,



Diane Goldstein
Redondo Beach Police Department
Executive Director, The Law Enforcement Action Partnership

RE: SB3335; Hearing Friday February 13, 2024

Aloha Honorable Committee Members,

We appreciate the opportunity to testify for SB3335.

The Cannabis Society of Hawai'i would like to provide comments.

We greatly appreciate the time and work going into drafting this bill and we support Adult-use access, but oppose the potential to criminalize the people of Hawai'i and any decrease or any reduction to Medical Cannabis Patient Rights.

Medical patients need more access in the form of product offering, price, selection, and quality. Only by increasing these categories will Medical patients benefit by the freedom of choice.

Under the current system we have not been able to satisfy the community and lacked to create jobs and help our local economy. We do support the transfer of assets to DBEDT and would like to see unlimited licensing with canopy limits on cultivation and detailed pathways to support the social equity programs and minorities.

The reason why we continue to battle the stigma is due to the inability to learn from each other. We need to create a system or program that allows the ability to share information that can benefit the community it serves. Law enforcement training on Cannabis / Medical Patients is necessary and should have been addressed within the current OMCCR program.

We do fear that Law enforcement is not equipped with the knowledge to deal with Cannabis related issues properly and without proper education this will impact arrests and create more issues for our community. Our team of community members are able to assist with working models and systems that can provide a path to understanding the nuances of cannabis and the culture surrounding the plant.

There is so much information to unpack that we only be able to address those that currently impact patient rights severely within this bill.

Dr. Christina Sanchez has also studied Cannabinoids and ECS to find that this system helps Apoptosis, program cell death with Cancer cells which alcohol and tobacco cannot claim.

Please also refer to US Patent 6,630,507 B1 titled "Cannabinoids as Antioxidants and Neuroprotectants" by The Department of Health and Human Services. c 2003

Caregivers that are breeding for desired terpene or cannabinoid traits will often use seeds to cultivate and go through a selection process to stabilize their genetics. They could be breeding for Alzheimers, Parkinsons, Arthritis, or Dementia and need to try multiple cultivars which don't have a 100% success rate. Multiple plants and many months are dedicated to breeding. This entails growing both male plants (which produce no THC) and female plants. Through the vegetative process sexual traits do not appear until the flowering process weeks to months later in which a plant can be anywhere from 24-36+ inches prior to knowing if it will produce a female plant. This greatly affects plant count as your plant count could be all male plants for months until the plants cycle into flower and if so, the plants would only produce pollen which is not used in any cannabis product directly by a user. Pollen is only used to breed and create seeds when applied to a female plant's stigma (hairs).

This is one example on how plant count is an arbitrary number as when you cultivate from regular non-feminized seeds, you are able to get male or female plants which do not have the ability to create the same THC based products that the limit is speaking to.

THC Content seems to be another issue with progress forward. Hash has been around for a very long time and has potency from 30-55%. Our bodies have the endocannabinoids system that responds to cannabinoids and terpenes differently for each person. This is due to its nature to regulate the body and mind through cannabinoid receptors. Each user experience can differ greatly depending on diet, sleep, dehydration, previous experience, and environment to name a few factors. With this in mind, dosage intake is not the same for each user and cannot be held to such false standards.

While it is important to know how much you are ingesting or consuming, having an arbitrary number like 5 nanograms per ml in blood quantum doesn't make sense for DUI/DWI. Would that mean if someone has 3ml and they fail the standard impairment test they are ok?

We would heavily suggest moving away from trying to put a number on what impairment is and simply use the impairment test as a standard that is already in place that doesn't need to differ for any other impairment test. This eliminates singling-out someone that may use cannabis to function or heal.

Hawai'i as we know is an expensive place to live and raise a family. Due to the Ohana style, people have always tried to pull resources together and help each other out. This goes for the caregiver cooperative medical cannabis collective model as well. It is not usual to have multigenerational families living at 1 address or community gardens. Medical Cannabis Patients should not be treated as criminals for coming together to help each other. Please do not decrease or reduce the medical patient card limit as the collective model provides resources specific to that model that cannot be duplicated and if affected will impact our community.

We are glad to hear social equity, diversity and inclusion addressed, however we are uneasy of how that will be addressed and rolled out. This is very important and needs to be handled with utmost consideration for the people it has impacted and will impact.

Farmers, Food Producers, Hemp Farmers, Native Land Owners, and previously impacted people should be granted and given the first opportunity for social equity licenses as soon as January 2025.

There are many patients that are afraid to come forward because of the current stigma surrounding cannabis. Many do not want to go through the process of having a 329 card unless they cultivate or act as a caregiver. For this reason, we realize that there are many medical cannabis users that do not have a medical cannabis card but still use it with a medical mindset and the same intentions of healing or health and wellness.

We understand the need for conversation and community input on these issues that affect every part of our society.

Please contact us if you have any questions or would like to go over our testimony in detail.

Thank you,

Cannabis Society of Hawai'i // cannabissocietyofhawaii@gmail.com



Committee: Health and Human Services and Judiciary
Hearing Date/Time: Tuesday, February 13, 2024 at 9:00am
Place: Conference Room 016 & Via Videoconference
Re: **Testimony of the ACLU of Hawai'i: COMMENTS on S.B. 3335 Relating to Cannabis**

Dear Chairs San Buenaventura and Rhoads, Vice Chairs and Committee Members:

ACLU of Hawai'i submits comments on **S.B. 3335**, which establishes the Hawai'i Cannabis Authority and Cannabis Control Board within the Department of Commerce and Consumer Affairs to regulate all aspects of the cannabis plant and begins the legalization of personal adult use of cannabis on January 1, 2026.

Adult-Use Cannabis Legalization Will Reverse Prohibition Policies that Violates an Individual's Right to Bodily Autonomy and Privacy.

The ACLU of Hawai'i supports adult-use cannabis legalization based on the rights of individuals to bodily autonomy and privacy enshrined in our federal and Hawai'i Constitutions.

First, individuals have a right to bodily autonomy. This includes the decision to use (or refuse) alcohol, tobacco, Tylenol or cannabis, a plant with known medicinal properties since time immemorial.¹

Second, individuals in Hawai'i have the explicit right to privacy.² Individuals should be able to exercise their right to bodily autonomy, and use or carry cannabis on their

¹ Similarly, the ACLU of Hawai'i supports the rights of individuals to access reproductive care as a right to bodily autonomy, including but not limited to the abortion pill.

² The Hawai'i Constitution reads as follows: "The right of the people to privacy is recognized and shall not be infringed without the showing of a compelling state interest. The legislature shall take affirmative steps to implement this right." Article I, section 6.

person, and within their houses and not be subject to unreasonable searches, seizures and invasions of privacy.³

Adult-Use Cannabis Legalization Must Include Social Equity and Reparative Justice Reforms to Address the Harms Resulting from Decades of Cannabis Prohibition.

The ACLU of Hawai'i strongly supports comprehensive equitable policies to legalize, tax, and regulate adult use of cannabis, in tandem with social equity and reparative reforms to redress the devastating effects of cannabis prohibition policies.

We acknowledge the many hours of research and work of the Department of the Attorney General in drafting this measure as a starting point for substantive policy discussions relating to cannabis legalization.

At this time, **we are offering comments**, instead of full support, as the draft measure currently includes provisions that will likely increase criminal convictions and incarceration for conduct that does not jeopardize public safety.

Additionally, this draft falls short of the robust social equity and reparative justice reforms required to address the harms and collateral consequences of cannabis arrest and conviction records that last a lifetime.

Notably, these harms have disparately impacted Native Hawaiians. As reflected in [The Disparate Treatment of Native Hawaiians in the Criminal Justice System Report](#) conducted by the Office of Hawaiians Affairs and Justice Policy Institute, Native Hawaiians do not use drugs at drastically different rates from people of other races or ethnicities, but Native Hawaiians go to prison for drug offenses more often than people of other races or ethnicities.⁴

Accordingly, we offer comments and recommendations to achieve an adult-cannabis legalization regulatory framework driven by data, social equity, and restorative justice.⁵

Additionally, Article I, section 7 of the Hawai'i Constitution states: "The right of the people to be secure in their persons, houses, papers, and effects against unreasonable searches, seizures, and invasions of privacy shall not be violated."

⁴ https://www.oha.org/wp-content/uploads/2014/11/es_final_web_0.pdf See also, https://www.oha.org/wp-content/uploads/2014/11/factsheets_final_web_0.pdf

⁵ The ACLU of Hawai'i is a member of the Hawai'i Alliance for Cannabis Reform. We endorse the comments and recommendations outlined by the Hawai'i Alliance for Cannabis Reform relating to S.B. 3335 S.D.1.

CONCERNS RELATING TO THIS DRAFT MEASURE

The Proposed Measure Includes Numerous Unnecessary Provisions that Will Likely Result in Further Criminalization and Incarceration, Rather than Diversion from the Criminal Legal System.

As highlighted by the Department of Corrections and Rehabilitation's Monthly Population Reports, many of Hawai'i's jails and prisons are severely overcrowded.⁶ Many people are living in inhumane and unconstitutional conditions of confinement in our carceral facilities while separated from their loved ones, here in Hawai'i and in private for-profit prisons thousands of miles away.

Of note, many people are arrested and/or incarcerated due to the Failed War on Drugs, including the enforcement of cannabis prohibition policies.

1. Increased Law Enforcement – Per sec. 66, this bill would alarmingly ramp up cannabis enforcement. **Adding seventeen (17) full-time cannabis law enforcement positions (i.e. 3 supervisors, 11 investigators or detectives and three support staff) to legalize cannabis is unnecessary and will waste taxpayer dollars by criminalizing more people.**

- To our knowledge, states that have legalized cannabis have *not* ramped up law enforcement as part of its regulatory scheme.
- **Colorado's comprehensive 2021 Department of Justice report on legalization**⁷, starting at p. 19 notes the following:
 - The total number of marijuana arrests decreased by 68% between 2012 and 2019, from 13,225 to 4,290
 - Marijuana sales arrests decreased by 56%, while arrests for marijuana production increased slightly (+3%).” [Colorado was the first legal state in the nation, so you could expect more issues in that context given the massive demand from the other 48 states.]
 - Similarly, "The number of marijuana-related case filings declined 55% between 2012 and 2019, from 9,925 to 4,489 (Table 6)”
 - Regarding Illegal Cultivation on Public Lands, "The number of growing operations and plants seized shows no discernible trend"
- **Recommendation:** Eliminate the full-time law enforcement positions.

2. Strict Compliance Standard – Strict Compliance is too high a bar for criminal prosecution and will result in misdemeanor and felony penalties for innocuous conduct.

⁶ <https://dcr.hawaii.gov/wp-content/uploads/2024/01/Pop-Reports-EOM-2023-12-31.pdf>

⁷ https://cdpsdocs.state.co.us/ors/docs/reports/2021-SB13-283_Rpt.pdf

- **Recommendation:** A small variance from the law should be a civil matter, not criminal matter (section A-4, line 1, 3 and 8-12 etc.)
3. **Re-criminalizing Minors – As drafted, this bill will impose harsher penalties than the status quo. It will criminalize minors in possession of cannabis and impose excessive penalties for those providing cannabis to persons between the ages of 18-20.**
- This proposed law enforcement approach will disparately Native Hawaiian and Pacific Islander youth, and directly contravenes the ongoing criminal legal reforms within our juvenile criminal legal system.
 - It's important that states not continue to use cannabis laws to over-police youth and instead de-penalize youth cannabis offenses to prevent funneling more young people into the criminal justice system. States also must not replace marijuana prohibition with a system of civil fines and fees.
 - **Recommendation:** Offer assessments to minors cited with violations and offer treatment support if needed based on the assessments. This approach will direct funding to public education and services instead of bolstering enforcement.
4. **The per se and zero tolerance “DUI” limits will entangle sober drivers long after impairment wears off.** This proposed regulatory standard will criminalize someone for “driving under the influence” if they are not impaired and last used cannabis many hours or a day prior. **The vast majority of states — including the vast majority of legalization states — have not opted to set unscientific per se limits.**
- Michigan had a 5 ng/mL standard prior to legalization, which was likely indirectly repealed as part of legalization. The state’s then- anti-legalization GOP governor appointed a five-member commission “to research and recommend a scientifically supported threshold of Δ 9-THC bodily content to provide evidence for per se impaired driving.” The commission included the state police, a forensic toxicologist, and a professor with expertise in traffic safety. It concluded there is no scientifically supported Δ 9-THC threshold.⁸
 - **Recommendation:** rather than criminalizing sober drivers, we recommend investing in more DRE and ARIDE-trained officers and a

⁸ It explained the science and [found](#), “ Δ 9-THC can fail to detect impaired drivers (when blood levels are low and impairment is high). It can also inappropriately flag unimpaired drivers or chronic users whose blood levels are higher in general (see section on behavioral effects of Δ 9-THC) even when not impaired.”

robust public education campaign on the dangers and illegality of impaired driving.

Cannabis Legalization Must Include A State Initiated Process to Expunge Past Arrest and Convictions and Re-sentencing for Cannabis Related Offenses

Along with the harm of incarceration, cannabis related arrest and conviction records have long term negative ripple effects. Having a cannabis conviction on your record can make it hard to get a job, a credit card, or find housing for the rest of your life. These barriers have a ripple effect on families and their local communities and economies, disparately impacting Native Hawaiian and Pacific Islanders in Hawai'i.

- 1. According to a recent report by the Attorney General's office, there are currently over 50,000 arrests and 10,000 convictions currently in the system for low-level cannabis related offenses in Hawai'i.**⁹ Undoubtedly, the total number of persons affected by cannabis prohibitions policies in Hawai'i are significantly higher.
 - This is why clearing people's records of cannabis related arrests and convictions through a state-initiated process is a necessary addition to this legalization measure.
 - The current draft requires a report by late 2026 or early 2027 on "advisability of expunging or sealing low-level criminal offenses related to marijuana, a recommendation or sealing low level criminal offenses and records should be expunged or sealed, if any and the best mechanism for expunging and sealing records without causing undue burden on the judiciary, the department of the attorney general, or any administrative agency." This statutory language is extremely watered down and falls short of other state's cannabis legalization laws that include expungement.
 - **Recommendation:** Include a state-initiated expungement and re-sentencing process as outlined by the Last Prisoner Project (LPP). *In 2022, LPP presented recommendations to Hawaii's Dual Use of Cannabis Task Force for the creation of state-initiated record clearance and resentencing processes for those who continue to suffer from criminal convictions and sentences as a result of prohibition. LPP's recommendations were endorsed by the Task Force and were codified in SB1375, SB669 and HB237 during the 2023 legislative session.*

⁹ "Report Regarding the Final Draft Bill Entitled 'Relating to Cannabis.' Hawaii State Department of the Attorney General, January, 2024: <https://ag.hawaii.gov/wp-content/uploads/2024/01/REPORT-REGARDING-THE-FINAL-DRAFT-BILL-ENTITLED-RELATING-TO-CANNABIS-PREPARED-BY-THE-DEPARTMENT-OF-THE-ATTORNEY-GENERAL-dated-January-5-2024.pdf>

2. Hawai'i's Adult Use Cannabis Legalization Regulatory Framework Must Appropriate at Least 60% of the Excise Tax Revenue to Robust Social Equity, Expungements and Community Reinvestment.

- The data shows that cannabis legalization is a racial justice issue, and states should approach it as such. The harms of cannabis criminalization inflicted upon Native Hawaiians and other under resourced racial communities cannot be undone. However, we can craft adult-use cannabis legalization policies that includes tax revenues dedicated to social equity, expungements and community.

The current SD1 draft improves upon November's draft in terms of funding for reparative justice and equity. A total of 60% of the excise tax revenue is allocated to regulation (35%), a new cannabis law enforcement special fund (7.5%), a public safety fund (10%),¹⁰ and a new nuisance abatement (7.5%). **However, only 25% of the excise tax revenue is directed to social equity or community reinvestment and only 15% is for public health and education. These figures are grossly inadequate.**

- **Recommendation:** At least 60% of the excise tax revenue should go to social equity, expungements and community reinvestment.

In closing, while S.B. 3335 S.D.1 currently falls short of creating an adult use cannabis legalization framework that diverts people from our criminal legal system, and including robust investments in social equity, expungement, and re-sentencing provisions, we look forward to working with lawmakers and stakeholders to address our concerns and creating a framework grounded in reparative justice.

Sincerely,

Carrie Ann Shirota

Carrie Ann Shirota
Policy Director
ACLU of Hawai'i
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The mission of the ACLU of Hawai'i is to protect the fundamental freedoms enshrined in the U.S. and State Constitutions. The ACLU of Hawai'i fulfills this through legislative, litigation, and public education programs statewide. The ACLU of Hawai'i is a non-partisan and private non-profit organization that provides its services at no cost to the public and does not accept government funds. The ACLU of Hawai'i has been serving Hawai'i for over 50 years.

¹⁰ The public safety fund includes some important harm reduction uses, but it could also be used for equipment for cannabis enforcement.

SB-3335

Submitted on: 2/12/2024 8:42:01 AM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Josh Frost	Testifying for ACLU of Hawaii	Comments	In Person

Comments:

Aloha Chairs, Vice Chairs and Committee Members:

The ACLU of Hawai'i strongly supports comprehensive equitable policies to legalize, tax, and regulate adult use of cannabis, in tandem with social equity and reparative reforms to redress the devastating effects of cannabis prohibition policies.

At this time, **we are offering comments**, instead of full support, as the draft measure currently includes provisions that will likely increase criminal convictions and incarceration for conduct that does not jeopardize public safety. More substantive comments and recommendations are forthcoming.



Testimony to the Senate Committees on Health & Human Services; and Judiciary
Tuesday, February 13, 2024, at 9:00
Conference Room 016

Comments on SB 3335, Relating to Cannabis

To: The Honorable Joy SanBuenaventura, Chair
The Honorable Karl Rhoads, Chair
The Honorable Henry Aquino, Vice-Chair
The Honorable Mike Gabbard, Vice-Chair
Members of the Committees

LATE

My name is Stefanie Sakamoto, and I am testifying on behalf of the Hawaii Credit Union League, the local trade association for 47 Hawaii credit unions, representing over 864,000 credit union members across the state.

HCUL offers the following comments on SB 3335, Relating to Cannabis. HCUL's comments are limited to the provision that deals with banking services for commercial cannabis activity (Part XII, A-171 - pages 177-179).

This section of the bill attempts to provide safe harbor for financial institutions providing banking services to businesses dealing in cannabis, which is currently a violation of federal law. When the State of Hawaii legalized medical marijuana dispensaries in the state, several local credit unions were approached about the possibilities of opening member business accounts for these businesses. However, because of the nature of the business, federal law determines that credit unions would be unable to open these accounts. While some financial institutions on the mainland have made the decision to open these accounts, it is ultimately up to the individual institution. Coupled with what occurred with the Fourth Corner Credit Union in Colorado, the prospect of opening marijuana business accounts remains highly risky.

Thank you for the opportunity to provide comments on this issue.



TESTIMONY FROM THE DEMOCRATIC PARTY OF HAWAII
SENATE COMMITTEES ON HEALTH AND HUMAN SERVICES and JUDICIARY

FEBRUARY 13, 2024

HB 3335, RELATING TO CANNABIS

POSITION: COMMENTS

The Democratic Party of Hawai'i provides the following **comments** on SB 3335, relating to cannabis. In 2016, delegates to the Democratic Party of Hawai'i's state convention passed a resolution (EDU 2016-05) supporting the legalization of adult-use recreational cannabis to generate revenue for public services, such as education.

It is high time that Hawai'i stopped criminalizing people for ingesting a plant, **but this bill needs significant work before moving forward.** While cannabis remains illegal under federal law, where it is classified as a Schedule I substance, the facts about cannabis consumption are clear. To begin, cannabis has a lower organic toxicity and addictive risk than alcohol, along with fewer correlating incidents of influence-related accidents and violence. More than half of all traffic fatalities in Hawai'i involve alcohol, yet no one seriously discusses the possibility of prohibition because of path dependence. In other words, alcohol is ingrained in our culture in a way that cannabis consumption is not, despite the former being more dangerous, statistically speaking, than the latter.

Similarly, cannabis abuse and dependence afflicts approximately 1.7 percent of the U.S. population, while alcohol abuse afflicts roughly 7.5

percent—over four times as many individuals. Cannabis is also not conclusively linked to an increase in violent behavior. Rather, reports supposedly linking cannabis to violent crimes typically rely on information gathered by the Office of National Drug Control Policy, which, in turn, relies on source material that a) does not account for drug-trafficking and dispositional or psychological disorders; and b) fails to account for levels of deviancy (increased usage beyond average consumption rates). A starker statistical correlation exists between increased alcohol consumption and violent crime, including child and intimate partner abuse, yet, again, no one is introducing, much less considering the merits of, limiting the personal consumption of alcohol.

Additionally, only 30 percent of frequent (every other day or more) cannabis users report symptoms suggesting dependence, in contrast to nearly 70 percent for nicotine and 88 percent for harder drugs, like cocaine, calling into question legal opinions asserting that cannabis and hard drugs can be readily correlated to one another. If we do not criminalize overconsumption of the more dangerous drug of alcohol, in and of itself, why, once more, do we unduly criminalize cannabis consumption, particularly in small amounts?

Legalizing recreational cannabis is an issue of restorative justice. As the visitor industry reaps record profits and supports expanding the local prison-industrial complex, people of Native Hawaiian ancestry, who comprise approximately 25 percent of the state's population, suffer the pangs of a biased criminal in-justice system. Approximately 39 percent of incarcerated detainees are Hawaiian, according to a comprehensive study by the Office of Hawaiian Affairs, with the proportionality gap being even greater for Hawaiian women, who comprise 19.8 percent of the state's female population, but 44 percent of the state's female inmate population. Researchers also found that, on average, Hawaiians receive longer sentences, more parole revocations, and, importantly for this measure, harsher drug-related punishments than other ethnic groups, including for cannabis possession. **We appreciate that expungement provisions have been contained in this measure. This must be included in any justice-oriented legalization program enacted for our state.**

Legalizing recreational cannabis could generate at least \$81.7 million in tax revenue annually for our state according to a study published by the Hawai'i Cannabis Industry Association and would produce

substantial additional criminal justice savings that could be spent delivering a quality public education to our keiki, building 21st Century school facilities, and disrupting the school-to-prison pipeline. Even a more conservative \$50 million revenue estimate produced by the Hawai'i Department of Taxation is enough to “stand up” a local cannabis industry. Many states have established well-regulated recreational cannabis industries for less than \$5 million.

As we struggle to fix our state's overcrowded prisons, we must enact systemic solutions that promote social justice and help to alleviate Hawai'i's mass incarceration problem. If implemented sensibly, cannabis legalization could lead to the most comprehensive mass expungement program ever seen on our shores, with people who have been incarcerated for cannabis infractions having their criminal records expunged and being released from the legal constraints that have unjustly impeded their ability to attain financial security and, in many cases, stolen their basic freedom.

Social equity must form the heart of any forward-thinking cannabis legalization program. Our society's most marginalized people should be first in line to participate in the cannabis industry that we are seeking to grow. Agricultural and business practices should be based on regenerative, sustainable, and indigenous cultivation methods to ensure that cannabis operations uplift the needs and values of Hawai'i residents, not the profits of multistate corporations. **This measure fails to center social equity, however, and instead relies on a draconian law enforcement paradigm that would undermine any sound and sensible legalization effort.**

There are numerous problems with this measure that weaken its impact and undercut its purpose, including the following:

- The bill creates an unscientific DUI law by criminalizing adults for 10 nanograms per milliliter of THC in their system, an amount that can remain long after impairment wears off;
- The proposal imposes up to 30 days in jail for anyone who possesses a cannabis package that has ever been opened, loose cannabis, or any pipe in the passenger area of a vehicle;
- The measure prohibits consuming cannabis in any public place or a vehicle;
- The proposal provides that penalties are only removed for those who are in “strict compliance” with the law, such that a minor violation, such as cannabis plants being visible to neighbors, could result in jail time;

- The bill re-criminalizes possession of up to three grams of cannabis for those under 21, imposing a petty misdemeanor, which carries up to 30 days in jail and/or a fine of up to \$1,000;
- The bill fails to include non-discrimination protections for consumers related to child custody, state benefits, occupational licensing, and parole/probation revocation;
- The measure weakens existing law providing that medical use of cannabis doesn't disqualify a patient from an organ transplant or other needed medical care;
- The bill creates a new cannabis law enforcement unit, with 17 new law enforcement positions, and establishes eight positions in a drug nuisance abatement unit in the AG's office, which will only serve to increase cannabis violations—notably, the bill does not provide funding for mental health or drug rehabilitation programs or other initiatives that prevent addiction, such as after-school programs; and
- The proposal only provides \$10 million for social equity programming, at best, which is far less than what is needed to uplift racial and geographic communities that have been disproportionately harmed by the racially discriminatory war on cannabis.

The Democratic Party of Hawai'i Strongly urges your committee to address these issues before advancing SB 3335. We must legalize cannabis in a manner that is responsible, just, and equitable for our island home.

Mahalo nui loa,

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HAWAII APPLESEED
CENTER FOR LAW & ECONOMIC JUSTICE

Testimony of Hawai'i Appleseed Center for Law and Economic Justice
Comments on SB3335 – Relating to Cannabis
Senate Committees on Health and Human Services and Judiciary

To the members of the committees on Health and Human Services and Judiciary:

Thank you for the opportunity to submit **COMMENTS on SB3335**, which would create and regulate an adult-use cannabis market in the state of Hawaii. We encourage the legislature to consider amending this proposal to include a process for a state-initiated, automatic expungement of records for those with cannabis related convictions, as well as increasing the investment of cannabis tax revenue into social equity programs and the general fund.

The legalization of an adult-use cannabis market can serve as a catalyst for economic growth and increased state revenue. States that have legalized cannabis have seen substantial tax revenues, which can be channeled into critical areas such as education, healthcare, and a robust social equity licensing program. According to projections from the Department of Taxation, tax revenue from adult-use cannabis sales could reach between \$35-55 million, provided the price per ounce remains in the \$225-\$275 range.¹ Revenues could be even higher if prices fall below that range, according to the report.

The legalization of adult use cannabis presents a significant opportunity to correct past injustices and promote social equity. We applaud the legislature's effort to include an expungement process in the language of SD1. According to the Attorney General's report on the bill, there are currently over 50,000 arrests and 10,000 convictions currently in the system for low-level cannabis related offenses.² Thousands of individuals in our state have suffered long-term consequences due to minor cannabis-related offenses, impacting their employment, housing, and educational

¹ Colby, Seth "Getting Too High?: Levels of taxation and potential public revenue from a legalized cannabis market in Hawaii," Department of Taxation, August 2022:

<https://health.hawaii.gov/medicalcannabis/files/2022/08/CANNABIS-TAX-PIG-REPORT-FINAL.pdf>

² "Report Regarding the Final Draft Bill Entitled 'Relating to Cannabis.' Hawaii State Department of the Attorney General, January, 2024: <https://ag.hawaii.gov/wp-content/uploads/2024/01/REPORT-REGARDING-THE-FINAL-DRAFT-BILL-ENTITLED-RELATING-TO-CANNABIS-PREPARED-BY-THE-DEPARTMENT-OF-THE-ATTORNEY-GENERAL-dated-January-5-2024.pdf>



HAWAII APPLESEED

CENTER FOR LAW & ECONOMIC JUSTICE

opportunities. According to a study by the Brennan Center for Justice, people convicted of a misdemeanor can have their earnings decrease by 16% on average.³ By including expungement provisions in the legalization framework, Hawaii can begin to mend the harm caused by these convictions, offering a renewed chance at increased economic mobility for thousands of Hawaii's residents.

As written, people with previous cannabis related convictions would still need to petition to the state for expungement. **We urge the legislature to consider amending the language to include a state-initiated process that would automatically expunge the records of those with low-level cannabis related convictions.** Doing so would provide rapid relief to those who struggle to access economic, housing, and educational opportunities due to prior criminal convictions. Language for initiating this process can be found in SB2689.

We also applaud the bill's inclusion of a social equity program. A robust social equity licensing program has the potential to broaden economic opportunity for the most disadvantaged communities in our state and a majority of tax revenue should be dedicated to these efforts. **We urge the legislature to adopt an amendment dedicating 60% of cannabis tax revenues to these efforts to ensure the social equity provisions are well resourced and achieve their intended goals.**

The state also has the potential to capture revenue for critical services like education and infrastructure by dedicating a portion of tax revenues to the general fund. As written, no revenue is dedicated to the general fund, which limits the legislature's ability to capture new tax revenue from a legalized adult-use market.

Including a state-initiated expungement provision and increasing revenues for a robust social equity program will ensure that an adult-use cannabis market will broaden economic opportunity for those most heavily impacted by cannabis prohibition, while increasing economic growth for the state as whole.

³ "Conviction, Imprisonment, and Lost Earnings: How Involvement with the Criminal Justice System Deepens Inequality." Brennan Center for Justice, September 2020: <https://www.brennancenter.org/our-work/research-reports/conviction-imprisonment-and-lost-earnings-how-involvement-criminal>



LATE

HIPHI Board

Misty Pacheco, DrPH
Chair
University of Hawai'i at Hilo

Titiimaea Ta'ase, JD
Secretary
State of Hawai'i, Deputy Public Defender

Carissa Holley, MEd
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Jennifer José Lo, MD
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May Okihiro, MD, MS
John A. Burns School of Medicine,
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Kathleen Roche, MS, RN, CENP
Kaiser Permanente

Dina Shek, JD
Medical-Legal Partnership
For Children in Hawai'i

Garret Sugai
HMSA

JoAnn Tsark, MPH
John A. Burns School of Medicine,
Native Hawaiian Research Office

HIPHI Initiatives

Coalition for a
Tobacco-Free Hawai'i

Community-Based Research &
Evaluation

Community Health
Worker Initiatives

COVID-19 Response

Environmental Health

Hawai'i Drug & Alcohol-Free
Coalitions

Hawai'i Farm to School Hui

Hawai'i Oral Health Coalition

Hawai'i Public Health Training Hui

Healthy Eating + Active Living

Kūpuna Collective/Healthy Aging &
Community Living

Public Health Workforce
Development

Date: February 10, 2024

To: Senator Joy San Buenaventura, Chair
Senator Henry Aquino, Vice Chair
Members of the Senate Committee on Health and Human Services

Senator Karl Rhoads, Chair
Senator Mike Gabbard, Vice Chair
Members of the Senate Committee on Judiciary

Re: Comments on SB3335 SD1 Proposed, Relating to Cannabis

Mtg: Tuesday, February 13, 2024 at 9:00 AM

Hawai'i Public Health Institute¹ is offering **Comments on SB3335 SD1 Proposed**, which would establish a non-medicinal adult-use cannabis program as well as create a regulatory board within the Department of Commerce and Consumer Protection (DCCA) to oversee and regulate all aspects of the cannabis plant. Furthermore, it creates a tax for sales of non-medicinal use cannabis.

We appreciate the opportunity to provide comments regarding the creation of a non-medicinal cannabis program. As this is a complex and multi-faceted issue, with implications for public health, social justice, and the economy, our comments will focus on the public health aspects of this measure.

Concerns of legalization extend beyond minimum public health protections.

First and foremost, we believe there must be minimum public health protections included in any type of non-medicinal cannabis program. These protections include , but aren't limited to minimum age restrictions, protections from secondhand smoke, and regulations on retailers. *However, the legalization of non-medicinal cannabis may normalize its use, potentially leading to increased public health risks.*

While HIPHI has serious public health concerns about the *legalization* of non-medicinal cannabis, we support the *decriminalization* of cannabis possession, recognizing the

disproportionate impact of drug use charges and the criminal justice system on Native Hawaiians and other communities of color.ⁱⁱ

Public health concerns of cannabis use, especially among youth.

From a public health perspective, we strongly recommend the oversight of this public health issue to be in the Department of Health (DOH) as they are equipped with the public health knowledge, expertise, and experience with regulating medical cannabis to create regulatory structures that follow best-practice public health guidelines. The DOH's primary focus on health will ensure that the health and safety of the community are at the forefront of regulations of non-medicinal adult-use cannabis. For this reason, we strongly recommend that the "Department" overseeing the proposed Cannabis Program be the Department of Health.

Even without legalization, Hawai'i youth are increasingly impacted by cannabis use. According to Hawai'i Department of Health Alcohol & Drug Abuse Division (DOH ADAD), 64% of adolescents who were admitted to the emergency room with a substance event were caused primarily by cannabis in FY 2019-2020.ⁱⁱⁱ By FY 2022-2023, 76.2% of those admissions were caused primarily by cannabis. Normalizing its use through legalization may exacerbate this issue.^{iv}

The increase in emergency room visits is not the only impact on youth. Cannabis use during adolescence and young adulthood may harm the developing brain.^{v,vi} Current evidence supports, at minimum, a strong association of cannabis use with the onset of psychiatric disorders, with adolescents particularly vulnerable to harm.^{vii}

Cannabis use has been linked to a range of mental health problems, such as depression and social anxiety. People who use cannabis are more likely to develop temporary psychosis (not knowing what is real, hallucinations, and paranoia) and long-lasting mental disorders, including schizophrenia (a type of mental illness where people might see or hear things that aren't there). The association between cannabis and schizophrenia is stronger in people who start using cannabis at an earlier age and use cannabis more frequently.^{viii} Given Hawai'i's existing mental health crisis, additional resources would be necessary to meet the increased demand for services.

Furthermore, any policy must address limitations on the number of retail outlets and their allowable locations. The higher density of retail stores results in areas of higher consumption.^{ix} This reality disproportionately affects the communities in which retail stores are located. Incentivizing specific locations over others will have detrimental impacts on the people living, working, and going to school in that community. Incentivizing retailers to choose one location over another is inherently inequitable.

Lessons learned from states with legalized adult-use cannabis.

In places where the legalization of adult-use cannabis was enacted, there have been significant increases in pediatric exposures with increased calls to poison control centers and emergency room visits. There are increases in traffic crashes and deaths and more

cannabis present in those who attempted suicide. After a decade in Colorado, traffic deaths where drivers tested positive for cannabis increased by 138% vs. All other traffic deaths increased by 29%.^x

In Colorado, where non-medicinal cannabis has been legal for a decade, use has increased substantially by both youth and adults. Yet, treatment for cannabis use for all ages decreased by 34% from 2013 to 2020.^{xi} People feel there is no problem if they are using something legal. This behavior reflects the use of tobacco products as they first came to market. Finally, the percentage of suicide incidents in which toxicology results were positive for cannabis has increased from 14% to 29% in 2020.^{xii}

Additionally, tax revenue from cannabis sales has also proven to be minimal relative to state budgets, raising questions about its ability to adequately fund public health initiatives.^{xiii} Non-medicinal cannabis tax revenue has trended downward, which could impact the sustainability of the programs being funded through that money.

We thank this committee for creating the opportunity to have meaningful public conversations about the implications of legalizing non-medicinal cannabis. We urge careful consideration of the public health implications and thank the committee for considering our comments on SB3335.

Mahalo,



Peggy Mierzwa
Director of Policy & Advocacy
Hawai'i Public Health Institute

ⁱ Hawai'i Public Health Institute (HIPHI) is a hub for building healthy communities, providing issue-based advocacy, education, and technical assistance through partnerships with government, academia, foundations, business, and community-based organizations.

ⁱⁱ https://www.oha.org/wp-content/uploads/2014/11/es_final_web_0.pdf

ⁱⁱⁱ Hawai'i Department of Health. (2024). (rep.). *Report to the Thirtieth Legislature, State of Hawai'i 2024* (Annual Report FY 2022-2023, Ser. Department of Health, Alcohol and Drug Abuse Division, pp. 36–36). Honolulu, HI.]

^{iv} cid

^v National Academies of Sciences Engineering and Medicine, "The health effects of cannabis and cannabinoids: Current state of evidence and recommendations for research," Washington, DC, 2017.

^{vi} Batalla A, Bhattacharyya S, Yücel M, Fusar-Poli P, Crippa JA, Nogué S, Torrens M, Pujol J, Farré M, Martin-Santos R. Structural and functional imaging studies in chronic cannabis users: a systematic review of adolescent and adult findings. *PLoS One*. 2013;8(2):e55821.

^{vii} <https://www.psychiatry.org/getattachment/12aa44f8-016e-4f8c-8b92-d3fb11a7155f/Position-Cannabis-as-Medicine.pdf>

^{viii} <https://www.cdc.gov/marijuana/health-effects/teens.html>

^{ix} Caulkins, J., Kilmer, B., Kleiman, M., MacCoun, R., Midgette, G., Oglesby, P., . . . Reuter, P. (2015, January 16). Insights for Vermont and other states CONSIDERING marijuana legalization. Retrieved February 15, 2021, from https://www.rand.org/pubs/research_reports/RR864.html

^x <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC8672945/>

^{xi} cid

^{xii} cid

^{xiii} <https://www.taxpolicycenter.org/taxvox/cannabis-tax-revenue-down-some-states-and-maybe-thats-okay>



Statement from Frank Stiefel
Senior Policy Associate
Last Prisoner Project

RE: Senate Bill 3335, Prioritizing Retroactive Relief for Those Criminalized for Cannabis If Seeking to Legalize

February 9, 2024

Dear Members of the Committees on Judiciary and Health and Human Services,

When a state legalizes adult-use cannabis, it is acknowledging that public interest has turned against the continued criminalization of cannabis. However, simply repealing the prohibition of cannabis is insufficient: millions of individuals across the U.S. still bear the lifelong burden of having a cannabis record, and tens of thousands are actively serving sentences for cannabis-related convictions. Thankfully, the inclusion of criminal justice policies has become commonplace for states that have sought to legalize adult-use cannabis. Since 2018, 13 of the 14 states that have legalized cannabis have included record clearance policies, and since 2021, they have all been state-initiated. While resentencing policies have been slower to take hold, they are also growing in importance and have been included in more than half of the legalization bills since 2020.

The Last Prisoner Project (LPP) has worked diligently over the past two years to present evidence-based policies that will ensure that retroactive relief is provided for those who have been criminalized during the War on Drugs. In 2022, LPP presented [recommendations to Hawaii's Dual Use of Cannabis Task Force](#) for the creation of state-initiated record clearance and resentencing processes for those who continue to suffer from criminal convictions and sentences as a result of prohibition. LPP's recommendations were endorsed by the Task Force and were codified in SB 375, SB 669 and HB 237 during the 2023 legislative session. Additionally, LPP was named in [Concurrent Resolution No. 51/House Resolution No. 53](#), which urged Governor Green to initiate a clemency program for individuals who are still under supervision for a cannabis conviction.

As technical assistance providers, we have read, advised, and informed expungement and sentence modification statutes across the country. We understand that proposing any state-initiated process represents no small undertaking and requires a reasonable amount of time to develop the necessary technological infrastructure and business processes in order to

ensure a system is implemented with fidelity. Based on our conversations with various agencies in Hawai'i, we have developed and submitted for the consideration of this committee, proposed legislative language that provides retroactive relief for those who have been criminalized during prohibition. Importantly, our proposal would not run afoul of the redlines given by the Attorney General in the *Report Regarding the Final Draft Bill Entitled "Relating to Cannabis."*

If SB 3335 can contemplate the creation of 17 new law enforcement positions, and an entirely new market and regulatory structure, then surely Hawai'i can also dedicate the necessary resources to addressing and repairing the harm caused by decades of cannabis prohibition.

We thank you for your consideration of this urgent matter.

About Last Prisoner Project

The Last Prisoner Project, 501(c)(3), is a national nonpartisan, nonprofit organization focused on the intersection of cannabis and criminal justice reform. Through policy campaigns, direct intervention, and advocacy, LPP's team of policy experts works to redress the past and continuing harms of unjust cannabis laws. We are committed to offering our technical expertise to ensure a successful and justice-informed pathway to cannabis legalization in Hawai'i.



February 12, 2024

SB 3335, SD1 Comments

Re: Strongly urging amendments to SB 3335, SD1, and urging passage if it is amended

Aloha Chairs San Buenaventura and Rhoads, Vice Chairs Aquino and Gabbard, and distinguished members of the Health and Human Services and Judiciary Committees.

My name is Karen O'Keefe. I am the director of state policies for the Marijuana Policy Project (MPP), the largest cannabis policy reform organization in the nation. I am an attorney who has worked on cannabis policy at MPP since 2003. MPP has played a leading role in most of the major cannabis policy reforms over the past two decades, including 15 adult-use legalization laws. For the past year, I have had the pleasure of working with a coalition of Hawai'i advocates as part of the Hawai'i Alliance for Cannabis Reform.

I am writing to urge you to amend and then pass SB 3335, SD1. While cannabis legalization is an essential criminal justice reform, SB 3335 and SD1 take an overly punitive approach and fail to include a sufficient commitment to equity. Alarming, the bill could result in *more* people being ensnared in the criminal justice system for cannabis instead of less.

After some introductory remarks on legalization and rebuttals to some prohibitionists' claims, I will turn to revisions that are needed to SB 3335, SD1.

I. Hawai'i should legalize and regulate cannabis for adults, with a focus on equity and justice.

I urge you to listen to Hawai'i voters¹ and legalize and regulate cannabis for adults 21 and older. Cannabis is safer than alcohol,² tobacco,³ and some medications.⁴ Adults should not be penalized for using a less harmful substance.

¹ Although it is no longer visible to the public without a fee, as of mid-2023, Civiqs polling found 73% of Hawaii residents support legalization.

² See: <https://www.mpp.org/special/marijuana-is-safer/> The chronic health effects of alcohol are responsible for more than 80,000 U.S. deaths per year, while cannabis has not been shown to increase all-cause mortality. (CDC, Annual Average for United States 2015-2019 Alcohol-Attributable Deaths Due to Excessive Alcohol Use, Muhuri PK, Gfroerer JC. Mortality associated with illegal drug use among adults in the United States. American Journal of Drug and Alcohol Abuse. 2011;37(3):155-164

³ Tobacco is responsible for more than 480,000 U.S. deaths per year, while cannabis is not known to increase all-cause mortality and has not been shown to cause lung cancer. "Health Effects of Cigarette Smoking," CDC; , Muhuri PK, Gfroerer JC. Mortality associated with illegal drug use among adults in the United States. American Journal of Drug and Alcohol Abuse. 2011;37(3):155-164

⁴ While prescription opiates cause 15,000 deaths per year, suspected cases of fatal cannabis overdoses are vanishingly rare. "Drug Overdose Death Rates," National Institute on Drug Abuse, accessed Feb. 11, 2024.

Like our country's "Noble Experiment" with alcohol prohibition a century ago, cannabis prohibition has been a harmful failure. It tears apart families, stigmatizes individuals with life-altering criminal records, and results in hundreds of traumatic arrests every year. Cannabis prohibition also drives sales underground, putting everyone involved at risk. On the illicit market, buyers and sellers alike are vulnerable to robbery and attacks. In an underground economy, workers face exploitation and abuse.

To what end? Despite more than eight decades of cannabis prohibition, half of Americans have used cannabis.⁵ Those whose lives were derailed by arrests and criminal records are arbitrary at best. Worse, the data shows who is arrested and prosecuted is marked by racial disparities.⁶

Legalization dramatically reduces the number of arrests and convictions.⁷ Only legalization allows for control to protect workers and the environment and to foster public health and safety. Only in the context of legalization can the state require lab testing and move most sales into regulated establishments that check IDs.

More than half of Americans already live in the 24 states and 3 U.S. territories where cannabis is legal. The first of these laws have been in effect for over a decade, and support has increased, not decreased. That's because voters see the sky hasn't fallen.

Cannabis legalization increases freedom, generates economic activity and taxes, allows for health and safety protections, and reduces hypocrisy. It is time for Hawaii's cannabis policy to join the 21st century.

II. Many prohibitionists' claims are untethered to reality.

In their attempt to derail legalization, opponents have made several claims that are not backed up by the data. In reality:

- **Teen cannabis use has dropped since legalization in legal states.**

Many opponents' claims are premised on the idea that youth cannabis use will increase post-legalization. In all U.S. states and territories, legalization only applies to adults 21 and older.

⁵ Justin McCarthy, "Fully Half of Americans Have Tried Marijuana," Gallup, August 10, 2023.

⁶ American Civil Liberties Union (ACLU), "A Tale of Two Countries: Racially Targeted Arrests in the Era of Marijuana Reform," 2020. Available at <https://ucr.fbi.gov/crime-in-the-u.s/2019/crime-in-the-u.s.-2019/topic-pages/persons-arrested>.

⁷ See: "Impacts of Marijuana Legalization in Colorado," Colorado Department of Public Safety Division of Criminal Justice Office of Research and Statistics July 2021; Gunadi C, Shi Y. Association of Recreational Cannabis Legalization With Cannabis Possession Arrest Rates in the US. JAMA Netw Open. 2022 Dec 1;5(12):e2244922. doi: 10.1001/jamanetworkopen.2022.44922. PMID: 36469319; PMCID: PMC9855298.

A decade of before-and-after data has shown that adolescents' marijuana use has not increased in legal states.⁸ As National Institute on Drug Abuse Director Nora Volkow testified at a March 23, 2022, Senate Health, Education, Labor, & Pensions Committee hearing, "in the United States, legalization by some states of marijuana has not been associated with an increase in adolescents' marijuana use."

Since then, more recent CDC data came out showing teen use has *decreased* in almost all legal states.⁹

- **There has not been an increase in psychosis in legal states.**

There may be some mental health risks related to cannabis use, particularly for those predisposed to psychiatric disorders.¹⁰ However, *legalization* does not appear to have any negative impact. Research shows that "compared with no legalization policy, states with legalization policies experienced no statistically significant increase in rates of psychosis-related diagnoses or prescribed antipsychotics."¹¹

Education, product labeling, and sensible regulations — not handcuffs, jail cells, and driving cannabis underground — are the most compassionate and productive ways to address cannabis' risks. Patients are much more likely to have an honest conversation with their physicians in the context of legalization, allowing their medical providers the opportunity to counsel patients.

- **Tourism from Japan is up post-legalization.**

Honolulu prosecutor Steve Alm claimed "Japanese tourists will stop coming to Hawaii. Full stop."¹² This is not rooted in any data and is in fact contrary to the data.

Visit California data shows trips from Japan went *up*, not down, post-legalization.¹³ There were 537,000 visits from Japan to California in 2015, the year before legalization. That increased to 555,000 in 2019. (Beginning in 2020, tourism crashed due to COVID.)

- **Fatal crashes are down in legalization states.**

⁸ See: Anderson, Mark D., et al. "Association of Marijuana Legalization With Marijuana Use Among US High School Students, 1993-2019", September 2021.

⁹ For the most recent data, see: <https://www.mpp.org/issues/legalization/teen-marijuana-use-does-not-increase/>

¹⁰ <https://www.cnn.com/2024/02/08/opinions/marijuana-cannabis-psychosis-nathan-grinspoon>

¹¹ Elser H, Humphreys K, Kiang MV, et al. State Cannabis Legalization and Psychosis-Related Health Care Utilization. *JAMA Netw Open.* 2023;6(1):e2252689. doi:10.1001/jamanetworkopen.2022.52689

¹² <https://www.staradvertiser.com/2023/10/08/editorial/island-voices/column-legalizing-marijuana-will-cause-harm/>

¹³ Available at <https://industry.visitcalifornia.com/research/travel-forecast> (international market forecasts, unhide columns C-L)

Opponents claim road safety will decrease with legalization. Many claims rely on a few studies indicating more drivers testing positive for cannabis post-legalization, ignoring the lack of baseline data, that testing positive for THC does not mean a person is impaired or has used cannabis recently, and the fact that legalization is coupled with an increase in reporting and in trained drug recognition experts.

There have been contradictory studies on whether legalization *correlates* (which is very different from causation) with increased crashes. Almost all of the studies cherry-pick an incomplete number of states. If you examine before-and-after data of *all* the FARS data in legalization states, you will see a decrease (as a whole) in road fatalities post-legalization.¹⁴

Those who would ignore DUI laws post-legalization are already doing so.

III. SB 3335 needs significant revisions to foster equity and avoid creating Prohibition 2.0.

While MPP strongly supports legalization, SB 3335, SD1 requires significant revisions to avoid going backwards by re-criminalizing innocuous conduct and excessively ramping up cannabis enforcement. Legalization should be rooted in equity and restorative justice, not an excessively punitive approach.

Under current Hawai'i law, possession of up to three grams is a civil offense.¹⁵ SB 3335, SD1 would go backwards, imposing possible jail time and criminal convictions for conduct that is currently a civil violation.

SB 3335, SD1 creates an over-broad open container law and requires “strict compliance” for exceptions from harsh criminal penalties. It re-criminalizes those under 21 who possess cannabis and criminalizes sober drivers — including medical patients — for modest amounts of THC long after impairment wears off. It may actually result in *more* cannabis consumers getting criminal convictions and jail time for conduct that does not put anyone in danger. These troubling provisions must be removed.

A. The per se and zero tolerance “DUI” limits must go. They will ensnare sober drivers long after impairment wears off.

SD 1 changes SB 3335's “per se” limit for DUI from five nanograms of THC per milliliter of blood to 10 nanograms (Sections 7-10). While this is a higher threshold than the introduced bill, it remains unscientific and will ensnare sober drivers, many of whom are patients. It will also make it more difficult to obtain a conviction for those below that threshold.¹⁶ For those under 21, SD 1 has a zero tolerance level, which deems young adults

¹⁴ <https://www.nhtsa.gov/research-data/fatality-analysis-reporting-system-fars>

¹⁵ H.R.S. 712-1249 (2)

¹⁶ See, “THC per se laws don't work and are not needed” <https://wesavelives.org/thc-per-se-laws-dont-work-and-are-not-needed-theres-a-better-way/> (discusses Colorado data)

impaired drivers for having trace amounts of THC in their system, which can occur *days* or even over a week after last using cannabis.¹⁷

The per se and the zero tolerance provision are unjust and need to be removed.

As a study by AAA Foundation for Traffic Safety found, “All of the candidate THC concentration thresholds examined [which included 10 ng/mL] would have misclassified a substantial number of driver as impaired who did not demonstrate impairment on the SFST, and would have misclassified a substantial number of drivers as unimpaired who did demonstrate impairment on the SFST.”¹⁸

Similarly, an expert commission in Michigan concluded there is no scientifically supported $\Delta 9$ -THC threshold,¹⁹ “ $\Delta 9$ -THC can fail to detect impaired drivers (when blood levels are low and impairment is high). It can also inappropriately flag unimpaired drivers or chronic users whose blood levels are higher in general (see section on behavioral effects of $\Delta 9$ -THC) even when not impaired.”

Per se laws are all the more unfair because it is impossible for individuals to know if they are above or below the threshold and can legally drive. Those who imbibe alcohol can use simple calculations to determine if they are legal to drive based on weight, the number of drinks, and time passed²⁰ or they can buy their own BAC tests for \$40.²¹ There is no such calculation or affordable and reusable test for blood THC levels. And even if there were, THC levels can increase after abstinence, including after exercise.²²

Rather than criminalizing sober drivers, Hawai'i should invest in more DRE and ARIDE-trained officers. SD 1 allows some public safety grants to be used for those purposes, but has no guaranteed funding for them. It should also create a robust public education campaign on the dangers and illegality of impaired driving.

B. The expungement section should be expanded and clarified to: require a specific authority to expunge cannabis-related convictions by a specific deadline; clearly include state-initiated re-sentencing; prevent discrimination, and require criminal records databases to remove expunged convictions.

¹⁷ Yuan Wei Peng, Ediriweera Desapriya, Herbert Chan, Jeffrey R Brubacher, “Residual blood THC levels in frequent cannabis users after over four hours of abstinence: A systematic review.”, *Drug and Alcohol Dependence*, Volume 216, 2020, 108177, ISSN 0376-8716, www.sciencedirect.com/science/article/abs/pii/S0376871620303422

¹⁸ “An Evaluation of Data from Drivers Arrested for Driving Under the Influence in Relation to Per se Limits for Cannabis,” AAA Foundation for Traffic Safety, May 2016

¹⁹ “Report from the Impaired Driving Safety Commission,” March 2019.

²⁰ <https://www.calculator.net/bac-calculator.html>

²¹ See: https://www.amazon.com/BACtrack-Keychain-Breathalyzer-Portable-Keyring/dp/B00LV0U27U/ref=zg_bs_g_15992781_d_sccl_3/144-4587621-0847464?psc=1

²² See: David Rudoj, “New Study Shows THC Levels Often Spike Well into Periods of Abstinence,” Jan 9, 2012 <https://rudoilaw.com/new-study-shows-thc-levels-often-spike-well-into-periods-of-abstinence/>

We were glad to see SD 1 include expungement language, rather than a weak study that was in the introduced version of the bill. (§A-63) However, the language needs significant revisions to have more than a minimal impact.

Criminal records trigger thousands of collateral consequences that make it difficult to get housing, employment, and jobs.²³ One survey found that 92% percent of employers report using criminal record checks on some or all applicants.²⁴ These barriers to legally making ends meet increase the likelihood that people will turn to the underground economy. Fifty-five percent of people with records report difficulties attaining a job, maintaining employment, or making a living.²⁵ A lifetime of stigma and collateral consequences is unduly harsh and inappropriate for cannabis, particularly in the context of legalization.

While it is encouraging to see expungement language added, it falls short of many recent legalization states. The bill needs to be modified to be clearly state-initiated, with clear obligations on state actors and deadlines. This is essential because few eligible individuals complete petition-based expungement,²⁶ which is costly and cumbersome. The Attorney General's office indicates there are over 50,000 cannabis possession arrest records in Hawai'i.²⁷

SD 1 is ambiguous regarding what offenses qualify for expungement and re-sentencing. It provides that arrest and criminal records for an offense "the basis of which is an act permitted ... or decriminalized" by the law "including the possession or distribution of marijuana, shall be ordered to be expunged in accordance with the provisions of this section." The bill is internally contradictory about distribution. It says "including ... distribution." But it also says it applies to conduct legalized or decriminalized by the law, in which only state-licensed sales are allowed. There is a real possibility distribution, cultivation of over the limit, and possession of over the limit will be excluded absent clarification.

All cannabis convictions should be subject to a state-initiated review. All possession charges should be automatically expunged, and other offenses should be either automatically expunged or should be expunged via a state-initiated process absent some compelling reason why doing so is not in the interests of justice.

²³ See: Jamiles Lartey, "How Criminal Records Hold Back Millions of People," *The Marshall Project*, April 1, 2023.

²⁴ Society for Human Resources Management Background Checking: Conducting Criminal Background Checks, slide 3 (Jan. 22, 2010) https://www.slideshare.net/shrm/background-check-criminal?from=share_email

²⁵ Alliance for Justice national survey of people with records: <https://asj.allianceforsafetyandjustice.org/wp-content/uploads/2023/05/2023-05-15-2023-TimeDoneSurvey-Full.pdf>

²⁶ J.J. Prescott and Sonja B. Starr, "Expungement of Criminal Convictions: An Empirical Study," University of Michigan Law School, 2020. (Finding, "[A]mong those legally eligible for expungement, just 6.5% obtain it within five years of eligibility.")

²⁷ "Report Regarding The Final Draft Bill Entitled "Relating to Cannabis," Prepared by the Department of the Attorney General"

SB 3335 should also create a state-initiated and rapid process to consider the release of all individuals in jail or under supervision for cannabis offenses. There should be a presumption of relief.

To more comprehensively prevent lives from being ruined for prior records, the bill should prohibit landlords and employers from inquiring about and discriminating against applicants and workers for cannabis offenses. Some applicants will not realize they can deny having had a conviction and will “check the box,” some employers may check criminal records database that will not have been updated (especially if the law does not mandate updates), and some Hawai’i residents may have convictions during visits to or while living in other jurisdictions. The law should provide:

- 1) employers, licensing boards, landlords, and state agencies cannot ask about or take a negative action based on prior cannabis use; and
- 2) employers, licensing boards, landlords, and state agencies cannot ask about or take a negative action based on prior cannabis-related activity that has been expunged or that would be expunged were it committed in Hawai’i.

Finally, SB 3335 should also require criminal records databases to remove expunged convictions. Most employers and property managers find out about criminal convictions not from government databases directly, but from their party criminal history screening services. To ensure expunged convictions do not continue to haunt individuals, SB 3335 should mandate that screening services remove all expunged convictions from the next update. You could draw from Indiana Code § 35-38-9-12 or Virginia Code § 19.2-392.16 for language.

C. SD 1 includes alarming re-criminalization and a “strict compliance” standard. Those must be removed to avoid creating prohibition 2.0.

Any technical violation should carry a modest civil penalty, not jail time.

- **The “open container” language re-criminalizes conduct that is currently punishable by a \$130 fine. It must be removed or revised.**

SB 3335 and SD 1 impose up to 30 days in jail and/or a fine of up to \$2,000 for a driver or passenger who possesses in the passenger area a cannabis package that has *ever* been opened or its seal broken, loose cannabis, or any pipe. (Section 6, "§291) This is extreme.

Unlike alcohol, cannabis is a medicine for many, making this broad prohibition particularly inappropriate. Hawai’i does not criminalize containers that have ever been opened of any other medicine. Patients need to carry their medicine with them and may need to use their medicine in a parked car when they arrive at their destination due to restrictions on where they can use it, including schools, medical facilities, and daycare. Moreover, a container of cannabis edibles and flower often has 10 or more servings which patients and consumers

use over many days or weeks. This is not the case for bottles of alcohol or cans of beer, which are often consumed in one sitting.

If there must be an open container law, it needs to:

- exempt medical cannabis,
 - impose a violation/fine no greater than the current penalty (\$130),
 - specify where cannabis can be legally stored in a vehicle with no trunk/where the entire vehicle is a passenger area, and
 - exempt public transportation, rideshare passengers, taxis, limos, busses/shuttles, and areas of RVs other than the drivers' area.
- **The “strict compliance” standard and failure to repeal criminal laws will result in misdemeanor and felony penalties for innocuous conduct.**

Numerous provisions of SB 3335, SD 1 prohibit relatively innocuous conduct.

This includes:

- requiring cannabis to be stored in “sealed child-resistant and resealable packaging with original labels,” (§A-51)(4))
- requiring cannabis to be cultivated out of public view (§A-42 (d)), and
- prohibiting cannabis use — even by non-smoked means — in a public or a parked car, even if it is by a patient (§A-41 (e)).

Most of those activities should not be prohibited at all. If they are prohibited, punishments should be modest civil fines, not criminal matters carrying serious jail time.

Alarmingly, SD 1 keeps criminal laws against possession and cultivation of cannabis on the books — even for adults — and only exempts those in “strict compliance.” (§A-4 and throughout) It provides only an “affirmative defense” and says “Actions that do not strictly comply with the requirements of this chapter and any rules adopted thereunder shall be unlawful and subject to civil, criminal, or administrative procedures and penalties, or all of the above, as provided by law.” (§A-4 (c))

SB 3335 should be revised to remove criminal penalties for adults who grow or possess up to the possession limit. Then, it should impose modest civil fines and/or community service for narrowly-crafted technical violations and activities like public smoking. This is what other states do.

Here are a few examples of the extreme, punitive nature of SD 1:

- A couple with arthritis who live alone store their 10 ounces of cannabis in a glass jar they can open instead of “sealed child-resistant and resealable packaging with original labels.” If they call 9-1-1 for help after a fall and their cannabis is discovered, they would face a misdemeanor conviction, up to a year in jail, and/or a fine of up to \$2,000.

- An adult who grows cannabis that is slightly visible through a window, or who violates whatever technical rules regulators impose, would face felony penalties.

- **The bill would criminalize and jail minors in possession.**

While we have no objection to continue prohibiting the possession of cannabis by those under 21 to use cannabis (other than medical cannabis), SD 1 *increases* penalties to impose up to 30 days in jail and a criminal record for simple possession by those 18-20. (Section 39, §712-1249 (2)) The current penalty is a \$130 civil fine. This *re-criminalization* is unacceptable.

A conviction, jail time, and even probation requirements can have a devastating impact. Probation meetings can be an insurmountable obstacle to those lacking transportation or with a conflict with their school or jobs. While SD 1 provides these convictions are expungable, the public defender and Innocence Project testified in House Judiciary about how few people avail themselves of this onerous process. The conviction should not be imposed in the first place. A civil fine is far more reasonable.

These penalties need to be removed.

- **The amount allocated to law enforcement and regulation is excessive, as is the creation of 25 new law enforcement positions. The amount dedicated to reparative justice and equity is too low and commingled with enforcement.**

Cannabis regulation and enforcement should be covered by licensing fees, as is the case in many states. Yet, SD 1 allocates 50% of excise taxes to a “cannabis regulation, nuisance abatement, and law enforcement special fund” on top of application and licensing fees. (Section 26, §237-13 (9)(A)) That percentage should be eliminated or dramatically decreased to allow funds for the general fund and to increase social equity funding.

We are alarmed that the bill would create 25 new enforcement positions, zero of which are tasked with state-initiated expungement and release. The bill creates 17 new FTE staff positions in the enforcement unit plus eight FTE positions in the AG’s drug nuisance abatement unit. (Section 61, 63) There should be *less*, not more cannabis enforcement post-legalization.

D. **SB 3335, SD 1 lacks common protections to prevent cannabis consumers’ lives from being ruined.** They need to be added.

Adult-use states are increasingly including provisions to ensure lives are not ruined for the responsible use of cannabis. Protections from the following should be added to the bill to prevent individuals from:

- losing custody of their children for the responsible use of cannabis;
- losing state benefits for the responsible use of cannabis;
- losing professional or occupational licenses for responsibly using cannabis;
- having parole or probation revoked for using or testing positive for cannabis, absent an individualized finding that cannabis use would be a risk for that individual and a condition of parole based on that individualized finding;
- being fired or not hired — at least from a state or local government job — for using cannabis off-hours, and
- being stopped and searched on the basis of the odor of cannabis or possession within the legal limit. Once cannabis is legal, its odor (real or imagined) should not be grounds for a violation of privacy that is otherwise protected by the Fourth Amendment. Traffic searches disproportionately target people of color despite them being less likely to have contraband.²⁸

E. The bill should not put an unpaid, part-time board in charge of cannabis regulation.

People should get paid fairly for their work, especially for such important work to regulate a large industry. Having unpaid part-time workers make major decisions by committee — including rules, licensing, and hiring the executive director — will likely lead to delay, bad decision-making, a lack of accountability, and other issues. One cannot expect the same time commitment and mastery of issues of volunteers who have other full-time jobs.

The AG's report notes Massachusetts as an inspiration. However, Massachusetts does not attempt to have an unpaid board for such a weighty task. Massachusetts' commissioners are paid six-figure salaries for their work.²⁹ In addition, Massachusetts' commission has been plagued by controversy and serious allegations, leading to the resignation of the former chair.³⁰

SD 1 reduced by one the number of possible board members, requiring only four. This would add a new complication as it would likely require 3-1 or 4-0 votes to approve anything. If there must be a board, the number of members should be odd.

It is also vital that any board be composed of people with appropriate backgrounds and who are committed to the mandate of their work. No prohibitionists should be charged with overseeing legalization, or it will be a recipe for obstruction and delay.

²⁸ Magnus Lofstrom, Joseph Hayes, Brandon Martin, and Deepak Premkumar, with research support from Alexandria Gumbs, "Racial Disparities in Law Enforcement Stops," October 2021.

²⁹ https://www.masslive.com/news/2017/08/marijuana_in_massachusetts_her_2.html

³⁰ <https://www.nbcboston.com/news/local/mass-cannabis-control-commission-leadership-fight/3209350/>

F. The social equity section provisions need to be strengthened, both related to allocations and licensing.

In SD 1, the funds that were in SB 3335 are combined into two funds. Fifty percent of the revenue will be allocated to social equity, public education, *and* public safety grants. This creates the risk that *none* of the excise tax will actually be allocated to equity. At least 60% of the excise revenue should go to social equity and reparative justice.

While many of the possible public safety grants' areas have a focus that is rooted in reparative justice and uplifting communities, the possible uses of the public safety fund include: "grants to state and county law enforcement agencies for equipment and training to assist with investigating and prosecuting illegal activities related to cannabis" and "grants for the effective enforcement and prosecution of violations of the nuisance abatement laws."

Any grants that are not harm reduction oriented should be removed from the public safety grants program and should instead be taken from the funds directed to law enforcement and regulation.

The bill should also spell out a minimum threshold of licenses to be issued to equity applicants and ensure that licensing happens in a timely manner. We are also concerned an individual can be a social equity applicant if they simply have 51% of employees currently living in a disproportionately impacted area. This should be eliminated as it will dilute ownership by members of impacted communities. As a practical matter, applicants do not yet have employees and employment composition will change a lot during the length of licensure.

G. SB 3335 needs to clearly exempt medical cannabis sold at dual-use retailers from the 10% excise tax.

Registered patients should be able to purchase from any dispensary and should not be subject to "sin taxes" for buying their medicine.

H. Additional areas of concern

In addition to the previously listed issues, we are concerned about these provisions:

- The bill should not prohibit possession of cannabis at universities and similar locations. (§A-5 (4))
- Processors and retailers should not be required to separate medical cannabis and adult-use cannabis, except for medical-only products, such as those with higher THC limits. (§ A-17 (14))
 - Often the same product is used by both patients and consumers — many of whom use cannabis as an over-the-counter medicine. There's no good policy reason to separate the products out before retail sales.

- Requiring it could lead to shortages if predictions aren't 100% accurate of how much patients vs. adult-use consumers will consume.
- The bill weakens the provision providing the medical use of cannabis doesn't disqualify a patient from an organ transplant or other needed medical care. (§A-41 (f)) It allows a provider to deny necessary care if they think it increases the risk of a bad outcome, even if their judgement is not the scientific consensus, and even if the patient would still be better off with the procedure. This needs to revert to the original language.
 - SB 3335 allows the board to come up with restrictions on medical home cultivation, which appears to be a new provision not in existing law (§A-42 (f)) That should be removed.
 - Other than pardoned and expunged convictions, and most cannabis convictions, it bars anyone with a felony from working at any cannabis business. This is at the very least overbroad. (§A-79 (f))
 - There should be a clear deadline for licensing new businesses, and a floor for a reasonable number of new licenses, with a focus on small businesses.
 - Bans cannabis and hemp products "intended to be introduced via non-oral routes of entry to the body ..." "external topical application to the skin or hair." This would ban products that are currently providing relief, including suppositories and products for menopausal (and other) folks with vaginal dryness. (§A-84 (c), §A-134 (e))
 - Classifies distributing marijuana concentrates to someone from 18-21 as "promoting a harmful drug in the first degree." (Section 38). The current age for this extremely harsh penalty, and for all other harmful drugs, is 18. This appears to apply even if both the parties are under 21, and even if the recipient is the same age or older than the person sharing or if the parties are spouses. This is harsher than the penalty for far more dangerous drugs.
 - Classifies distributing marijuana to someone from 18-21 as "promoting a harmful drug in the second degree." (Section 40.) The current age is 18.
 - As with the above, this appears to apply even if both the parties are under 21, and even if the recipient is the same age or older than the person sharing or if the parties are spouses. This is harsher than the penalty for far more dangerous drugs.
 - Sec 78 should be deleted. It nullifies any section that would jeopardize federal funding. If the federal government were to threaten funding, the legislature should evaluate whether to change the law to keep funding, or to stick to its guns.

Please don't hesitate to reach out if I can answer any questions or if you would like any draft language.

Mahalo for your time and consideration,

Karen O'Keefe

Karen O'Keefe
Director of State Policies
202-905-2012
kokeefe@mpp.org

LATE

SB-3335

Submitted on: 2/12/2024 9:43:40 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Liam Chinn	Testifying for Reimagining Public Safety in Hawai'i Coalition	Comments	Written Testimony Only

Comments:

SB 3335 should invest in Safety, not police. The proposed bill includes funding to hire **more** law enforcement officers. An equitable cannabis legalization regulatory system **should not include increased funding** for more law enforcement positions. Instead, we should invest cannabis tax revenues into proven solutions that help build safer communities such as programs that focus on harm reduction, crisis outreach programs, food banks, mental health support programs, homeless outreach programs, outpatient treatment programs, and housing assistance programs.

SB 3335 should ensure Local Ownership. People who have been harmed by the enforcement of cannabis must have a place in the burgeoning marketplace created by legalization. Cannabis legalization **must** include strong social equity components that ensure local ownership by impacted communities.

SB 3335 should Remedy Harm Caused by War on Drugs. Any outstanding debt for cannabis fines and fees should be forgiven. While fines are financial punishment for an offense imposed at sentencing, fees are intended for revenue collection. **SB 3335 should eliminate any fees** in marijuana enforcement, and ensure that any fines are equitable and proportionate according to the individual's income and severity of the offense.

The Reimagining Public Safety in Hawai'i Coalition is requesting amendments to include a state-initiated record expungement process for cannabis related arrests and convictions. After legalization, nobody should remain incarcerated for prior cannabis offenses, and nobody should continue to face the harmful collateral consequences of a cannabis conviction on their record. To address these systemic harms, legalization must include processes for clemency, resentencing, and expungement that are speedy, state-initiated, and free of cost. People with a cannabis conviction on their record should be able to fully re-integrate into society by accessing the same rights and services as anybody else.

Dedicated to safe, responsible, humane and effective drug policies since 1993

COMMENTS ON SB 3335, SD 1

TO: Chair San Buenaventura, Vice-Chair Aquino, & HHS Committee Members
Chair Rhoads, Vice Chair Gabbard, & JDC Committee Members

FROM: Nikos Leverenz, Board President

DATE: February 13, 2024 (9:00 AM)

On behalf of Drug Policy Forum of Hawai'i (DPFH), I am writing to offer comments on SB 3335, SD 1, which would establish the Hawai'i Cannabis Authority and Cannabis Control Board within the Department of Commerce and Consumer Affairs, legalizes personal adult use of cannabis, and establishes taxes for adult-use cannabis sales.

Along with other members of the [Hawai'i Alliance for Cannabis Reform](#) (HACR), DPFH has ongoing concerns stemming from the current vehicle before your committees. With other HACR members, we urge an approach to cannabis legalization that avoids increased criminalization and instead focuses on building an equitable and inclusive industry in every county, reinvests in communities, and provides reparative justice.

While DPFH supports the general statutory framework provided by this bill, its concerns include, but are not limited to:

- **Youth Criminalization.** The bill re-criminalizes minors in possession and imposes excessive penalties for providing cannabis to those 18-20. While we certainly agree it should remain illegal to provide cannabis (other than medical cannabis), imposing even harsher penalties than the status quo is unreasonable.
- **Cannabis Odor as Pretext for Searches.** Add protections to clarify that the odor of cannabis, on its own, does not establish probable cause for a warrantless search.
- **Per se DUI Provision.** Remove the outrageous and unscientific per se "driving under the influence" limit of 10 nanograms per milliliter of THC for adults and medical patients, and any trace amount for those under 21. Due to significant variations among individuals in THC levels at times of impairment, particularly between regular consumers and novice users, this will criminalize patients and other sober drivers long after impairment wears off. It would also make it difficult to convict cannabis-impaired drivers testing below the

threshold. Rather than criminalizing sober drivers, Hawai'i should invest in more DRE and ARIDE-trained officers. It should also have a robust public education campaign on the dangers and illegality of impaired driving.

- **Open Containers.** Remove the broad open container law, which would jail individuals for up to 30 days and/or impose a fine of up to \$2,000 for a driver or passenger who possesses in the passenger area a cannabis package that has ever been opened, loose cannabis, or any pipe.
- **Storage.** Remove the requirement that cannabis to always be stored in a sealed container, which applies even if adults live alone with no minors in the household.
- **Consumption Restrictions.** Remove the ban on any consumption of cannabis in a public place or a vehicle, which would apply even to those using cannabis medicinally in a parked vehicle. Imposing a civil fine for public smoking would be more appropriate.
- **Paraphernalia Law Exemption.** Add provisions legalizing the possession and distribution of cannabis paraphernalia.
- **Collateral Consequences.** Add protections to prevent cannabis consumers' lives from being ruined, by including protections to prevent Hawai'i residents from:
 - losing custody of their children for the responsible use of cannabis
 - losing state benefits for the responsible use of cannabis
 - losing professional or occupational licenses for the responsible use of cannabis
 - having parole or probation supervision revoked for cannabis

As the legislature moves forward in its deliberations, it should carefully consider and include measures to ensure a meaningful level of participation in the adult-use cannabis market for those who have been marginalized and criminalized through cannabis prohibition and the larger drug war. Those who have been harmed by decades of prohibition should have their cannabis-related arrest and conviction records expunged. Last year, [Missouri expunged almost 100,000 marijuana convictions](#).

Cultivating Economic Opportunities & Better Serving Community Needs

The experiences of states that have legalized adult-use cannabis have raised varied challenges in operating a functional intrastate market that adequately meets the demands of medical cannabis patients and those choosing to enjoy responsible adult use. Excessive regulation and burdensome taxation are among those challenges to be avoided.

The regulatory body that is charged with rulemaking and oversight powers should be free of undue influence of large-scale commercial interests, political favoritism, and continued resistance to functional adult-use cannabis economic sector. A variety of cannabis businesses, including those related to craft cannabis and cannabis tourism, in every county can help ensure that economic

opportunities are available to many rural communities. It should continually re-evaluate its policies and endeavor to prepare Hawai'i's emerging cannabis economic sector for prospective participation in a national and global cannabis marketplace.

Last December, I co-authored [an opinion-editorial in Honolulu Civil Beat](#) with Maui County Councilmember Keani Rawlins-Fernandez and Rep. Jeanne Kapela where we underscored the promotion of meaningful equity throughout the cannabis sector, including production, manufacture, transportation, and sale.

This may include the broad provision of licenses, as is the case with industrial hemp, but fees and regulations must be in amount that allows rigorous participation in a functional commercial market by rural farmers and small businesses in every county in Hawai'i. Even with federal and state authorization, current participants in this state's anemic industrial hemp market have been stymied by poor regulations and untoward bureaucratic resistance from executive departments.

Similarly, current participants in the vertically-integrated medical cannabis sector have had their operations subject to such resistance, bolstered by the lethargy of policymakers that cannot, for example, facilitate the provision science-based educational materials, employment protections for medical cannabis patients, or access to tinctures and edibles by those in hospice facilities.

As we wrote, "Building a more prosperous, sustainable, and equitable economy in this state should include fair, active, and continuous participation for those living in rural areas of every county. *Cannabis grown by Hawaiian hands on Hawaiian lands should be a key component of that grand effort.*" (emphasis added) We also note that Maine and other states are encouraging a [craft cannabis industry](#) that champions smaller-scale farms.

While DPFH supports using tax revenues to facilitate the costs of administration, it recognizes that tax revenues should mainly accrue to general fund. As noted in the *Civil Beat* op-ed, revenues from cannabis sales can be used "to improve the health and well-being of those from rural communities and other under-resourced populations, including behavioral health services, homelessness prevention, and youth programming."

Acknowledging the Human Wreckage of Prohibition & Charting a New Course Forward

It is also important to have funds dedicated to repairing the lasting harms of cannabis prohibition, including records expungement, and support of smaller businesses. Additionally, cannabis tax revenues can provide for science-based, harm reduction-focused educational materials to inform consumer choices.

Further, [similar to a provision in current statute relating to the composition of liquor commissions](#), whatever regulatory authority that oversees the adult-use cannabis market should not be (1) an elected officer of state or county government; (2) a candidate for election; or (3) has connections with organizations or associations, public or private, that are currently or have been advocates for cannabis prohibition, including the criminalization of cannabis paraphernalia, dating back to the Controlled Substances Act of 1970.

[The current regime of cannabis prohibition, like the larger drug war, compounds the harm of extensive involvement in the criminal legal system by Native Hawaiians](#) and other residents from under resourced communities that are significantly impacted by social determinants of health.

[Long term arrest data](#) indicates that Native Hawaiians are disproportionately impacted by overcriminalization of cannabis in every county. [A misdemeanor conviction features many “collateral consequences” that impact an individual’s ability to obtain employment, housing, and education.](#) Adult-use cannabis legalization will curb the negative impact of our state’s drug law enforcement on those from Native Hawaiian and under resourced communities.

Ongoing cannabis prohibition needlessly raises the overall year-to-year costs of Hawai'i’s criminal legal system, where terms of probation or parole are lengthened apart from a more calibrated determination of safety risks to the community. Prolonged periods of probation or parole increase the likelihood of a return to jail or prison at great cost to state taxpayers, which has not been mentioned in public deliberations over a new billion-dollar jail facility on O’ahu.

Again, while cannabis use is not entirely devoid of individual health risks, its use does not produce the injury, illness, and death resulting from regular or problematic use of alcohol or tobacco, two widely used licit substances that are not included in the federal Controlled Substances Act.

DPFH also strongly supports treatment upon request for those with diagnosed substance use disorders. As noted by the American Public Health Association:

Public health approaches offer effective, evidence-based responses, but some of the most effective interventions are not currently allowed in the United States owing to outdated drug laws, attitudes, and stigma. Substance misuse treatment is too often unavailable or unaffordable for the people who want it. A criminal justice response, including requiring arrest to access health services, is ineffective and leads to other public health problems. (Policy Statement, “[Defining and Implementing a Public Health Response to Drug Use and Misuse.](#)”)

Mahalo for the opportunity to provide testimony.

Hawai'i State Senate Committees on Health and Human Services & Judiciary
SB3335 – Relating to Cannabis

RE: Comments on SB3335

February 13, 2024

Cannabis legalization posits major advances in economic diversification, social equity measures, and reduced carceral impacts on marginalized populations. With some slight alterations, this bill has the potential to remedy a number of different problems faced by the Native Hawaiian community. The Council for Native Hawaiian Advancement (CNHA) offers the following **comments to SB3327** and recommends amendments to the revenue allocation, expungement, and non-discrimination provisions in the next draft of the bill.

Cannabis legalization stands to make a significant impact to Hawai'i's economic landscape. In the decade after Colorado legalized adult-use cannabis, the state collected \$2.6 billion in tax and revenue fee that went towards community improvement projects like recreation centers and school construction.¹ The Legislature has the opportunity to fund similar improvements to our infrastructure, schools, and under-resourced communities. However, as the bill is currently written, half of the funds generated from cannabis are allocated to regulation and law enforcement with the other half of funds allocated to social equity, public health, education, and public safety. CNHA recommends that **at least 60% of generated cannabis revenue should be allocated to social equity measures and the remaining funds should be allocated to the general fund.**

Additionally, cannabis legalization has the potential to drastically reform the criminal legal system for the better. Native Hawaiians are disproportionately impacted at every stage of Hawai'i's criminal legal system, from arrest to parole. According to a report from the Office of Hawaiian Affairs, Native Hawaiians are the largest portion of the people admitted to prisons for drug offenses, receive longer prison and probation sentences than most other racial or ethnic groups, and make up the highest percentage of people incarcerated in out-of-state facilities.² Interactions with the criminal legal system are traumatic for everyone involved: arrested or incarcerated individuals are cut off from their support systems, jobs, and land; families are destabilized; and communities are left dismantled. These effects do not end after someone has left prison, as arrest and criminal records can haunt individuals long after they have been released. If amended, cannabis legalization can dramatically reduce these negative effects that disparately harm Native Hawaiian communities.

¹ Ricciardi, Tiney and Aguilar, John, *The first 10 years of legal marijuana in Colorado were a wild ride. What will happen in the next decade?*, THE DENVER POST, 31 Dec. 2023. <https://www.denverpost.com/2023/12/31/colorado-marijuana-10-years-history-legalization-industry-struggles/>

² *The Impact of the Criminal Justice System on Native Hawaiians*, OFFICE OF HAWAIIAN AFFAIRS, 2009. https://www.oha.org/wp-content/uploads/2014/11/factsheets_final_web_0.pdf.

As SB3327 is currently written, petition-based expungement is allowed for arrest or criminal records that include the possession or distribution of marijuana. However, evidence from other states show that this is an ineffective means of achieving true clean slates.³ Therefore, CNHA recommends that **state-initiated expungement proceedings** instead of petitions. In addition to changes in the criminal legal system, responsible cannabis legalization should also reduce discriminatory practices in other sectors. CNHA supports the current language preventing discrimination for needed medical procedures and treatments and recommends expansion of these provisions to also **bar housing and employment discrimination for cannabis-related use, arrests, or convictions**.

Responsible, recreational cannabis is a popular policy issue, supported by a majority of Hawai'i voters⁴ and the entirety of Maui County Council.⁵ We cannot waste the massive amount of potential promised by cannabis legalization. For these reasons, we humbly ask that you **AMEND SB3327** before voting in favor of the measure to build a more prosperous, sustainable, and equitable future for Hawai'i.

Me ka ha'aha'a,



Kūhiō Lewis

Chief Executive Officer, CNHA

³ "Unfortunately, the petition process to clear criminal records in most states is complicated and burdensome—and often costly [...] As a result, only a tiny fraction of people eligible for expungement or sealing ever obtain the relief they need. Tens of millions of people are blocked from moving forward with their lives because of their criminal record." *Working with communities and government to fundamentally transform the process of clearing records*, CODE FOR AMERICA. <https://codeforamerica.org/programs/criminal-justice/automatic-record-clearance/>

⁴ Mizuo, Ashley, *Hawaii voters support legalizing recreational cannabis, but split on legalizing gambling*, HONOLULU STAR ADVERTISER, 25 Jul. 2022. <https://www.staradvertiser.com/2022/07/25/hawaii-news/hawaii-voters-support-legalizing-recreational-cannabis-but-split-on-legalizing-gambling/>

⁵ Resolution No. 21-19, *Supporting Legalizing, Regulating, and Taxing Cannabis for Responsible, Adult Use*, MAUI COUNTY COUNCIL, 2021. https://mauicounty.us/wp-content/uploads/2021/02/21-20011b_final.pdf

February 11, 2024

Re: SB3335 PROPOSED SD1

COMMITTEE ON HEALTH AND HUMAN SERVICES

Senator Joy A. San Buenaventura, Chair
Senator Henry J.C. Aquino, Vice Chair

COMMITTEE ON JUDICIARY

Senator Karl Rhoads, Chair
Senator Mike Gabbard, Vice Chair

The Coalition for a Drug-Free Hawaii opposes SB3335 PROPOSED SD1

Aloha Chairs and Vice Chairs, my name is Greg Tjapkes, and I am the Executive Director of the Coalition for a Drug-Free Hawaii (CDFH), as a drug abuse prevention youth-serving agency we **STRONGLY OPPOSE SB3335 PROPOSED SD1**

Two factors that lead to increased youth use are availability and perception of harm. As cannabis is increasingly normalized and viewed as ‘medicine’, it is perceived as becoming less harmful, when in fact, with increased THC potency, it is become incredibly more harmful – especially to the developing brain of adolescents and young adults.

THC potency should be limited. As you know, THC potency has increased from 3% in the 1970s, to over 25% today for cannabis flower, and concentrates can reach 95%+ potency.¹ Legalizing cannabis without THC limits poses a grave danger to our keiki and young people with increased emergency department visits for cannabis hyperemesis syndrome and cannabis induced psychosis.

Other areas of great concern:

1. **Costs will outweigh underwhelming Revenue Projections** In October 2023 the Kansas City Federal Reserve published a study of the economic benefits and social costs in states that have legalized Cannabis.² They find:
 - **Moderate economic gains:**
 - i. average state income grew by 3 percent,
 - ii. house prices by 6 percent, and
 - iii. population by 2 percent.
 - **Double digit percent increases in social costs:**
 - i. substance use disorders increasing by 17%,
 - ii. chronic homelessness increased 35%,
 - iii. and arrests increased 13 %

¹ Cannabis Policy: Public Health and Safety Issues and Recommendations. Caucus on International Narcotics Control, United States Senate, March 3, 2021, Washington, D.C. Report, <https://www.drugcaucus.senate.gov/sites/default/files/02%20March%202021%20-%20Cannabis%20Policy%20Report%20-%20Final.pdf>.

² <https://www.kansascityfed.org/research/research-working-papers/economic-benefits-and-social-costs-of-legalizing-recreational-marijuana/>

2. Harms to Mothers and Children

- **Pregnancy:** “No amount of marijuana use during pregnancy or adolescence is known to be safe.” - Dr. Jerome Adams, U.S. Surgeon General, 2019
- **Pediatric poisonings:** Calls to poison control centers about kids 5 and under consuming edibles containing THC rose 1375% from 2017 to 2021.³

3. Youth Use, Mental Health, and Suicide

- **Cannabis Use Disorder (CUD):** Marijuana is the #1 drug in Hawaii for adolescent substance abuse treatment⁴ with 76% of those seeking help for CUD.
- **Psychosis and Suicidal ideation:** Frequency and higher THC potency are associated with psychosis, suicidality, reshaping of brain matter, and addiction⁵
- **Vaping Marijuana:** 12.5% of Hawaii teens report vaping marijuana⁶

4. Increased Drugged Driving Deaths

- THC positivity among fatally injured drivers in Hawaii increased nearly threefold, from 5.5% in 1993-2000, to 16.3% in 2011-2015.⁷
- Marijuana is involved in more than **1 in 4** road deaths in Colorado.⁸

This bill will benefit very few, cost us dearly, has the potential to harm many, and damage the children, families, and character of the Aloha State.

Please vote no on **SB3335 PROPOSED SD1**.

Thank you,

Greg Tjapkes
Executive Director
Coalition for a Drug-Free Hawaii

³ <https://www.nbcnews.com/health/health-news/reports-young-children-accidentally-eating-marijuana-edibles-soar-rcna63501>

⁴ ADAD Report to the Legislature 2024, p. 36

⁵ Cinnamon Bidwell et al., 2018; Di Forti et al., 2019; Fischer et al., 2017; Pierre et al., 2016.

⁶ 2019-2020 Hawai'i Student Alcohol, Tobacco and Other Drug Use (ATOD) Survey, p. 38

⁷ Motor vehicle crash fatalities and undercompensated care associated with legalization of marijuana. Susan Steinemann, MD, Daniel Galanis, PhD, Tiffany Nguyen, and Walter Biffel, MD, Honolulu, Hawaii

⁸ Rocky Mountain High Intensity Drug Trafficking Area. (2019). The legalization of marijuana in Colorado: The impact. <https://rmhidta.org/files/D2DF/FINAL-Volume6.pdf>.

TO: HHS Chair San Buenaventura, Vice-Chair Aquino, Committee Members Keohokalole, Shimabukuro and Awa JDC Chair Rhoads, Vice-Chair Gabbard, Committee Members Elefante, San Buenaventura and Awa

FROM: Robert Bence, Certified Organic, Diversified, Generational Hemp Farmer and Cannabis Advocate, Hawai'i Sustainable Farms, Kula, Maui, HI 96790

RE: Strong **Opposition** to SB 3335

DATE: 2/11/24

Aloha Senators,

After being diagnosed with a previously undiscovered random birth defect, that caused a stroke followed by brain surgery that led to learning to walk and talk again, developed conditions that I treat with certified organic hemp previously known only as cannabis. A legal definition that means a lot and should not be commingled with adult use cannabis which this bill is also bad at regulating. I support cannabis as much or more than anyone; however, this bill is so terrible as a lover of cannabis, the plant that saved my life and could save Maui, I can't support SB3335. The fact I find myself opposing the bill, along with prohibitionist, is a sign this is a bad bill that will only cause more harm to cannabis while destroying the hemp industry.

SB3335 is a death blow to hemp, after last year we finally got rules that would make hemp farming somewhat more feasible and this year you're already proposing throwing that hard work out for a regulatory bureaucracy that has been hostile to hemp, failed at cannabis regulation and communication. **The legal definition of hemp already bans what the HDOH/AG claims are loopholes. The advice of CANNRA that THCA was legal is incorrect and they shouldn't be leading the HDOH/AG/Leg if that is the case (SEE Works Cited below testimony 1&2).**

The local hemp industry has apparently only one bad actor that the HDOH already identified and currently has the power to go after for selling THCA which is illegal. The synthetic cannabinoids are also illegal and not practical in Hawai'i. No local hemp farmers growing the

quantities that would make that practical. Anyone could just get the mailed like the majority of illegal cannabis for that matter, also mailed directly to their house with no problem. Comes from states where it is more economical. The imported price for illegal cannabis imports is less than the export price of legal Hawai'i hemp so it makes no sense to do.

The HDOH/Law enforcement already have the power to enforce the illegal imports on smoke shop shelves etc but they don't. Mail and smuggling, like alcohol prohibition, shows that as long as demand is here and no local supply, or as proposed an over regulated local supply, only local farmers will suffer, be they hemp or cannabis. Only locals would be negatively impacted. Hawai'i hemp farmers go above and beyond not only following the law but working to protect outdoor medical cannabis from hemp pollen.

Hemp is a keystone to our farm's agroforestry conservation plan as part of alley cropping and multistory planting practices with ultra high density planting of several different trees including grafted avocados, mango and endemic forests in this area before human contact. Rotational grazing and cover crop rotations of sunnhemp rolled and crimped followed by hemp makes it a great companion plant for the no-till crop and livestock rotations that can be done from tractor allowing more production, despite my severe disability. We can grow local houses.

The benefits of hemp as a food and a myriad of other uses from soil remediation to advanced nano particles of hemp graphene superconductors from animal bedding to housing from fresh juice to solvent-less extracts to seed breeding and microgreens... the market potential and environmental benefit list would go on for countless pages. **Hempcrete is especially important after the fires here and including hemp with adult use cannabis would negatively impact our ability to maintain vital financial services and certifications that do not like states commingling legal and illegal cannabis.** Hawaii hemp farmers shouldn't be left behind after finally being allowed to grow. SB3335, is proposing to regulate local farmers out of business it is not acceptable.

Hemp farmers were left out of shaping this bill and we should have been consulted because we are the only federally legal cannabis

farmers and some of the very few actually reading this 198 page 2.54 pound proposed bill. Providing free advice that is more accurate than CANNRA.

Simple solution: Let everyone over 21 grow 10 plants per person and sell to other adults with GE tax, let people start cannabis businesses that are small enough to discourage multi-state-operators. Treat consumption like the far more dangerous tobacco and tax sales like the far more dangerous alcohol. Every state has failed this simple way to keep it local, it always leads to big corporations like TrueLeaf having the only social equity license in Alabama (4).

Give established medical patients the same head start proposing for the 8 dispensary licenses. Increase the medical card limit to 99 plants of any size as allowed by current county Ag zoning rules. Allow patients to sell at farmers markets. Separate federally legal cannabis which currently is not only hemp but also federally legal cannabis for federal research allowed to be grown and sold Mahalo to Senator Schatz work on and President Biden signing the Medicinal Marijuana and Cannabinol Research Expansion Act (3). The state should allocate funds to UH CTAHR and UH JABSOM to develop a research project that includes disabled patients growing there own medicine with testing and distribution of federal legal research cannabis to other patients or researchers. This could regain Hawai'i's long lost leadership role in medical cannabis.

After the fires walking distance to my farm and taking Lele, we need the economic benefit of adult use cannabis, medical cannabis and hemp in a way explained in my testimony not as proposed by the AG, HDOH and CANNRA in SB3335.

Mahalo

Robert Bence
Certified Organic Hemp Farmer



Works Cited

1. In June 2023, the DEA acknowledged THCA when expanding the USDA-required post-decarboxylation testing requirement, writing, “Congress has directed that, when determining whether a substance constitutes hemp, delta-9 THC concentration is to be tested ‘using post-decarboxylation or other similarly reliable methods.’ 7 USC § 1639p(a)(2)(A)(ii); 7 USC § 1639q(a)(2)(B).” Both of these cited code sections apply to the “production” – that is, the growing – of hemp, not hemp that has already been harvested or products containing hemp derivatives. Thus, by the plain language of the relevant federal statute, the post-decarboxylation test does not apply to post-production hemp. In other words, hemp being grown must have a total THC (THCA + THC) concentration of 0.3% or less^[2] in order to be harvested.

It also seems clear that Congress intended these legal distinctions to control the legal hemp versus marijuana markets in the United States. Indeed, not only Congress but also the [DEA](#)^[3] and [federal courts](#) interpreting relevant federal laws have all determined: “[i]mportantly, the only statutory metric for distinguishing controlled marijuana from legal hemp is the delta-9 THC concentration level. In addition, the definition extends beyond just the plant to all derivatives, extracts, [and] cannabinoids.” [7 U.S.C. § 1639o \(1\)](#). The use of “all” indicates a sweeping statutory reach. *See Lambright v. Ryan*, [698 F.3d 808, 817](#) (9th Cir. 2012).” *AK Futures LLC v. Boyd St. Distro*, 35 F.4th 682, 690-91 (9th Cir. 2022).^[4]

<https://www.mcglinchey.com/insights/is-thca-legal-the-state-line-is-the-bottom-line/>

2. THCA article by Emory Garcia at Oregon CBD: The 2018 Farm Bill, and the DEA, explicitly state in order for cannabis products to be considered hemp they must contain less than 0.3% Delta 9 post-decarboxylation (i.e. once its heated). This is described as "Total THC" and despite what a pile of money hungry lawyers say - this is how the law is interpreted by the US government. Coincidentally total THC is what is posted on every product sold at dispensaries in legal states

The statement below comes directly from the USDA website regarding what is considered hemp

-

- o 1.8 At a minimum, analytical testing of samples for total delta-9 tetrahydrocannabinol concentration levels must use post-decarboxylation or other similarly reliable methods approved by the Secretary in writing. The testing methodology must consider the potential conversion of delta-9 tetrahydrocannabinolic acid (THCA) in hemp into delta-9 tetrahydrocannabinol (THC), and the test result must reflect the total available THC derived from the sum of the THC and THCA content. Current testing methodologies meeting these requirements include gas chromatography and liquid chromatography. Other methods may be approved if they meet the requirements.

Total THC is calculated by multiplying THCa content * 0.877 and then adding the Delta 9 percentage. It sounds confusing, but the labs do the math.

For example, the test results below are from flower being sold as "hemp" online.

	21.739 %	0.243 %
	Total THC	Δ-9 THC
	25.440 %	<LOQ %
	Total Cannabinoids	Total CBD

Cannabinoids

(Testing Method: HPLC, CON-P-3000)
Date Tested: 09/27/2023

Analyte	LOD	LOQ	Mass	Mass
	%	%	%	mg/g
Δ-8-Tetrahydrocannabinol (Δ-8 THC)	0.0488	0.0732	ND	ND
Δ-9-Tetrahydrocannabinol (Δ-9 THC)	0.0488	0.0732	0.243	2.429
Δ-9-Tetrahydrocannabinolic Acid (THCA-A)	0.0488	0.0732	24.511	245.112

According to the DEA and the USDA this flower has 18.56% total Delta 9 THC - not the scant 0.243% accepted by the public. Law enforcement would certainly agree this is not legal flower.

<https://gtrseeds.com/blogs/news/is-thca-legal-hemp>

3. H.R. 8454, the “Medical Marijuana and Cannabidiol Research Expansion Act,” which establishes a new registration process for conducting research on marijuana and for manufacturing marijuana products for research purposes and drug development;

Thank you to Representatives Blumenauer, Harris, Griffith, Joyce, Mace, and Perlmutter, Delegate Norton, and Senators Feinstein, Grassley, Schatz, Durbin, Klobuchar, Tillis, Kaine, Ernst, Tester, and Murkowski for their leadership.

<https://www.whitehouse.gov/briefing-room/legislation/2022/12/02/bills-signed-h-j-res-100-h-r-8454-s-3826-and-s-3884/>

4. “Trulieve Awarded Alabama’s Only “Minority-Owned” Medical Cannabis License”



SB3335 SD1 Legalize Cannabis

COMMITTEE ON HEALTH AND HUMAN SERVICES

Senator Joy A. San Buenaventura, Chair

Senator Henry J.C. Aquino, Vice Chair

COMMITTEE ON JUDICIARY

Senator Karl Rhoads, Chair

Senator Mike Gabbard, Vice Chair

Tuesday Feb 13, 2024, 9:00 Room 016

Hawaii Substance Abuse Coalition Opposes SB335 SD1:

ALOHA CHAIR, VICE CHAIR AND DISTINGUISHED COMMITTEE MEMBERS. My name is Alan Johnson. I am the current chair of the Hawaii Substance Abuse Coalition (HSAC), a statewide organization for substance use disorder and co-occurring mental health disorder treatment, prevention agencies and recovery-oriented services.

Recommendations:

Implement a state-wide media campaign before legalization:

- 1. Communicate to the public about the dangers of youth cannabis use.**
- 2. The media campaign can also include information about medical marijuana benefits and inform the public about what legalization means so that it is not just one sided.**

Parents need to be more informed about youth's marijuana use so they can have an impactful discussion per Dr. Volkow, the foremost authority on drug addiction:¹

- 1. Better messages are needed between teenagers and parents** to prevent impairing brain development that affects kid's learning ability as they transition into adulthood.
- 2. Youth's use is disrupting the neuro architecture** of youth's more vulnerable brain in a way that can jeopardize, not just kid's cognitive abilities, but their emotions and ultimately their likelihood of succeeding, including the risk of becoming addicted or developing mental illnesses.
- 3. Warnings about rapid rise in youth vaping marijuana**, which has a higher purity and much worse adverse effects.
- 4. Legalization is leading to changes in perception** that the use of marijuana is not harmful that may lead some people that otherwise wouldn't consume marijuana to consume it.

¹ National Institute of Drug Abuse: Director Dr. Volkow: A Message to Parents. August 25, 2021.
<https://nida.nih.gov/videos/dr-nora-volkow-message-to-parents>

5. **So, we need to recognize that what may be okay for an adult may not be okay at all for an adolescent.**

CDC warns how marijuana adversely impacts the youth by impairing brain development for decades because their brain is still in the development phase. Impaired are thinking, memory and learning as well as links to depression and social anxiety.²

Marijuana is the second most widely used intoxicant in adolescence, and teens who engage in heavy marijuana use often show disadvantages in neurocognitive performance, macrostructural and microstructural brain development, and alterations in brain functioning.³

HSAC urges the legislators to first pass an informational campaign to protect our youth as well as discuss the aspects of legalization for adults, which are not as harmful to youth but should have health disclaimers.

More Recommendations:

SA-3 Definitions: Debilitating medical condition means: (2) post-traumatic stress disorder. (Remove PTSD). Now that science is doing “valid” Clinical Trials, marijuana yields mixed results resulting in cautions concerning its efficacy.⁴

SA-5 Limitations: (5) (B) add to end of paragraph and substance use disorder treatment and clean and sober housing.

SA-45 Limitation: (2): add to end (H) and abstinent-based substance use disorder adult or adolescent residential treatment and intensive outpatient services. Treatment services are treating cannabis addiction in group sessions.

SA-53 Limitation (2): add to end (H) and abstinent-based substance use disorder residential treatment and intensive outpatient services. Treatment services are treating cannabis addiction in group sessions.

SA-83 (b) add: (10) “Cannabis’ intoxicating effects may be delayed up to 2 hours. Consumption of cannabis can cause impairments in judgement or coordination, please use caution. Cannabis overuse can lead to dependence and eventual addiction and may increase mental disorders such as depression anxiety, amotivational syndrome, and schizophrenia.”

² Centers for Disease Control and prevention: Marijuana and Youth: The Impact of Marijuana Use on Teen Health and Wellbeing. 2022 <https://www.cdc.gov/marijuana/featured-topics/marijuana-youth.html#:~:text=Marijuana%20use%20beginning%20in%20teen,and%20social%20anxiety%20in%20adults>.

³NIH: National Library of Medicine: Jacobus J, Tapert SF. Effects of cannabis on the adolescent brain. *Curr Pharm Des.* 2014;20(13):2186-93. doi: 10.2174/13816128113199990426. PMID: 23829363; PMCID: PMC3930618 <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC3930618/>

⁴ NIH (National Institute of Health): National Library of Medicine: Journal of Psychiatry and Neuroscience: Abizaid A, Merali Z, Anisman H. Cannabis: A potential efficacious intervention for PTSD or simply snake oil? *J Psychiatry Neurosci.* 2019 Mar 1;44(2):75-78. doi: 10.1503/jpn.190021. PMID: 30810022; PMCID: PMC6397040. <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC6397040/#:~:text=Unfortunately%2C%20the%20available%20data%20showing,to%20cautions%20concerning%20its%20efficacy>.

SA-85 Advertising (12) (c.) amend to add what is highlighted: No person shall place or maintain, or cause to be placed or maintained, any sign or other advertisement for a business or product related to cannabis, in any form or through any medium whatsoever, within **seven hundred fifty feet of the real property comprising of a school, public park, or public housing project or complex or substance use disorder residential treatment center.**

SA-151 amend and add: No later than ~~July 1, 2025,~~ **January 1, 2025,** the authority shall develop and implement a comprehensive public health and education campaign regarding the legalization of cannabis and the impact of cannabis use on public health and safety, including the health risks associated with cannabis and ways to protect children. **The information will prioritize Better messages are needed between teenagers and parents to prevent impairing brain development that affects kid's learning ability as they transition into adulthood; Youth's use is disrupting the neuro architecture of youth's more vulnerable brain in a way that can jeopardize, not just kid's cognitive abilities, but their emotions and ultimately their likelihood of succeeding, including the risk of becoming addicted or developing mental illnesses; Warnings about rapid rise in youth vaping marijuana, which has a higher purity and much worse adverse effects; Legalization is leading to changes in perception that the use of marijuana is not harmful that may lead some people that otherwise wouldn't consume marijuana to consume it; the need to recognize that what may be okay for an adult may not be okay at all for an adolescent.**

HSAC applauds the legislature for ensuring language is in this bill to protect our kids given its danger in use for under-developed brains.

We appreciate the opportunity to provide testimony and are available for questions

From: [Cindy Pang](#)
To: [Elizabeth Rush](#)
Subject: Re: SB3335 Testimony Submission
Date: Tuesday, February 6, 2024 4:10:44 PM

You don't often get email from cajipang55@gmail.com. [Learn why this is important](#)

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Aloha Elizabeth,

Thank you for reaching out. I submitted to Oppose the bill and below is my written testimony. Can you please confirm receipt when time permits?

Mahalo!

PLEASE vote NO & do not allow this unnecessary legalization to proceed further. Legalization will be a step & gateway to other drugs that will ruin our island state and her people; especially our younger generations. Having legalized medical marijuana is good enough -- we haven't done well at regulating that and now to add another problem that has been shown in other states to cause much detriment (that they cannot reverse) is crazy. Look at Portland and other progressive cities. Please vote NO.

1. Marijuana use WILL increase if it is made available. Hawai'i's keiki will be the ones who will suffer the most. Hawai'i already has a higher-than-average youth usage of e-cigarettes. It is irresponsible to think they will NOT access marijuana. In addition, states that have legalized marijuana for recreational purposes have seen an increase in children being brought to emergency rooms.
[\(USA TODAY, January 2023\)](#)
[\(Drug Free 2022\)](#)
[\(Story from KITV, August, 2020\)](#)
[\(Honolulu Advertiser, February 2021\)](#)
2. Even though some states have legalized marijuana for medical (or even recreational) purposes, it is still illegal to possess, use or distribute marijuana according to federal law. This version allows for six plants or less. According to the National Organization to Reform Marijuana Laws (NORML), one plant yields between .4 to .54 pounds of marijuana. With 16 ounces per pound, that means 6 plants = **38.4 to 51.84 ounces** of marijuana. If 1 ounce gives you around 112 cigarettes, then imagine what 51.84 can provide.
3. Today's marijuana is not the 1970's version of "Maui Wowie" or "Kona Gold." [THC contents are astronomically higher.](#)
4. Drugged driving will plague Hawai'i's roads. In their 2019 testimony to the Senate Judiciary Committee, [Hawai'i Department of Transportation reported](#) that "22 percent of fatal crashes that occurred during calendar years 2013 to 2017 resulted in positive findings for marijuana in drivers, bicyclists or pedestrians." The preamble of SB 3335 states "In addition, there are practical difficulties in identifying individuals who may be impaired by cannabis while driving, including the lack of a cannabis analogue for a breathalyzer for alcohol."

On Tue, Feb 6, 2024 at 9:31 AM Elizabeth Rush <e.rush@capitol.hawaii.gov> wrote:

Aloha,

Thank you for submitting testimony for SB3335, scheduled to be heard 2/13 at 9:00 AM. There was a discrepancy on the original hearing notice; the SD1 version was not the version uploaded. The current measure on 2/13 agenda is SB3335 SD1, which is different than SB3335.

Could you send me written testimony for SB3335 SD1 and I will manually upload it. My apologies for the inconvenience and we thank you for your interest and input on this measure.

Mahalo,

Elizabeth Rush

Committee Clerk

Office of Sen. Joy A. San Buenaventura

Hawaii State Capitol, Room 213

Honolulu, HI 96813

808-586-6675

e.rush@capitol.hawaii.gov

--

Grace, hope & love



TESTIMONY ON SENATE BILL SB 3335

BY OAHU CANNABIS FARM
ALLIANCE(OCFA)

Thank you for the opportunity to provide COMMENTS on this measure. OCFA opposes this bill based on these points. We have also spoken to many Massachusetts small businesses and local farmers and gained knowledge of why the program in Massachusetts is a failure.

- These are direct quotes from the Massachusetts adult-use bill. The residents of Hawaii have had no input at all in forming this bill. This is a cut-and-paste bill that was developed by the AG in less than 4 months.

" (4) Procedures and policies to promote and encourage full participation in the regulated cannabis industry by people from disproportionately impacted areas;" Also, (22) Procedures and policies, in consultation with the department of agriculture, to promote and encourage full participation in the regulated cannabis industry by farmers and agricultural businesses with emphasis on promoting small farms, diversified agriculture, and indigenous farming practices;

- Social Equity participants and the program have been taken advantage of by large corporations in Massachusetts.
- Legacy growers and small farmers and businesses cannot afford to participate in the program because of the high costs and over-regulation.
- Six of the ten Large Multistate operators are established in Massachusetts and control most of the market.
- This bill shows that the legacy market will be enforced by "new law enforcement teams" and will affect thousands of legacy growers already established in Hawaii, who cannot afford the licensing.
- State legislators and the Attorney general ignored developing a people-based working group to develop the bill and only contacted regulators instead of industry

professionals to ask what regulations work. OCFA sent out many emails to the AG and were ignored.

- The newly established regulatory group will continue down the same path, with no local presence, but instead a board chosen by legislation. The Cannabis Control Commission (CCC) is embroiled in major investigations and this model should be further investigated according to the outcomes.

OFCA believes in building a robust medical program for the legacy growers of Hawaii with laws and regulations that support the local people. SB2619, "The Medical Cannabis Act of 2024," is sitting in the legislation and provides a clear path to a fair regulatory model. Once this model is established it will provide an easy path to adult use if the bill should choose this path.

Please stand behind the residents of Hawaii and develop a program that provides healthy communities and jobs. This bill is not that path.

Mahalo'
Jason Hanley
President. Oahu Cannabis Farm Alliance

SB-3335

Submitted on: 2/8/2024 12:42:53 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Laura Kahiapo	Testifying for Pono Records	Oppose	Written Testimony Only

Comments:

Senators, PLEASE vote NO on SB 3335 Legalizing marijuana. I do not want my children taught by a teacher who chose to smoke marijuana before class. I do not want my heart surgeon to smoke marijuana before he operates on me. I do not want to ride on a City and County Bus when the driver chooses to smoke before his shift and during his shift on his breaks and lunch. I fear for the safety of my child, my health and my life and others if this bill passes. Marijuana is a mind altering drug that compromises one's ability to function. Oppose this bill. MAHALO!



**500 ALA MOANA BOULEVARD
BOX 165
HONOLULU, HAWAII 96813**

**PHONE: (808)356-4400
FAX: (808)356-4499**

LATE

February 12, 2024

My name is Gary Yabuta, and I am the Executive Director of the Hawaii High Intensity Drug Trafficking Area (HIDTA)--a grant-funded program of the Office of National Drug Control Policy, Executive Office of the President. The Hawaii HIDTA supports drug interdiction and demand reduction strategies by developing collaborative federal, state, and local enforcement task forces and prevention programs throughout the Hawaii, including the City and County of Honolulu, Hawaii County, Maui County, and Kauai County.

I am asking for your support by opposing the legalization of marijuana in Hawaii in the 2024 Legislative Session, in particular SB 3335. On a law enforcement perspective, Hawaii must be concerned of the infiltration of Mexican Cartel and Narco-terrorists associated to illegal marijuana growing operations nationwide, in particular legalized marijuana states, i.e., California, Colorado, etc.

On a holistic perspective, not only will there be social and public safety consequences impacted by the legalization of marijuana, but there will also be irreversible environmental harm to Hawaii's indigenous forests, species, water sources, ocean and coral life, and overall ecosystem.¹

Every state that has incorporated legalized marijuana is inflected with illegal or "black market" marijuana—a commodity much cheaper than the legalized product that is attached with a government tax surcharge. Due to Hawaii's tropical climate, ample water supplies, and enriched soil, Hawaii grown marijuana yields a highly potent product, for which Hawaii has been famous for the past forty years. Legal and especially illegal marijuana production require dangerous pesticide and fertilizer products that are used indiscriminately by the

¹ <https://www.courier-journal.com/in-depth/news/investigations/2023/06/01/illegal-marijuana-grows-linked-to-mexican-cartels-fueling-a-wildlife-purge-in-the-west/69948360007/>

BUREAU OF ALCOHOL TOBACCO AND FIREARMS • CITY & COUNTY HONOLULU DEPARTMENT OF THE PROSECUTING ATTORNEY • DRUG ENFORCEMENT ADMINISTRATION • FEDERAL BUREAU OF INVESTIGATION • HAWAII POLICE DEPARTMENT • HAWAII NATIONAL GUARD • HOMELAND SECURITY INVESTIGATIONS
HONOLULU POLICE DEPARTMENT • INTERNAL REVENUE SERVICE • JOINT INTER-AGENCY TASK FORCE -WEST
KAUAI POLICE DEPARTMENT • MAUI POLICE DEPARTMENT • NAVAL CRIMINAL INVESTIGATIVE SERVICE
STATE OF HAWAII DEPARTMENT OF THE ATTORNEY GENERAL • STATE OF HAWAII DEPARTMENT OF PUBLIC SAFETY
UNITED STATES ATTORNEY'S OFFICE • UNITED STATES COAST GUARD • UNITED STATES CUSTOMS AND BORDER PROTECTION
UNITED STATES MARSHALS SERVICE • UNITED STATES POSTAL INSPECTION SERVICE • WESTERN STATES INFORMATION NETWORK

HAWAII HIGH INTENSITY DRUG TRAFFICKING AREA

Hawai'i HIDTA

Page 2 of 2

2/12/2024

marijuana growers. These chemicals endanger our water sources, vegetation, and ocean life. Marijuana by itself is an invasive species that eliminates the reproduction of native plants and vegetation.

No state that has legalized marijuana has benefitted economically, except for the manufacturers of marijuana, and mostly those who grow and sell illegal marijuana.

The social and health price tag for legalized marijuana will be enormous, with more hospitalization for cannabis use disorders, more vehicular motor vehicle accidents attributed to marijuana, lower I.Q. among those children who start using marijuana under the age of 12, and crime and social dependency associated to marijuana addiction.

Sincerely,

Gary Yabuta
Executive Director
Hawaii High Intensity Drug Trafficking Area



Testimony Opposing SB3335 - Relating to Cannabis

Hearing on Tuesday, February 13, 2024, at 9:00 am
Conference Room 016, Hawaii State Capitol

To: Committee on Health & Human Services
Senator Joy A. San Buenaventura, Chair
Senator Henry J.C. Aquino, Vice Chair

Committee on Judiciary
Senator Karl Rhoads, Chair
Senator Mike Gabbard, Vice Chair

Fr: Alan Shinn
Hawaii SAM
1130 N. Nimitz Hwy, Suite A259
Honolulu, HI 96817

Thank you for the opportunity to provide testimony in opposition to SB3335 – Relating to Cannabis which legalizes the personal adult use of cannabis beginning 1/01/26. In addition, it establishes the Hawaii Cannabis Authority and Cannabis Control Board to regulate all aspects of cannabis, establishes taxes for adult cannabis sales, makes appropriations, among other things. (Proposed SD1). SB3335 is a weighty bill, over 200 pages long and contains an exhaustive amount of detail. In my opinion, a bill that is extremely difficult for the average citizen to understand will not make good law and will be challenging if not impossible to implement properly.

Here are examples of what I perceive as barriers to implementation. The bill gives too much authority to the Cannabis Control Board, without providing guidance on such things as setting THC potency caps, advertising and marketing, and more. The CCB is modeled after the Massachusetts CCB, which is proving to be dysfunctional and overly influenced by the marijuana industry. This could also happen in Hawaii without firm checks and balances.

The social equity program is problematic as locally qualified applicants could become “fronts” for large mainland cannabis operations or could inadvertently open the door to criminal cartel involvement.

The proposed cannabis public health and education grant program should be done prior to legalization. The program should inform the community of the health and safety risks of marijuana use, especially among youth and young adults, and the impact of commercial marijuana culture on the community.

Most troubling is that commercial marijuana use will dramatically increase incidents of driving under the influence, accidents, and deaths on our roads. The bill establishes 5 nanograms per millimeter blood test to ascertain driver impairment. If under that level, it appears the detained driver will go free. There should be other factors included in the bill to determine impairment to ensure public safety.

Thank you for the opportunity to submit testimony in opposition to SB3335.

**SAM Hawaii is an affiliate of Smart Approaches to Marijuana (SAM), a national alliance of organizations and individuals dedicated to a health-first approach to marijuana policy. SAM seeks a middle road between incarceration and legalization. Our commonsense, third-way approach to marijuana policy is based on reputable science and sound principles of public health and safety.*



WEED AND SEED HAWAII, INC.

91-884 Ft Weaver Rd Suite A
Ewa Beach HI 96706

Site 1: Kalihi-Palama-Chinatown-Ala Moana-Sheridan

Site 2: Waipahu

Site 3: Ewa-Ewa Beach

Senator Joy San Buenaventura, Chair
Committee on Health and Human Services
Senator Karl Rhoads, Chair
Committee on Judiciary
415 S. Beretania Street
Honolulu, Hawaii 96813

Dear Senator San Buenaventura and Senator Rhoads and Committee Members:

Re: S.B. 3335 Relating to Cannabis

My name is Gale Bracerros, Director of Weed and Seed Hawaii. I have been in this position for 19 years, working closely with the Honolulu Police Department to keep our communities a safe place to live, work, and play.

Weed and Seed Hawaii serves 3 sites: Site I- Kalihi-Palama-Chinatown-Sheridan-Ala Moana, Site II-Waipahu and Site III- Ewa-Ewa Beach. Our mission is to reduce crime in our communities through Law Enforcement, community engagement, social and economic revitalization, neighborhood beautification, and an investment in the future of our youth.

I am **opposing** S.B. 3335 to legalize marijuana. Through the years illegal/misuse of drugs continues to be a major problem. The effects and misuse of marijuana is no different from other illegal drugs, causing harm to users as well as to people around them. What may start of as recreational use has great potential for advancing to the use of harder and addictive illegal drug use and engaging in other acts of crime.

I urge you not to support S.B. 3335, Relating to Cannabis.

Sincerely,

Gale Bracerros

Director

Weed and Seed Hawaii

808-232-6437

LATE

SB-3335

Submitted on: 2/12/2024 6:50:13 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Harriet Witt	Testifying for Hawaii Farmers Union United/Haleakala	Oppose	Written Testimony Only

Comments:

Please oppose this bill for the sake of our local farmers. We need them if we want to eat healthy.
Mahalo.



LATE

Kaipo Kekona
State President

Anabella Bruch
Vice-President

Reba Lopez
Treasurer

Maureen Datta
Secretary

Odysseus Vacalis
East Hawai'i

Mason Scharer
Haleakala, Maui

Fawn Helekahi
Hana, Maui

Adnrea Drayer
K'au, Hawaii

Natalie Urminska
Kauai

Madeline Ross
Kohala, Hawai'i

Chantal Chung
Kona, Hawai'i

Negus Manna
Lana'i

Kaiea Medeiros
Mauna Kahalawai, Maui

Rufina Ka'auwai
Moloka'i

India Clark
North Shore, Oahu

Christian Zuckerman
Wai'anae, Oahu

Dr. Ted Radovich
Waimanalo, Oahu

Scott Crawford
HFUF Director

Gail Byrne
HFUF Director

P.O. Box 99
Wailuku, HI 96793-0099

February 12, 2023

RE: Remove All Hemp Elements from Recreational Cannabis Bills, SB 3335/HB 2600

Dear Honorable Members of the Hawaii State Legislature,

The Hawaii Farmers Union strongly urges the Hawaii State Legislature to remove all hemp elements, including those relating to hemp cannabinoids, from SB 3335 and HB 2600.

The Hawaii Farmers Union and the National Farmers Union have strong policies in support of a vibrant hemp industry.

These recreational marijuana bills undermines farmers and deletes years of work by our members to pass HB 1359, Act 263, relating to hemp that was passed unanimously by both the Hawaii House of Representatives and the Senate in 2023. The Hawaii Farmers Union was a strong supporter of HB 1359 and testified in favor of this bill on numerous occasions last year.

Between 2013 and 2016, the Hawaii Farmers Union organized and supported farmers and stakeholders from around the state to the pass hemp legislation to allow hemp cultivation and the production of value-added hemp products in Hawaii. Our members include hemp farmers and hemp processors.

There are numerous problems with the these recreational cannabis bills that conflict with the Hawaii Farmers Union and National Farmers Union policies and will make our farmers non-competitive and likely putting them out of business.

We urge you to remove all hemp elements from these recreational cannabis bills now, including all hemp cannabinoid elements and to support the full implementation of HB 1359, Act 263.

Sincerely,

Kaipo Kekona

Kaipo Kekona
President
Hawaii Farmers Union United



**TESTIMONY OF TINA YAMAKI, PRESIDENT
RETAIL MERCHANTS OF HAWAII
FEBRUARY 13, 2024
SB 3335 PROPOSED SD1 RELATING TO CANNABIS**

Good morning, Chair San Buenaventura and Chair Rhoads and members of the Senate Committee on Health and Human Services and the Senate Committee on Judiciary. I am Tina Yamaki, President of the Retail Merchants of Hawaii and I appreciate this opportunity to testify.

The Retail Merchants of Hawaii was founded in 1901 and is a statewide, not for profit trade organization committed to supporting the growth and development of the retail industry in Hawaii. Our membership includes small mom & pop stores, large box stores, resellers, luxury retail, department stores, shopping malls, on-line sellers, local, national, and international retailers, chains, and everyone in between.

We STRONGLY OPPOSE SB 3335 proposed SD1. This proposed SD1 establishes the Hawaii Cannabis Authority and Cannabis Control Board within the Department of Commerce and Consumer Affairs to regulate all aspects of the cannabis plant; establishes the Cannabis Control Implementation Advisory Committee; beginning January 1, 2026, legalizes the personal adult use of cannabis. Establishes taxes for adult-use cannabis sales; transfers the personnel and assets of the Department of Health and assets of the Department of Agriculture to the Hawaii Cannabis Authority. Declares that the general fund expenditure ceiling is exceeded; and makes appropriations.

Despite states like California, Oregon and New York legalizing marijuana, this drug continues to be illegal under federal law and is considered a controlled substance like fentanyl or meth.

It is our understanding that the tax revenue states bring in from legalized marijuana is less than 1% of the state budget as well as falling short of the expected revenue generated. Colorado has shown that \$4.50 is the cost for every \$1 of tax revenue they brought in from legalizing Marijuana.

We also wonder if Hawaii has the capacity, the monies, and the infrastructure to take on those who become addicted to Marijuana as we understand that Hawaii rehab facilities are at maximum levels. In retail, we are concerned about the safety of not only our customers but our employees. Especially in the back of the house, employees use equipment that if impaired could cause injury to themselves or others. This includes the use of forklifts, bailers, compactors, company cars and more. We do not want to see anyone injured or injuring others. [Smart Approach to Marijuana](#) Study indicated following legalization Emergency Room visits and admissions related to marijuana abuse in California is up 89%; Colorado marijuana-related hospitalizations per 100,000 since legalization have increased 148%; and 1 in 4 road deaths in Colorado involved Marijuana.

While we understand that this measure is for recreational use, we also know that it will be more readily available, and employees could still come to work high by inhaling or ingesting it before their shift or on their break. [Smart Approach to Marijuana](#) Study indicated that 30% of marijuana users have some form of marijuana use disorder. There are many health risks associated with marijuana use, including respiratory problems from smoking and potential negative impacts on mental health, such as increased risk of psychosis or exacerbation of existing mental health conditions. It also could impair one's cognitive and motor functions, which can increase the risk of accidents and injuries.

Employees who use marijuana recreationally may experience decreased productivity, absenteeism, and increased workplace accidents. This can be a concern for employers and the economy as a whole.

Hawaii continues to be dependent on tourism, especially from Japan. During a meeting, this past summer that the Honolulu Prosecutor put on, we heard from the Japanese tour wholesalers that if Hawaii legalizes marijuana, Japanese visitors will find other destinations to visit and stop coming to Hawaii. And Hawaii is very dependent on our visitors from Japan. This would have an enormous impact on retailers as well as the General Excise Tax – No Japanese Tourist = No Spending = Stores closing = loss of tax revenue.

Mahalo for this opportunity to testify.



Submitted Online: Sunday, February 11, 2024

TO: Senate Committee on Health & Human Services
Senator Joy San Buenaventura, Chair
Senator Henry Aquino, Vice-Chair

Senate Committee on Judiciary
Senator Karl Rhoads, Chair
Senator Mike Gabbard, Vice-Chair

FROM: Eva Andrade, President

RE: Opposition to SB3335 SD 1 Proposed Draft Relating to Cannabis

Hawaii Family Forum is a non-profit, pro-family education organization committed to preserving and strengthening families in Hawaii. As such, we have serious concerns about this bill and its ultimate ramifications on the wider community – especially concerning our keiki. Although we leave the discussion as to the regulatory functions and applicability of its passage to the experts, establishing legal recreational marijuana is a serious and dangerous policy change for our community.

Marijuana use will increase, not decrease with legalization. According to Jonathan P. Caulkins, “The Real Dangers of Marijuana,” (2019) “[o]ne could speculate that legalization might make marijuana abuse and dependence less common, because generally healthy people will start to use occasionally, and that influx could dilute the proportion who abuse or are dependent. But one could just as easily speculate that legalization will bring more marketing, more potent products (like “dabs”), or products that are more pleasant to use (like “vaping” pens), any of which could increase the risk that experimenting could progress to problematic use. This is all speculation, of course. But what can be said empirically is that, within the context of aggregate use in the United States at this time, the best available data suggest that marijuana creates abuse and dependence at higher rates than alcohol.”ⁱ

Let’s fix the vaping problem in Hawaii before we create a situation that may very well be exacerbated by legalized commercial marijuana. Despite the legislature’s diligent efforts to address the vaping epidemic, significant challenges remain. The high rates of youth in Hawai’i engaging with illegal substances, despite stricter regulations, raise critical concerns. It prompts us to question the effectiveness of these measures and whether marijuana will also attract their attention and usage. Marijuana concentrates are already being used in vaping devices and even the DEA has recognizedⁱⁱ that the marijuana used in vaping contains a higher concentration. Because marijuana is a performance-degrading drug, school-aged keiki who access it will most certainly be put at a disadvantage.

The bill will legalize edible marijuana products and that will detrimentally affect our keiki. The use of edible products is another way that our youth could access marijuana and that will be a huge unintended consequence regardless of packaging requirements. According to Smart Approaches to Marijuanaⁱⁱⁱ, youth drug use has risen in every state that has legalized recreational marijuana.^{iv} The American Academy of Pediatrics has reported that “[t]here has been a consistent increase in pediatric edible cannabis exposures over the past 5 years, with the potential for significant toxicity.”^v



Legalization and the perceived societal acceptance are detrimental to the overall safety and well-being of our keiki. The legalization of commercial marijuana will significantly influence our keiki's perception of its consumption. Family dynamics play a crucial role, acting as both safeguards and potential risks in the context of adolescent substance use. There are numerous accounts of young people accessing illegal substances through adults within their familial circles. Often, these adults facilitate easy access to marijuana ostensibly acquired for "medicinal" purposes. The shift towards legalizing recreational marijuana is likely to exacerbate this issue, further complicating the landscape of substance access and use among adolescents. By legalizing recreational marijuana, we are implicitly communicating to our youth that its use is not associated with significant risks. This action may convey a perception of safety and acceptability regarding its consumption, potentially influencing young people's attitudes towards its dangers.

Marijuana may impair judgment, motor function, and reaction time. Studies have found a direct relationship between blood THC concentration and impaired driving abilities. According to the Conference of National State Legislatures, "[t]esting for drug impairment is problematic due to the limitations of drug-detecting technology and the lack of an agreed-upon limit to determine impairment. The nationally recognized level of impairment for drunken driving is .08 g/mL blood alcohol concentration. But there is no similar national standard for drugged driving." ^{vi}

The bottom line is that by legalizing the recreational use of marijuana, we believe it will affect adolescents' use by increasing its availability through social connections, by creating a message within social norms that show marijuana use as a normal thing, and by reinforcing beliefs that marijuana use is not harmful. If marijuana possession and use is no longer a punishable offense it will be more readily available, as users of marijuana will no longer be deterred by fear of punishment. Surely Hawai'i deserves better than that!

Mahalo for the opportunity to submit testimony in opposition.

ⁱ Caulkins, J. P. (n.d.). *The Real Dangers of Marijuana*. National Affairs. Retrieved February 10, 2023, from <https://www.nationalaffairs.com/publications/detail/the-real-dangers-of-marijuana>

ⁱⁱ (2019, May 8). *Vaping and Marijuana Concentrates*. DEA.gov. Retrieved February 10, 2023, from https://www.dea.gov/sites/default/files/2019-10/VapingMarijuana_Brochure_2019_508.pdf

ⁱⁱⁱ Smart Approaches to Marijuana (n.d.). *2020 Impact Report*. Learnaboutsam.org. Retrieved February 13, 2023, from <https://learnaboutsam.org/wp-content/uploads/2020/12/2020-Impact-Report1.pdf>

^{iv} (n.d.). *SAM Frequently Asked Questions*. SAM Smart Approaches to Marijuana. Retrieved February 10, 2023, from <https://learnaboutsam.org/faq/#sam19>

^v <https://publications.aap.org/pediatrics/article/151/2/e2022057761/190427/Pediatric-Edible-Cannabis-Exposures-and-Acute?autologincheck=redirected> [accessed 02/04/24]

^{vi} National Conference of State Legislators (2022, November 11). *Drugged Driving | Marijuana-Impaired Driving*. NCSL. Retrieved February 10, 2023, from <https://www.ncsl.org/transportation/drugged-driving-marijuana-impaired-driving>

Jennifer Flanagan
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Leominster, MA 01453
j.flanagan@vicentellp.com
857-315-7366

Hawaii State Senate
Committee on Health and Human Services
Committee on Judiciary
415 S. Beretania Street
Honolulu, HI 96813

Hearing
February 13, 2024
9:00 AM
Room 016

Testimony of Jennifer Flanagan
SB3335, Relating to Cannabis - Proposed SD1

Chair San Buenaventura and Chair Rhoads,

My name is Jennifer Flanagan. I'm testifying in support of the proposed SD1, SB3335.

I am a former founding member and was the public health appointee of the Massachusetts Cannabis Control Commission. Prior to that, I served as a State Senator and a State Representative for the Commonwealth of Massachusetts.

Recently, I had the opportunity to meet a number of Hawaii legislators and staff from the State's Attorney General's office. Massachusetts served, in part, as a model for the legislation before the committees today, SB3335.

Let me start by making clear that I was highly skeptical when Massachusetts enacted its adult cannabis use legislation. I shared many of the same fears expressed recently by Honolulu's prosecutor and law enforcement officials, especially given my background in public health. However, through my involvement in our cannabis commission and as I observed our legal cannabis market unfold, I am now a firm believer in legalizing, regulating, and taxing this industry.

Massachusetts was mindful in establishing its program to avoid delays and cumbersome policies given the risk of illegal criminal cannabis proliferation. Allowing legal sales quickly was, therefore, vital to ensuring the success of our adult-use cannabis program. To that end, we launched our commission with an initial appropriation of approximately \$7.5 million and an

additional annual operating budget of \$5 million. We were able to issue licenses within 12 months starting from scratch with this approach and limited funding.

SB3335 proposes an ambitious regulatory model with funding for significant state resources, programs, and grants of over \$30 million in appropriations. While laudable, I worry the time and cost of establishing these numerous initiatives, coupled with the long delay of 18 months for the issuing of licenses, will result in unintended consequences similar to New York, Ohio, and other jurisdictions where regulatory delays allow illegal criminal cannabis operations to fill the void when consumers can't access legal cannabis.

The proposed Senate Draft (SD1) would help to mitigate this by utilizing the staff, resources and expertise of the medical cannabis office. However, I encourage legislators to consider reducing the self-imposed requirements on the State to establish the program.

I fully support SB3335 and Hawaii's vision for legalizing adult cannabis use. At the same time, I would urge the legislature to heed the cautionary tales from other jurisdictions that have created difficult-to-implement policies and programs that have led to delays and allowed illegal cannabis operations to take root.

Massachusetts has demonstrated that encouraging legal sales early is the most effective way to deter illegal activities. In addition, a nimble state regulatory program with efficient funding at the start is a prudent approach that can allow Hawaii to grow its regulatory programs once legal sales tax revenue is generated.

You might ask just how effective Massachusetts's adult-use regulations were. In 2022, Massachusetts generated \$157 million in cannabis excise tax alone, not including state sales tax, county taxes, and income taxes. In 2021, we collected roughly \$112.4 million. In 2020, the cannabis excise tax yielded \$51.7 million. This revenue is now an essential part of our state's budget and is utilized to fund the cannabis regulatory agency, social justice efforts, law enforcement, and numerous other programs.

Thank you for the opportunity to testify. I hope that Hawaii can learn from our efforts in Massachusetts. I welcome any questions or comments from Senators.

Best regards,

Jennifer Flanagan

SB-3335

Submitted on: 2/11/2024 5:33:09 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
dennis boyd miller	Individual	Support	Written Testimony Only

Comments:

non synthetically enhanced marijuana should be legal and available to every gardner to grow at home.

Centralizing power over this herb is just a way to give some large corporation cartel-like power over an herb.

Let everyone who wants to garden grow whatever plants they want to, and sell it to whomever they want to, inside the state of Hawaii.

You could criminalize the importation of recreational drugs but allow full individual growing of recreational drugs in Hawaii with certain regulations to weed out dangerous enhancements of synthetic drugs.

Legalize it, keep it local, keep it mellow, and tax it.

Dennis B Miller

Waikiki

SB-3335

Submitted on: 2/12/2024 9:01:04 AM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Victor Makekai-Scocca	Individual	Support	In Person

Comments:

LATE

Honorable Members of the Legislative Assembly,

I am here to express my strong support for the legalization of cannabis in Hawai‘i, emphasizing the profound economic benefits it can bring to our local communities and farmers. As we deliberate on this critical issue, it is crucial to consider the immense potential for economic growth and sustainability that legalized cannabis offers.

I have been involved in the cultivation of cannabis for over 20 years both on the illegal and legal markets. The opening of dispensaries on the Big Island allowed me the opportunity to bring my young growing family back home and build a solid foundation doing something I love. I was able to purchase a home and become a critical part of my community which many young families are not able to do in this difficult economy, especially here in Hawai‘i with the rising cost of living.

First and foremost, legalization would create a thriving industry that generates significant revenue streams for the state and local economies. By regulating and taxing cannabis sales, Hawai‘i can capitalize on a lucrative market that has already proven its viability in other states and countries. Tax revenues from cannabis sales can be allocated to vital public services such as education, healthcare, infrastructure development, and substance abuse prevention programs.

Furthermore, legalization would provide opportunities for small-scale farmers in Hawai‘i to diversify their crops and improve their livelihoods. Many farmers in our state are struggling to compete in traditional agricultural markets, facing challenges such as high operating costs, limited access to markets, and fluctuating commodity prices. Legalizing cannabis would enable farmers to cultivate a high-value crop with a strong demand both locally and nationally.

Moreover, the legalization of cannabis would stimulate job creation across various sectors of the economy. From cultivation and processing to retail and distribution, the cannabis industry offers employment opportunities at every stage of the supply chain. By fostering entrepreneurship and innovation, legalization would empower local businesses to thrive and expand, contributing to overall economic resilience and prosperity.

In addition to its direct economic impacts, legalized cannabis can also have positive ripple effects on related industries such as tourism and hospitality. As Hawai'i becomes known as a destination for cannabis enthusiasts, it can attract a new wave of visitors who are eager to explore our beautiful islands and experience our unique culture. This influx of tourism dollars can bolster local businesses, hotels, restaurants, and recreational activities, creating a multiplier effect that benefits the entire community.

Furthermore, legalization would help alleviate the burden on law enforcement and the criminal justice system, allowing resources to be reallocated towards more pressing priorities. By ending the prohibition of cannabis, Hawai'i can redirect taxpayer dollars away from costly enforcement efforts and towards initiatives that promote public safety and social equity.

In conclusion, the legalization of cannabis in Hawai'i represents a transformative opportunity to stimulate economic growth, empower local farmers, and enhance the well-being of our communities. By embracing this progressive policy change, we can position Hawai'i as a leader in sustainable agriculture, innovation, and economic development. I urge you to support legislation that paves the way for a brighter and more prosperous future for all residents of our beloved state.

Thank you for your attention to this important matter.

Testimony
IN SUPPORT
SB3335, Relating to Cannabis - Proposed SD1

Aloha Chair San Buenaventura and Rhoads:

My name is Justen Paiva, and I am a lifelong resident of the Big Island. Today, I address you with a narrative that underscores the imperative nature of supporting Hawaii's SB NO 3335, a pioneering cannabis legalization bill. Beyond mere legislation, this endeavor embodies principles of compassion, relief, and the pursuit of enhanced quality of life.

Allow me to share the poignant journey of a dear friend who faced the harrowing diagnosis of cancer. Enduring excruciating pain, relentless nausea, and the adverse effects of conventional medications, she sought solace in cannabis. Through our collaborative efforts, employing products like Full Extract Cannabis Oil, lozenges (now Gummies), and vaporization cartridges, we tailored a regimen to alleviate her suffering and augment her ongoing treatment.

Remarkably, her life expectancy surpassed initial prognoses. Initially given a mere eight months, she defied odds, and today, she remains a cherished member of our Ohana. The additional years she has been granted are adorned with invaluable moments of joy, laughter, and profound connections.

Now, we stand at the precipice of profound change. SB NO 3335 is not merely a legislative endeavor; it is a lifeline for those ensnared by pain and affliction. The benefit of the power of this plant should be shared with every resident that may benefit from its medicinal uses and not just for the few medical patients that can, barely at times, afford the annual cost of maintaining a Hawaii Medical Cannabis card. Through cannabis legalization, we unlock avenues of hope, healing, and a more promising future.

The potential benefits of cannabis legalization in Hawaii extend far beyond its medicinal applications, encompassing social and economic advantages accessible to all residents of the state. Recognizing the power of this plant, it's crucial to consider the broad spectrum of individuals who could benefit from its therapeutic properties. With over 80% of Hawaii voters supporting cannabis legalization, SB3335 aims to regulate and tax the industry, addressing the black market. This measure offers the state an opportunity to generate significant tax revenue, estimated at over \$30 million annually, potentially reaching \$80 million as the industry matures. Additionally, it includes enforcement measures to curb illicit sales, safeguarding Hawaii's youth and the public. While the bill requests \$38 million for program establishment, precedents in Massachusetts and Alaska suggest similar initiatives can be achieved at a fraction of the cost, aligning with Hawaii's budget constraints. SB3335, by expanding access

to clean, tested cannabis products and directing tax revenues towards social challenges, presents a path to a more equitable and prosperous future for all residents of Hawaii.

I implore each of you to join us in championing SB NO 3335. Let us serve as beacons of compassion, empathy, and the holistic well-being of our community. Together, we possess the power to effect transformative change, transcending the confines of legislation to bestow upon individuals the gift of a brighter tomorrow.

Mahalo!

SB-3335

Submitted on: 2/12/2024 10:06:01 AM

Testimony for HHS on 2/13/2024 9:00:00 AM

LATE

Submitted By	Organization	Testifier Position	Testify
Mary Whispering Wind	Individual	Support	Written Testimony Only

Comments:

Aloha Senators,

Cannabis is, far and away, the largest grossing agricultural product in Hawaii, so It would be a good idea to regulate it.

Besides the advantages to tax revenue, employee safety, insurance, and benefits, it would also cut court and police costs.

Please, pass SB3335 to legalize cannabis, and end the long staling prejudice and discrimination against citizens that grow and/or consume an herb that is far safer than beer.

Mahalo,

Mary Whispering Wind

COUNTY COUNCIL

Mel Rapozo, Chair
KipuKai Kualii, Vice Chair
Addison Bulosan
Bernard P. Carvalho, Jr.
Felicia Cowden
Bill DeCosta
Ross Kagawa



OFFICE OF THE COUNTY CLERK

Jade K. Fountain-Tanigawa, County Clerk
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Telephone: (808) 241-4188
Facsimile: (808) 241-6349
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Council Services Division
4396 Rice Street, Suite 209
Lihu'e, Kaua'i, Hawaii 96766

February 12, 2024



**TESTIMONY OF ROSS KAGAWA
COUNCILMEMBER, KAUA'I COUNTY COUNCIL
ON
SB 3335, RELATING TO CANNABIS
Senate Committee on Health and Human Services
Senate Committee on Judiciary
Tuesday, February 13, 2024
9:00 a.m.
Conference Room 016
Via Videoconference**

Dear Chair San Buenaventura, Chair Rhoads, and Members of the Committees:

Thank you for this opportunity to provide testimony in SUPPORT of SB 3335, Relating to Cannabis. My testimony is submitted in my individual capacity as Council Chair of the Kaua'i County Council.

I wholeheartedly support SB 3335, which would establish the Hawai'i cannabis authority, cannabis control board, and cannabis control implementation advisory committee; establish laws for the cultivation, manufacture, sale, and personal adult use of cannabis; amend or repeal existing laws relating to cannabis, including hemp; establish taxes for adult-use cannabis sales; legalize the possession of certain amounts of cannabis for individuals twenty-one years of age and over beginning January 1, 2026; and transfer the personnel and assets of the department of health and assets of the department of agriculture to the Hawaii cannabis authority.

SB 3335 is a tool that would benefit the counties in increasing revenue from the established taxes and will also create more business opportunities for local businesses. Additionally, local law enforcement agencies would be able to focus on other important issues.

Thank you again for this opportunity to provide testimony in support of SB 3335. Should you have any questions, please feel free to contact me or Council Services Staff at (808) 241-4188 or via email to cokcouncil@kauai.gov.

Sincerely,

ROSS KAGAWA
Councilmember, Kaua'i County Council

AAO:mn

SB-3335

Submitted on: 2/11/2024 7:43:32 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Larry Smith	Individual	Support	Written Testimony Only

Comments:

TO: COMMITTEE ON HEALTH AND HUMAN SERVICES

Senator Joy A. San Buenaventura, Chair

Senator Henry J.C. Aquino, Vice Chair

COMMITTEE ON JUDICARY

Senator Karl Rhoads, Chair

Senator Mike Gabbard, Vice Chair

CONCERNING: SB 3335 Relating to Cannabis

POSITION: STRONG SUPPORT

Aloha Chair San Buenaventura, Vice Chair Aquino, Chair Rhoads, Vice Chair Gabbard, and Members of the Committees:

I am writing to urge your support for SB 3335, a critical piece of legislation which establishes the Hawaii Cannabis Authority and Cannabis Control Board legalizes personal adult-use of cannabis, imposes taxes on sales, and authorizes actions outlined by the Attorney General to implement the adult-use cannabis program.

The legalization of personal adult-use cannabis is overwhelmingly supported by a majority of Hawaii residents, with polls indicating up to 70% in favor. Additionally, 26 states have already passed laws to legalize cannabis, either through voter initiatives or legislative action. It is clear

that legalization aligns with the will of the voters in Hawaii and is a trend supported by the broader nation.

SB 3335 provides for a regulated market that ensures control over cannabis access and product safety and strength. Regulation is urgently needed as illegal cannabis use already exists in Hawaii without any oversight. Polls indicate that approximately 15% of Hawaii residents, roughly 200,000, use cannabis, far surpassing the number of participants in the Hawaii Medical Cannabis Program. Without regulation, there is no safety net to ensure these residents know what they are purchasing.

Opponents of legalization often cite concerns about an increase in the black market and use by minors. However, it is crucial to recognize that illegal use already thrives in Hawaii, supported by a black market with no controls over product safety and access by minors. Furthermore, the argument against regulating cannabis to address concerns about increased potency is paradoxical.

Addressing use by minors is a significant concern, but evidence suggests that regulated cannabis programs are more effective in curbing adolescent usage compared to the unregulated black market. The Center for Disease Control's analysis shows a decline in teen cannabis use from 43% in 1995 to 39% in 2015, coinciding with the implementation of regulated cannabis programs in various states.

Claims that legalizing cannabis would harm Japanese tourism lack evidence, as there is no substantial impact on tourism in the 26 states where cannabis is legalized. It is essential that the Legislature prioritizes the will of Hawaii constituents who support legalization over unsubstantiated concerns about tourism. For instance, Nevada legalized recreational cannabis in 2017 without significant adverse effects on tourism.

It is time for Hawaii to acknowledge that adult cannabis use has existed for decades without regulation. Implementing regulations will create a safer marketplace while addressing the concerns surrounding illegal use and unregulated products. I urge you to support SB 3335 and play a pivotal role in advancing sensible cannabis policy in Hawaii.

Larry Smith

House District 27

LATE

SB-3335

Submitted on: 2/12/2024 3:23:46 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Steve allen	Individual	Support	Written Testimony Only

Comments:

In partaking in multiple meetings of the Cannabis Task Force (ACT 169 SLH 2021 DUAL USE) the negative and positive was discussed. My personal interpretation was how the implementation was to take place. It's my hope that with years of other states gained knowledge from implementation, this legislative body can make a progressive move in adapting active policy and not lip service?

The intelligent, fair, allowance of multiple, smaller growers and facilities is pursued. I would also hope from the business perspective the horizontal and not vertical use of 'Best Business Practices' will be considered. Small business should not be placed in the position to be all things, Development, growth, sales, distribution, packaging. Be thorough please.

Barbara L. Franklin, Esq.,
Attorney at Law

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February 9, 2024

TESTIMONY
SB 3335 SD1
February 13, 2024
9:00 a.m.

COMMITTEE ON HEALTH AND HUMAN
SERVICES

Senator Joy A. San Buenaventura, Chair
Senator Henry J.C. Aquino, Vice Chair

COMMITTEE ON JUDICIARY

Senator Karl Rhoads, Chair
Senator Mike Gabbard, Vice Chair

Re: I am testifying in support of SB 3335

Dear Chair San Buenaventura, Vice Chair Aquino, Chair Rhoads, Vice Chair Gabbard, and Members of the Committees:

I'm testifying with comments and in support of SB 3335 SD1. Along with 86% of those polled in POLL LINK of Hawai'i, Hawai'i should join 23 states in legalizing cannabis. Any legalization efforts should prioritize racial justice and equity in reform efforts in order to address the harms that cannabis laws have inflicted upon Hawaiians and communities of color.

SB 3335, Relating to Cannabis, needs to reinvest any cannabis revenue into community safety, not in law enforcement. To undo the harms of the so-called "war on drugs," Hawaii should invest cannabis tax revenues into proven solutions that help build safer communities such as programs that focus on harm reduction, crisis outreach, food banks, mental health support, homeless outreach, outpatient treatment, and housing assistance.

SB 3335 should ensure local ownership. People who have been harmed by the enforcement of cannabis must have that harm remedied. SB 3335 should remedy the harm caused by forgiving outstanding debts for cannabis fines and fees. People with past

SB 3335
February 9, 2024
Page 2 of 2

arrest and conviction records for cannabis related offenses should have their records expunged and be able to fully re-integrate into society by accessing the same rights and services as anybody else.

Mahalo for your thoughtful consideration of this important and ground-breaking bill. It's about time!

Sincerely,

A handwritten signature in cursive script that reads "Barbara L. Franklin". The signature is fluid and elegant, with the first name being the most prominent.

Barbara L. Franklin

SB-3335

Submitted on: 2/12/2024 10:44:43 AM

Testimony for HHS on 2/13/2024 9:00:00 AM



Submitted By	Organization	Testifier Position	Testify
Rachel Lawrence	Individual	Support	Written Testimony Only

Comments:

Aloha Senator Buenaventura, Senator Aquino, Senator Rhoads, Senator Gabbard, the Committee on Health and Human Services, and the Committee on Judiciary,

My name is Rachel Lawrence and I am a resident on the island of Kaua'i. I currently work full-time in the medical cannabis dispensaries in Kapa'a and Koloa.

I am writing in support of this bill because I know firsthand how not only beneficial but also necessary cannabis is to members of this community. I see and speak with patients who benefit from using this plant as medicine, daily. I hear many stories from people who have various ailments, from cancer to chronic pain to having just begun recovery from serious injuries or surgeries. I also have personal experience benefiting from the use of cannabis relating to the treatment of PTSD and chronic pain.

As a nation, we are collectively experiencing an epidemic with opioids. A lot of the people I have spoken with throughout my time working in the medical cannabis industry recount their personal stories of getting away from harder and more dangerous drugs with the assistance of cannabis. They are grateful for the option to

treat their pain with this safer, less harmful, and sometimes more effective substance.

Not only is this a good option for people medically, but passing this bill and opening it up for adult recreational use would be a huge contributor to the state tax revenue.

Every day I have to turn away many people. Some of whom are locals who don't have the means or capacity to go through the process of getting a medical card or they are apprehensive about getting their card due to societal stigma & the continued criminalization of cannabis; however, most of whom I turn away are visitors. We all know that our economy is reliant on tourism so, this is a guaranteed way that those visitors could contribute to the community through their taxes on cannabis.

When I turn these interested individuals away, I feel as though I am turning away resources that could be utilized to help with education, infrastructure, and the overall betterment of our community.

I love this island and I want to see it benefit more from tourism in a healthy way. I recognize the potential for this to be a mutually beneficial avenue for fostering community and offering assistance to those in need.

I genuinely appreciate you all taking the time to listen to my testimony on this next step towards providing helpful care, healthy options, and releasing stigmas for a safer and more inclusive future.

Mahalo,

Rachel Lawrence

SB-3335

Submitted on: 2/8/2024 9:58:11 AM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Regina Gregory	Individual	Support	Written Testimony Only

Comments:

Legalizing cannabis will reduce the demand for much more harmful, addictive, violence-inducing drugs that we see today. Also lowers law enforcement and incarceration costs and is in fact a source of revenue.

Michael Golojuch, Sr.
Kapolei, HI 96707

February 6, 2024

Senator Joy A. San Buenabentura, Chair
Senator Henry J.C. Aquino, Vice Chairs
Committee on Health and Human Services

Senator Karl Rhoads, Chair
Senator Mike Gabbard, Vice Chair
Committee on Judiciary

Dear Committee Chairs, Vice Chairs and Committee Members,

I had submitted testimony in support of SB3335. I was advised that there was a discrepancy on the original hearing notice; the SD1 version was not the version uploaded. I was asked to re-submit my testimony.

As previously stated, I am in support. I understand the need to tax any adult-use of cannabis sales. I just hope that taxes will be in-line so adults will buy from the authorized vendors instead of purchasing from unauthorized dealers.

Please pass this bill. Thank you.

Michael Golojuch, Sr.

SB-3335

Submitted on: 2/11/2024 6:09:31 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Albert E Beeman	Individual	Support	Written Testimony Only

Comments:

Aloha Sen. Carl Rhodes and Sen. Joy San Buenaventura and members of the Joint Committee:

I live near the Punalu'u beach on the Big Island. I don't smoke marijuana because I don't have to get stoned, I need to do is breathe while walking down the beach from one end to the other. This is pretty much true at any beach in the state of Hawaii

it's time to end this anachronistic hypocrisy in Hawaii and legalize recreational marijuana because a huge percentage of the state population is already smoking and eating it anyway!

To put this into perspective, in the United States of America 24 states have already legalized recreational marijuana along with Washington DC and Guam. These states are:

Alaska Arizona California Colorado Connecticut Delaware Illinois Maine Maryland Massachusetts Michigan Montana Nevada New Jersey New York Oregon Rhode Island South Dakota Vermont Virginia Washington

Based on the 2020 census this means that 183.6 million people currently live in states where it is legal to possess recreational marijuana.

I respectfully observe that it's time for the Hawaii Legislature to wake up and smell the Pakalolo!

SB-3335

Submitted on: 2/8/2024 9:33:51 AM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Joey Brown	Individual	Support	Written Testimony Only

Comments:

Aloha Chairs San Buenaventura and Rhoads, Vice Chairs Aquino and Gabbard, and members of the committees,

I write in **STRONG SUPPORT** of this measure. It's long overdue for Hawai'i to legalize recreational cannabis, and the Attorney General has put forth a very sensible and reasonable regulatory framework to limit any potential risks of youth possession/use.

It's shameful that the prosecutor offices and law enforcement are using baseless fear mongering in their efforts to continue the failed war on drugs. If prohibition worked, the U.S. would have solved its addiction crisis decades ago and would not have repealed the prohibition of alcohol, but we know for a fact that illicit substances remain readily available, such that fentanyl is a leading cause of death for many Americans. Besides the more general failure of the war on drugs, cannabis is no where near the level of danger of drugs like opioids or methamphetamine. Law enforcement talks a lot about the potential risks without providing any evidence to support their misguided claims. Twenty-Four states and counting have now legalized recreational cannabis and are not turning back. Hawai'i should look to those states as examples when considering this legislation instead of the unfounded conspiracy theories from the opposition. Furthermore, they have failed to link any violent crimes or mental health crises locally to cannabis use. And as for claims that traffic accidents and fatalities would rise, this bill does not legalize driving while intoxicated, and it would be treated no differently than driving under the influence of alcohol.

The State could also benefit from increased tax revenue from legalizing recreational cannabis. In 2022, legalization states collectively generated more than \$3.77 billion in cannabis tax revenue from adult-use sales. The Hawai'i Cannabis Industry Association has estimated that legalization will create 3,375 new jobs and will yield nearly \$82 million in annual tax revenue. That additional money going towards addiction treatment, education, and prevention would free up general funds to use for other priorities like funding our public schools and affordable housing. Rather than spending money on enforcing prohibition and incarceration, the State could see a net economic benefit. Indeed, as our economy remains dependent on tourism, we could see increased travel by those who want to partake in cannabis while on a relaxing vacation in Hawai'i. Some opponents have pointed to Japan's strict prohibition on cannabis and try to make the argument that legalization would risk a decrease in Japanese visitors. I posit however that we might actually see an increase in Japanese travelers who want to try cannabis where its legal and regulated. Anecdotal, we all know about Hawaii's reputation for a popular "Maui Wowie"

strain of cannabis, and legalizaion would provide the State an opportunity for brand marketing similar to Kona coffee.

I sincerely hope the Legislature seriously thinks through the various benefits of legalization and considers the lack of evidence for the claims made by opponents. Let's move into the twenty-first century with the other 24 states and legalize recreational cannabis.

Mahalo for your consideration.

SB-3335

Submitted on: 2/9/2024 10:42:15 AM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Grace Parubrub	Individual	Support	Written Testimony Only

Comments:

I am in favor of this bill.

SB-3335

Submitted on: 2/4/2024 9:01:46 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Tamara Paltin	Individual	Support	Written Testimony Only

Comments:

I am in strong support of SB3335

SB-3335

Submitted on: 2/8/2024 1:00:20 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Anthony Grise	Individual	Support	Written Testimony Only

Comments:

I am writing to you in support of this measure. We have many, many examples of how these things have rolled out in 26 (more than half) of all US states regarding legalization. We shouldn't be wasting our time fear mongering the public about tropes we know are no longer true. We need to make use of revenue from cannabis users, who are going to use the drug regardless of whether or not it's available to them legally, and invest back into our communities. Mahalo for your time.

LATE

SB-3335

Submitted on: 2/12/2024 10:28:21 AM
Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Brian Murphy	Individual	Support	Written Testimony Only

Comments:

Aloha Senators,

Cannabis is, far and away, the largest grossing agricultural product in Hawaii, so It would be a good idea to regulate it.

Legalizing cannabis would have advantages to tax revenue, employee safety, insurance, and benefits, and support vital medical research, and it would also cut court and police costs.

Please, pass SB3335 to legalize cannabis, and end the long stating prejudice and discrimination against citizens that grow and/or consume an herb that is far safer than beer, in fact, it is a proven medicine to treat many illnesses.

Mahalo,

Brian Murphy

SB-3335

Submitted on: 2/10/2024 10:53:18 AM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Michael Maddux	Individual	Support	Written Testimony Only

Comments:

Aloha, my name is Mike Maddux and I live in Hawi. I'm testifying on SB 3335. I join along with 86% polled in POLL LINK of Hawai'i, Hawai'i should join 23 states in legalizing cannabis. Any legalization efforts should prioritize racial justice and equity in reform efforts in order to address the harms that cannabis laws have inflicted upon Native Hawaiians and communities of color.

SB 3335, Relating to Cannabis, needs to reinvest any cannabis revenue into community safety, not in law enforcement. We should invest cannabis tax revenues into proven solutions that help build safer communities such as programs that focus on harm reduction, crisis outreach, food banks, mental health support, homeless outreach, outpatient treatment, and housing assistance.

SB 3335 should ensure local ownership. People who have been harmed by the enforcement of cannabis must have a place in the burgeoning marketplace created by legalization.

SB 3335 should remedy the harm caused by the failed War on Drugs. Any outstanding debts for cannabis fines and fees should be forgiven. People with past arrest and conviction records for cannabis related offenses should have their records expunged and be able to fully re-integrate into society by accessing the same rights and services as anybody else.

Mahalo for your time and consideration.

SB-3335

Submitted on: 2/6/2024 8:37:08 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Thomas Mullen	Individual	Support	Written Testimony Only

Comments:

I am in support of this bill. As a retired first responder and survivor of a traumatic brain injury and PTSD occurring in the line of duty, I can directly attest to the efficacy of medicinal cannabis.

SB-3335

Submitted on: 2/10/2024 12:34:13 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Gunther M. Kanehailua Jr.	Individual	Support	Written Testimony Only

Comments:

I am in full support of the legalization and use of cannabis. For both medicinal and recreation. If a human being has the right to consume alcohol on a daily basis I see no reason why they can't be able to use cannabis. A drug that from what I have seen throughout my existence as being a lot less problematic.a person either gets hungry,happy or sleepy.Which I'm almost certain a good amount of us have witnessed personally at one point and time in our lives

SB-3335

Submitted on: 2/9/2024 1:31:27 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Evern Williams	Individual	Support	Written Testimony Only

Comments:

I support SB 3335 to legalize cannabis in Hawaii. There are no credible statistics that legalization has caused more problems. Once this is done, Hawaii will be able to address the harm that cannabis laws have caused Native Hawaiians and other communities of color.

SB-3335

Submitted on: 2/9/2024 9:08:23 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Mamiko Carroll	Individual	Support	Written Testimony Only

Comments:

Chairs, Vice Chairs, and members of the committees,

I am writing in SUPPORT, WITH COMMENTS, on SB 3335, relating to cannabis. This is an opportunity to address the harms that cannabis laws have inflicted on Native Hawaiians and communities of color.

SB 3335 should remedy harm caused by those laws. Any outstanding debts for cannabis fines and fees should be forgiven. While fines are financial punishment for an offense imposed at sentencing, fees are intended for revenue collection. SB 3335 should eliminate any fees in marijuana enforcement, and ensure that any fines are equitable and proportionate according to this individual's income and severity of the offense. After legalization, no-one should remain incarcerated for prior cannabis offenses. Legalization must include processes for clemency, resentencing, and expungement that are speedy, state-initiated, and free of cost. People with a cannabis conviction on their record should be able to fully re-integrate into society by accessing the same rights and services as anybody else.

Thank you for the opportunity to testify on SB 3335.

Mamiko Carroll
Senate District 23 / House District 48

SB-3335

Submitted on: 2/9/2024 9:17:44 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Michael Olderr	Individual	Support	Written Testimony Only

Comments:

I support this bill with a proposed amendment that those previously arrested and charged with possession of Marijuana be pardoned and have their records expunged.

SB-3335

Submitted on: 2/9/2024 7:27:32 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Dave Kisor	Individual	Support	Written Testimony Only

Comments:

Anyway you paint it, it will be smoked and cooked into brownies. You may as well legalize it. The war on drugs failed, oas evidenced by all of the crack heads in our housing association.

SB-3335

Submitted on: 2/10/2024 1:02:38 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Zoli Wall	Individual	Support	Written Testimony Only

Comments:

Aloha,

I am submitting this testimony in support of SB3335 and the legalization of recreational cannabis. Legalized cannabis could provide a lot of tax revenue for the state that would be very beneficial if appropriately allotted. I believe it is important for tax revenue derived from recreational substances to be used in service of the communities who have been most impacted by the harmful effects of prohibition. Hawai‘i communities are drastically underserved when it comes to drug and alcohol rehabilitation programs and I think it is the ethical thing to do to put tax revenue from recreational substances towards creating and furthering state-wide programs for drug and alcohol treatment. For example, on Kaua‘i where I live, we have no detox or treatment centers for people trying to get sober from drugs and alcohol. Someone needs to either be in such bad health that they require hospitalization to receive a medically supervised detox or they have to go to Oahu, which is incredibly cost prohibitive. Because of this we see very high incidences of relapse and our communities are full of people who are suffering from these issues. Cannabis has been shown to be one of the safest recreational substances and legalizing it would give a lot of people an outlet where they might otherwise turn to alcohol or heavier drugs. However, if tax revenue is going to be generated from recreational substances, it should be put towards helping people who are impacted by substance abuse.

The criminalization of cannabis has unfairly impacted our communities as well. Most people with legal charges from cannabis are nonviolent offenders and persecuting them takes resources away from preventing and persecuting much worse crimes. If this bill is passed it should be a top priority to release and dismiss charges for anyone with a cannabis related nonviolent offense.

Legal cannabis also creates a lot of economic opportunities for the state. I believe it is important for local people to be prioritized in the allocation of those opportunities. Small businesses and local farmers should be given the highest priority instead of selling out land and natural resources to large corporations and out of state investors. The money from sales of recreational cannabis should be kept within the state instead of funneled out. Hawai‘i needs to end its economic reliance on tourism and recreational cannabis could be a great industry to help us on that path.

Many other states have already legalized recreational cannabis and there are a lot of examples to look to from those states about how to structure the legislation around it. I urge our lawmakers to keep Hawai‘i’s most underserved communities as their top priority when creating this

legislation. Legalization of cannabis should be an easy yes decision at this point, but the bigger issue in my opinion is how the revenue from taxation is used and how the legislation is structured to serve our communities or not. I am in full support of this bill passing and I hope that the Hawai'i Cannabis Authority takes these issues to heart in the development of further legislation.

Mahalo,

Zoli Wall

SB-3335

Submitted on: 2/9/2024 7:12:16 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Elizabeth Winternitz	Individual	Support	Written Testimony Only

Comments:

Aloha, my name is Elizabeth Winternitz, and I live in Kula, Maui. I'm testifying with comments/in support on SB 3335. I join along with 86% polled in POLL LINK of Hawai'i, Hawai'i should join 23 states in legalizing cannabis. Any legalization efforts should prioritize racial justice and equity in reform efforts in order to address the harms that cannabis laws have inflicted upon Native Hawaiians and communities of color.

SB 3335, Relating to Cannabis, needs to reinvest any cannabis revenue into community safety, not in law enforcement. We should invest cannabis tax revenues into proven solutions that help build safer communities such as programs that focus on harm reduction, crisis outreach, food banks, mental health support, homeless outreach, outpatient treatment, and housing assistance.

SB 3335 should ensure local ownership. People who have been harmed by the enforcement of cannabis must have a place in the burgeoning marketplace created by legalization.

SB 3335 should remedy the harm caused by the failed War on Drugs. Any outstanding debts for cannabis fines and fees should be forgiven. People with past arrest and conviction records for cannabis related offenses should have their records expunged and be able to fully re-integrate into society by accessing the same rights and services as anybody else.

Mahalo for your time and consideration. ”

SB-3335

Submitted on: 2/10/2024 12:58:12 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Abigail Naaykens	Individual	Support	Written Testimony Only

Comments:

Aloha Senator San Buenaventura, Senator Aquino, Senator Rhoads, Senator Gabbard, the Committee on Health & Human Services, and the Committee on Judiciary,

My name is Abigail Naaykens and I am a resident on the island of Kaua‘i. I am also a Victim Advocate for victims of violent crimes on Kaua‘i island and I am currently working on my Masters in Social Work at the University of Hawai‘i at Mānoa Thompson School of Social Work. I strongly support Senate Bill 3335 relating to cannabis and provide the following testimony to back my support of this bill.

As a Victim Advocate and Social Worker, I know how important our criminal justice system is for maintaining the peace in our community and for working toward the public health and safety of all people. However, it seems that criminalization for use of cannabis takes an unnecessary toll on the law enforcement and judicial system in our state.

In 2022 in the State of Hawai‘i, there were reportedly 252 arrests for the possession of marijuana and 13 arrests for the sale of marijuana, amounting to approximately 20% of drug-related arrests in the state that year ([The NORML Foundation](#)). Meanwhile, an estimated 1 in 3 women and 1 in 4 men in Hawai‘i experience sexual violence, physical violence, and/or stalking by an intimate partner in their lifetime ([CDC, 2017](#)). However, the vast majority of violent offenders will not go to jail or prison for the crimes they have committed ([RAINN, 2024](#)).

In addition to providing a plethora of benefits for the Hawai‘i community that I have not discussed in this testimony, such as taxing the sale of cannabis to support the infrastrure of Hawai‘i schools, roads, and public health systems, this bill may allow for the allocation of resources needed to improve upon the criminal justice system as it pertains to fighting violent crime.

Mahalo for considering my testimony in support of SB3335.

Sincerely,

Abigail Naaykens

SB-3335

Submitted on: 2/10/2024 10:27:23 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
David Pullman	Individual	Support	Written Testimony Only

Comments:

Aloha Dear Legislators,

I am almost embarassed to have to be writing to you in support of a bill to legalize marijuana in 2024. Other comparable states have long since done so and Hawaii should have done so decades ago. Not that legalization of marijuana, a no-brainer, should be a partisan issue, but Hawaii is the ONLY blue state that hasn't legalized it and in failing to yet do so, Hawaii it is behind such forward-thinking states as Missouri, Montana, Alaska, and Arizona, This year, the 24 states with recreational marijuana will be joined by the likes of Florida, North Dakota, Nebraska, Wisconsin, and New Hampshire. Will Hawaii be the very last state to come to it's senses?

The desperate squeals of the police chiefs and other dinosaurs claiming that legalizing marijuana will kill people are belied by the evidence in the 24 states as well as countries around the world, such as Canada, Portugal, Thailand, Mexico, Georgia, Uruguay, etc.

The criminalization of marijuana ruins lives. Marijuana is far safer than alcohol or cigarettes which are legal.

You should amend this bill to have it take effect in 2025, not 2026. If you pass the law in 2024 and don't let it go into effect until 2026, there will be a lot of confusion in the interim period. People will hear that marijuana has been legalized and then be very surprised to find themselves jailed and fined for possessing this plant.

Please catch Hawaii up to the rest of the modern world and pass this bill to legalize marijuana.

Thank you!

SB-3335

Submitted on: 2/10/2024 3:10:16 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Tadia Rice	Individual	Support	Written Testimony Only

Comments:

Aloha,

My name is Muhtadia Rice and I live in Kailua. I'm testifying in **SUPPORT of SB 3335**. I join along with 86% polled in POLL LINK of Hawai'i, Hawai'i should join 23 states in legalizing cannabis. Any legalization efforts should prioritize racial justice and equity in reform efforts in order to address the harms that cannabis laws have inflicted upon Native Hawaiians and communities of color.

SB 3335, Relating to Cannabis, needs to reinvest any cannabis revenue into community safety, not in law enforcement. We should invest cannabis tax revenues into proven solutions that help build safer communities such as programs that focus on harm reduction, crisis outreach, food banks, mental health support, homeless outreach, outpatient treatment, and housing assistance.

SB 3335 should ensure local ownership. People who have been harmed by the enforcement of cannabis must have a place in the burgeoning marketplace created by legalization.

SB 3335 should remedy the harm caused by the failed War on Drugs. Any outstanding debts for cannabis fines and fees should be forgiven. People with past arrest and conviction records for cannabis related offenses should have their records expunged and be able to fully re-integrate into society by accessing the same rights and services as anybody else.

Mahalo for your time and consideration.

SB-3335

Submitted on: 2/10/2024 5:10:50 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Charles-Michael victorino	Individual	Support	Written Testimony Only

Comments:

Aloha,

I am writing in support of SB3335. It is time that recreational cannabis is legalized in Hawaii. Most dangers that are talked about in opposition of this bill are either already illegal acts or from the black market. Recreational cannabis is no more dangerous than alcohol and it's medical benefits are more widely available to be used by those who can't afford the fees associated with obtaining a medical cannabis card

SB-3335

Submitted on: 2/11/2024 11:29:57 AM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Shannon Rudolph	Individual	Support	Written Testimony Only

Comments:

Strongly Support.

We have lost soooo DAMN much money on this stupid issue!

We have lost billions of tax dollars because legislators have drug their feet for so long!

The average resident is completely disgusted by the lack of action by the legislature; we could have fixed so many problems with that money!

Sugar is the gateway drug- if you're really concerned about people's health - along with poverty & lack of housing.

SB-3335

Submitted on: 2/11/2024 9:59:21 AM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Nanea Lo	Individual	Support	Written Testimony Only

Comments:

Hello,

My name is Nanea Lo. I'm born and raised in the Hawaiian Kingdom. I live in Mō'ili'ili. I'm testifying [with comments/in support] on SB 3335. I join along with 86% polled in POLL LINK of Hawai'i, Hawai'i should join 23 states in legalizing cannabis. Any legalization efforts should prioritize racial justice and equity in reform efforts in order to address the harms that cannabis laws have inflicted upon Native Hawaiians and communities of color.

SB 3335, Relating to Cannabis, needs to reinvest any cannabis revenue into community safety, not in law enforcement. We should invest cannabis tax revenues into proven solutions that help build safer communities such as programs that focus on harm reduction, crisis outreach, food banks, mental health support, homeless outreach, outpatient treatment, and housing assistance.

SB 3335 should ensure local ownership. People who have been harmed by the enforcement of cannabis must have a place in the burgeoning marketplace created by legalization.

SB 3335 should remedy the harm caused by the failed War on Drugs. Any outstanding debts for cannabis fines and fees should be forgiven. People with past arrest and conviction records for cannabis related offenses should have their records expunged and be able to fully re-integrate into society by accessing the same rights and services as anybody else.

me ke aloha 'āina,
Nanea Lo, Mō'ili'ili, O'ahu

SB-3335

Submitted on: 2/11/2024 11:38:10 AM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Jessica Kuzmier	Individual	Support	Written Testimony Only

Comments:

Please support SB3335.

I support this bill and feel that marijuana is no more dangerous than many of the drugs that are legal now such as alcohol and tobacco.

I feel that having it illegal has only made things worse more difficult for industrial hemp growers, people who are looking to cultivate a more sustainable crop for industrial and agricultural uses.

As it will be regulated, I believe it should be no less prohibited than alcohol or tobacco. Mahalo.

SB-3335

Submitted on: 2/11/2024 8:59:24 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Lisa Seikai Darcy	Individual	Support	Written Testimony Only

Comments:

“Aloha, my name is Lisa Darcy and I live in Kula, Maui. I’m testifying with comments/in support on SB 3335. I have worked with those living and coping with mental health, addiction, and low income needs for three decades. I join along with 86% polled in POLL LINK of Hawai’i, Hawai’i should join 23 states in legalizing cannabis. Any legalization efforts should prioritize racial justice and equity in reform efforts in order to address the harms that cannabis laws have inflicted upon Native Hawaiians and communities of color.

SB 3335, Relating to Cannabis, needs to reinvest any cannabis revenue into community safety, not in law enforcement. People want recovery and our current agencies do not meet their needs. We need more and diverse ways to enter and stay in treatment. We should invest cannabis tax revenues into proven solutions that help build safer communities such as programs that focus on harm reduction, crisis outreach, food banks, mental health support, homeless outreach, outpatient treatment, and housing assistance.

SB 3335 should ensure local ownership. People who have been harmed by the enforcement of cannabis must have a place in the burgeoning marketplace created by legalization.

SB 3335 should remedy the harm caused by the failed War on Drugs. Any outstanding debts for cannabis fines and fees should be forgiven. People with past arrest and conviction records for cannabis related offenses should have their records expunged and be able to fully re-integrate into society by accessing the same rights and services as anybody else.

Mahalo for your time and consideration. ”

SB-3335

Submitted on: 2/12/2024 2:46:04 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Jennifer Brown	Individual	Support	In Person

Comments:

We support this bill with amendments that would include an approach that is not overly focused on law enforcement and re-criminalization but instead focuses on education, reinvesting in communities, and reparative justice. Additionally, we would urge that the bill be amended to allow for an automated expungement and resentencing process for those who have cannabis arrests, charges, and convictions.

Jennifer Brown, Associate Director Hawai'i Innocence Project and Beyond Guilt Hawai'i

SB-3335

Submitted on: 2/11/2024 11:02:04 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Drew Daniels	Individual	Support	In Person

Comments:

Aloha members of the committee. Mahalo for hearing my testimony.

My name is Drew Daniels, I live on the east side of Hawaii Island and for the past 3 ½ years I have worked for one of the 8 current medical licensees. For over 25 years, I've cultivated a deep connection with this plant, both personally and as a source of work. When my daughter was born in 2016, I no longer felt the reward was worth the risk. In 2020, I was offered the opportunity to work at Big Island Grown and regained the empowerment to combine my passion for this plant with my professional expertise, within a legal framework.

Over the past 3 ½ years I've traveled for industry events and talked to people all over the United States. I have seen how this sector creates opportunity for not just farmers and retail dispensaries but media makers, chefs, transportation specialists, hospitality, tourism and so much more. A recent report found over 417,000 full-time equivalent jobs supported by legal cannabis as of last year. In my travels, I've met many people from Hawaii working in the cannabis industry. Almost every one of them said the same thing to me. They said they wish they could come home and do what they're doing in California, Washington, Nevada, Colorado, New Jersey, and so on. By keeping cannabis illegal, we're not only perpetuating antiquated rules rooted in racism and capitalist manipulation; we're also pushing away a segment of Hawaii's young and talented professionals.

While we debate the risks of legalization, an illicit market is currently thriving in Hawaii. Imported, untested products already flood our streets and those untaxed dollars are flying out of our communities like the young professionals being forced to move away to participate in the industry. Right now, I can write an account on Instagram and get cannabis delivered to my door. Right now, I can go to a kiosk in Ala Moana and purchase cannabis without a medical card. While we turn people away from the tested, locally grown products in our dispensaries for not having their medical card.

By legalizing cannabis, we empower our local farmers and specialists and start collecting tax money that can be utilized to strengthen Hawaii as a whole. In fact, it is estimated that we could generate over \$30 million in tax revenue potential per year of initial sales; and over \$80 million per year when the industry fully matures.

I do feel that the price tag attached to this bill can be established here for far less than currently requested under this measure. For example, Alaska was able to establish their program with only \$7.5mm and Massachusetts (a state with 4x the population of Hawaii) only \$7mm. I believe the taxes from allowing the existing stores to begin sales could cover these costs while also raising funds for social equity licenses. In 9 of the 24 legal states, cannabis already earns higher tax revenue than alcohol and is estimated to add \$115.2 billion to the US economy in 2024.

I respectfully urge the committees to pass SB3335 to regulate a safe local market, to support the majority of Hawaii's voters desire to allow for adult use, and establish a new tax revenue stream that is now being lost to illicit multi state operators. Hawaii has a long history of plant medicine and I believe it can also have a bright future.

In addition to my personal anecdotes I wanted to share some additional facts that help to quell any fear that any officials or authorities may have about legalization.

Legalization didn't seem to substantially affect crime rates — Proponents of legalizing weed claimed it would reduce violent crimes. Opponents said it would increase violent crimes. [A study by the CATO Institute](#) finds, "Overall, violent crime has neither soared nor plummeted in the wake of marijuana legalization." - Another peer-reviewed paper in The Economic Journal supports the argument that legalizing marijuana reduces crime by displacing illicit markets traditionally controlled by drug cartels and illicit distributors.^[6]

Legalization seems to have little or no effect on traffic accidents and fatalities — Opponents of marijuana legalization argued it would wreak havoc on the road. A few studies have found that's not the case. Economists Benjamin Hansen, Keaton S. Miller & Caroline Weber, for instance, [found evidence](#) suggesting it had no effect on trends in traffic fatalities in both Colorado and Washington.

“Our state’s efforts to regulate the sale of marijuana are succeeding. A few years ago, the illegal trafficking of marijuana lined the pockets of criminals everywhere. Now, in our state, illegal trafficking activity is being displaced by a closely regulated marijuana industry that pays hundreds of millions of dollars in taxes. This frees up significant law enforcement resources to protect our communities in other, more pressing ways.”

— Washington State Gov. Jay Inslee and Attorney General Bob Ferguson

Testimony
IN SUPPORT
SB3335, Relating to Cannabis - Proposed SD1

Aloha Chair San Buenaventura and Rhoads:

Thank you for the opportunity to testify in strong support of SB3335,

My name is Michael Medeiros, I am Native Hawaiian raised in Hilo. I have lived in California and Colorado and have seen the positive benefits that cannabis can have on a community. When I moved back to Hawaii from Colorado, I was excited to become a part of that positive change for Hawaii.

Cannabis has had such a positive impact on my life. It helped me when I did not want to rely on opiates for pain relief and still to this day helps me cope with regular pain. I firmly believe that every adult deserves the right to decide whether they can use cannabis without fear of judgment or imprisonment.

In addition to the personal benefits, the measure would establish a tax revenue stream for the state that has the potential to generate roughly \$30 million per year of initial sales; and over \$80 million per year when the industry fully matures.

Cannabis is already being bought and sold in the islands but occurs through criminal, underground transactions. SB3335 would address this by regulating and taxing the cannabis industry.

This measure provides for strong enforcement that would reduce risk of illicit sales and exposure for Hawaii's keiki and the public.

It is worth noting that the current bill requests \$38M to establish various programs and agencies for the administration of the measure. However, Massachusetts was able to establish its own program with only \$7.5 million in initial funding despite having a population 5 times the size of Hawaii's. Alaska also established its adult use program for roughly \$7 million. Given the current budget constraints Hawaii faces, it is clear that such a program can be established here for far less than currently requested under this measure.

I respectfully urge the committees to pass SB3335 to safeguard the public, support the majority of Hawaii's voters desire to allow for adult use, and establish a new tax revenue stream that is now being lost to the illicit market.

Mahalo,
Mike Medeiros

SB-3335

Submitted on: 2/11/2024 1:02:52 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
MARILYN JOHNSON	Individual	Support	Written Testimony Only

Comments:

I support legalizing and controlling cannabis so that consumers know the product they buy is regulated and not contaminated. The tax revenue will also be useful for the state.

I appreciate that small amounts of cannabis are already allowed, but it is the lack of quality control that is the problem for recreational users.

This is the year to finally get cannabis legalized. Please just make it happen.

Thank you.

SB-3335

Submitted on: 2/12/2024 5:15:31 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Evelyn "Kahea" Lee	Individual	Support	Written Testimony Only

Comments:

Aloha my name is Evelyn Lee and I live in Puna District, Island of Hawai'i. I'm testifying in support on SB3335 based on the reasoning, purpose, and belief Hawai'i should join the 23 States in legalizing cannabis. I believe the following area(s) of interest is to invest in SAFETY measures, in the sense of : cannabis tax revenues into proven solutions that help build safer communities; programs to focus on "harm reduction", outpatient treatment programs, and affordable housing assistance programs.

So I join along with 86% polled in POLL LINK of Hawai'i, Hawai'i should join 23 State in legalizing cannabis. Any legalization efforts should, as mentioned above, be prioritized for racial justice and equity in reform efforts in order to address the harms that cannabis laws have inflicted upon Native Hawaiians and communities of color.

SB-3335

Submitted on: 2/12/2024 3:33:24 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Mendy Hansen	Individual	Support	Written Testimony Only

Comments:

I, Mendy Hansen, of North Hilo, Hawaii, strongly support this bill. I feel that It will save significant amounts of state money not to put people through the legal system for marijuana.

SB-3335

Submitted on: 2/9/2024 12:46:50 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
ANDREW ISODA	Individual	Support	Written Testimony Only

Comments:

“Aloha, my name is Andrew Isoda and I live in Lahaina town. I’m testifying on SB 3335. I join along with 86% polled in POLL LINK of Hawai’i, Hawai’i should join 23 states in legalizing cannabis. Any legalization efforts should prioritize racial justice and equity in reform efforts in order to address the harms that cannabis laws have inflicted upon Native Hawaiians and communities of color.

SB 3335, Relating to Cannabis, needs to reinvest any cannabis revenue into community safety, not in law enforcement. We should invest cannabis tax revenues into proven solutions that help build safer communities such as programs that focus on harm reduction, crisis outreach, food banks, mental health support, homeless outreach, outpatient treatment, and housing assistance.

SB 3335 should ensure local ownership. People who have been harmed by the enforcement of cannabis must have a place in the burgeoning marketplace created by legalization.

SB 3335 should remedy the harm caused by the failed War on Drugs. Any outstanding debts for cannabis fines and fees should be forgiven. People with past arrest and conviction records for cannabis related offenses should have their records expunged and be able to fully re-integrate into society by accessing the same rights and services as anybody else.

Mahalo for your time and consideration.

Andrew Isoda

Lahaina, Mau'i

Testimony
IN SUPPORT
SB3335, Relating to Cannabis - Proposed SD1

Aloha Chair San Buenaventura and Rhoads:

My name is Leah Kekaulua. Thank you for the opportunity to testify in strong support of SB3335 SD1, Relating to Cannabis. This measure seeks to provide a regulatory framework for adult use of cannabis. I currently work in the legal cannabis industry and have witnessed first-hand the opportunities provided through jobs and specialized skills residents are able to acquire working in the industry. In addition to the jobs, it is important that clean, tested cannabis derived products be available to all adults who chose to consume them. While we have seen the benefits of the medical program for patients, there is no reason that the therapeutic effects of this plant should not extend beyond the medical program to all adults. The numbers show that currently, more than 80% of Hawaii voters support legalizing and regulating cannabis use for adults. We know that cannabis is already being bought and sold in the islands but occurs through illicit underground transactions. SB3335 would address this by regulating and taxing the cannabis industry. This measure provides for strong enforcement that would reduce risk of illicit sales and exposure for Hawaii's keiki and the public.

In addition, the measure would establish a tax revenue stream for the state that has the potential to generate roughly:

- over \$30 million per year of initial sales; and
- over \$80 million per year when the industry fully matures

It is worth noting that the current bill requests \$38M to establish various programs and agencies for the administration of the measure.

- However, Massachusetts was able to establish its own program with only \$7.5 million in initial funding despite having a population 5 times the size of Hawaii's.
- Alaska also established its adult use program for roughly \$7 million.
- Given the current budget constraints Hawaii faces, it is clear that such a program can be established here for far less than currently requested under this measure.

I respectfully urge the committees to pass SB3335 to safeguard the public, support the majority of Hawaii's voters desire to allow for adult use, and establish a new tax revenue stream that is now being lost to the illicit market.

Mahalo

LATE

SB-3335

Submitted on: 2/12/2024 8:36:59 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Greg Puppione	Individual	Support	Written Testimony Only

Comments:

“Aloha, my name is Greg Puppione and I live in Honolulu. I’m testifying [with comments/in support] on SB 3335. I join along with 86% polled in POLL LINK of Hawai’i, Hawai’i should join 23 states in legalizing cannabis. Any legalization efforts should prioritize racial justice and equity in reform efforts in order to address the harms that cannabis laws have inflicted upon Native Hawaiians and communities of color.

SB 3335, Relating to Cannabis, needs to reinvest any cannabis revenue into community safety, not in law enforcement. We should invest cannabis tax revenues into proven solutions that help build safer communities such as programs that focus on harm reduction, crisis outreach, food banks, mental health support, homeless outreach, outpatient treatment, and housing assistance.

SB 3335 should ensure local ownership. People who have been harmed by the enforcement of cannabis must have a place in the burgeoning marketplace created by legalization.

SB 3335 should remedy the harm caused by the failed War on Drugs. Any outstanding debts for cannabis fines and fees should be forgiven. People with past arrest and conviction records for cannabis related offenses should have their records expunged and be able to fully re-integrate into society by accessing the same rights and services as anybody else.

Mahalo for your time and consideration. ”

SB-3335

Submitted on: 2/12/2024 8:14:17 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

LATE

Submitted By	Organization	Testifier Position	Testify
Laura Ruby	Individual	Support	Written Testimony Only

Comments:

I, Laura Ruby, support Bill SB 3335. Hawaii will be well-regulated and will bring in much needed revenues for the state. Further, the dispensaries I've seen on the mainland are clean and respectful of their neighborhoods.

Please support Bill SB 3335. Thank you.

Jeffrey Hong
CEO
Techmana LLC



2/12/2024

To: Senator Joy San Buenaventura, Chair of the Senate Committee on Health and Human Services

Senator Karl Rhoads, Chair of the Senate Judiciary Committee

Chair San Buenaventura, Chair Rhoads, and Members of the Joint Committees.

My name is Jeff Hong I am the CEO of Techmana LLC. Techmana is a Hawai'i based software development and cybersecurity company. I testify in strong support of **SB3335** I have seen the detrimental effects on the failed war on drugs in general and cannabis in particular. I have additional professional perspectives as Board Chair of Hawaiian Ethos and as Chair of the Honolulu Liquor Commission. I testify only in a personal capacity.

Working in the technology industry, I have had colleagues removed from employment or afraid to apply for employment because of their cannabis use. This policy makes us less competitive with jurisdictions that have eliminated the criminalization of cannabis.

The expungement provision of this bill are vital to addressing the harms of our failed past policies. Under our current liquor laws HRS 281-45, a felony disqualifies an applicant from ownership in any business that serves alcohol; boat, store, bar, club, restaurant. This creates a wall for a significant portion of our citizens to create small businesses in our hospitality focused economy. In previous testimony (HB15995), the law enforcement community raised objections to the complexity and cost to resource a state-initiated expungement process. Our current IT systems are inadequate to automate the process and the criminal records are inadequately encoded for automation. The taxes raised by this bill are a perfect opportunity to fund upgrading our antiquated systems and provide relief to those affected.

We have seen the failures of prohibition with both alcohol and cannabis. Part of our thriving hospitality industry is due to a sensible regulatory scheme of post prohibition alcohol. It has

taken decades of constant tuning of liquor laws to balance minimizing the harms of alcohol while allowing people to choose to drink.

This bill is far from perfect, but it is a good start to remove the harms caused by cannabis prohibition and to start a new local industry.

Mahalo for the opportunity to testify.

Sincerely,

Jeffrey Hong

LATE

SB-3335

Submitted on: 2/12/2024 6:57:49 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Nathan Anderson	Individual	Support	Written Testimony Only

Comments:

Absolute slam dunk of a law. Where else are you going to find a law regarding a brand-new tax and massive tax revenue that people would be excited for? I look forward to the day I can hangout on the couch with my wife, completely blitzed, and watch livestreamed public testimonies for bills like this. Maybe even go ride rail afterwards just to see the sights. I urge the legislators to support this bill.



HawaiianEthos

To: Senator Joy San Buenaventura, Chair of the Senate Committee on Health and Human Services Senator
Senator Karl Rhoads, Chair of the Senate Judiciary Committee

Fr: Noah Phillips - Hawaiian Ethos

Re: Testimony **In Support of Senate Bill (SB) 3335**

LATE

RELATING TO CANNABIS Establishes the Hawai'i Cannabis Authority and Cannabis Control Board within the Department of Commerce and Consumer Affairs to regulate all aspects of the cannabis plant. Beginning January 1, 2026, legalizes the personal adult use of cannabis. Establishes taxes for adult-use cannabis sales. Transfers the personnel and assets of the Department of Health and assets Department of Agriculture to the Hawai'i Cannabis Authority. Appropriates funds.

Dear Chair, Vice-Chair, and Members of the committees:

Hawaiian Ethos **supports SB3335** as an important bill for the establishment of the State's Adult Use Cannabis Program. Hawaiian Ethos is a vertically integrated licensed dispensary operating in the State of Hawai'i since 2018, with three retail locations in the Hilo, Kona, and Waimea areas on the Island of Hawai'i and is the only provider of completely clean, solventless medical cannabis products in the State of Hawai'i.

We **strongly support** the decriminalization of cannabis in Hawai'i. As an existing medical cannabis dispensary on Hawai'i Island, we have seen first-hand the benefits that responsible cannabis use can provide to patients. We believe the responsible, personal use of cannabis should not be illegal. The harms inflicted upon individuals and communities from the prohibition of cannabis needs to end.

A successful and community-inclusive implementation of a legal adult use cannabis system has the potential to create a long-term sustainable economic industry for Hawaii, a place renowned for its quality of local-grown flower. We urge the legislature to view Hawaii's established cannabis industries holistically, understanding that a partitioned and fractured marketplace is not in the best interest of any local stakeholders. If implemented well, legalization of cannabis could create a new agriculturally oriented market that both the state and its community members can benefit from for future generations.

Thank you for the opportunity to testify.

Noah Phillips, on Behalf of Hawaiian Ethos

LATE

SB-3335

Submitted on: 2/13/2024 7:10:21 AM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Will Espero	Individual	Comments	Written Testimony Only

Comments:

Aloha Chair and Committee Members,

I would like to provide some comments on SB3335. For starters, there is too much funding for law enforcement. More resources may be needed in general for law enforcement across the board, but this bill has overkill. Cut or eliminate completely the money for law enforcement. This is not a law enforcement bill. That's why in the past, we removed the medical cannabis program from public safety and moved it to the Health Department.

I like the language about home grown cannabis. Residents should be able to grow at home.

Also with the Cannabis authority, allow the State Senate and the House to appoint a member. Not all members should be appointed by the governor.

Also, allow the Cannabis Authority to create a publicly financed cooperative or collective. Every man, woman, and child in Hawaii would have a stake in the cooperative. Revenues would come from leasing state lands for growing, building fees for new facilities, and other creative ways for state income. Revenues can go directly to the Hawaii shareholders on an annual basis and/or be shared with the state. This allows all of Hawaii to benefit from cannabis, and not just rich, wealthy people or corporations. If a resident does not want to be in the cooperative, he or she can opt out. This cooperative could be the difference between families staying to live in Hawaii or moving away to the mainland due to the cost of living here.

Finally, don't overtax cannabis. Regulate cannabis like alcohol and cigarettes. It's already in our neighborhoods and communities. Do not throw money to law enforcement like cannabis is a bad demonic thing.

Spend tax dollars on prevention, education, methamphetamine battles, fentanyl wars, drug treatment, and mental health problems.

Do not give more money to law enforcement to fight or control cannabis. Police reform now.

Thank you for the opportunity to testify.

Will Espero

Retired State Senator

Elizabeth Rush

To: Amelia Castro
Subject: RE: From PittsBurgh Cannabis Notes SB3335 SD1 Quick Read

LATE

From: Pitts Burgh <kahikopitts@yahoo.com>
Sent: Monday, February 12, 2024 3:17 PM
To: Sen. Jarrett Keohokalole <senkeohokalole@capitol.hawaii.gov>
Subject: From PittsBurgh Cannabis Notes SB3335 SD1 Quick Read

You don't often get email from kahikopitts@yahoo.com. [Learn why this is important](#)

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Aloha Senator Keohokalole,

In reference to SB3335 SD1. Wow, 326 pages...

I have visited the lower 48 U.S states and many countries including consulting & working in Amsterdam for 12 years and have plenty of knowledge on how cannabis works good and not so good.

Here are a few quick read notes.

Page 24 Line 10 - 11 Should include bicycles

Page 86 Line 5 -7 (1) 6 plants

Page 86 Line 11 - 13 (b) 10 plants Why the different number of plants? Think it should be the same.

Page 88 - 89 Should include alcohol extraction.

Page 136 - 149 Might want to consider a license for a "Cannabis Café" like in the "Coffee Shops" in Amsterdam.

And/Or a license for an existing business to allow people to smoke cannabis.

This will give people a place to smoke (cannabis only, no tobacco) and keep them from smoking out in the open.

Or would this fall under Page 148 "other licenses authorized special use permit" ???

Page 202 -204 Change "marijuana" to "cannabis"

Note: Marijuana is a type of racist word, referring to Mexicans or prisoner.

Unless I missed it, I didn't see where it let Medical Dispensaries buy from other farms.

We need to stop dragging our feet and get this done.

Obviously this will reduce resources needed to combat black market and increase resources to combat meth, fentanyl etc.

We all know the money this would generate for Hawai'i.

There is a big tourist market, especially with the Canadians, Australians, New Zealanders and Europeans.

There is more I can enlighten you on, but I want to keep it short.

Fell free to contact me with any questions or concerns.

Mahalo, Pitts Burgh

808-799-7047

KahikoPitts@yahoo.com

SB-3335

Submitted on: 2/11/2024 11:40:26 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Wendy Gibson-Viviani	Individual	Comments	Remotely Via Zoom

Comments:

REGULAR SESSION OF 2024—February 11, 2024

TO: COMMITTEE ON HEALTH AND HUMAN SERVICES and COMMITTEE ON JUDICIARY

From: Wendy Gibson-Viviani RN/BSN, Member of the Hawai'i Alliance for Cannabis Reform

RE: SB3335 Relating to Cannabis (Adult Use Legalization)—**Comments Only**

Hearing: Tuesday, February 13, 2024 at 9:00 a.m., Conference Room 016 & Videoconference

Dear Committee Chairs, San Buenaventura, and Rhodes; Vice Chairs, Aquino and Gabbard and Honorable Members of the Committees,

My name is Wendy Gibson-Viviani. I am a 30-year resident of Oahu who has been working on reforming drug laws in Hawai'i for 10 years. I am a medical cannabis patient advocate and a conscientious objector in the failed, vicious racist drug war. I am a member of the Hawai'i Alliance for Cannabis Reform. I am also the former Organizer for the Drug Policy Forum of Hawai'i and a former member of the 2022 Hawai'i Dual Use of Cannabis Task Force.

I would like to offer COMMENTS on SB3335: I was pleased to see that Attorney General Lopez included some of the Hawai'i Dual Use of Cannabis Task Force's recommendations in her bill. She included our suggestion that a Social Equity Program be part of the foundation of any bill. I applaud that she included a person's right to grow-their-own cannabis, just as our 32,000 medical cannabis patients have.

I only offer COMMENTS because I find many parts of this bill problematic as some of the "new crimes" may be potentially harmful to medical cannabis patients. For example:

1. On pages 204 to 228, medical cannabis patients are NOT excluded from the unscientifically validated "**per se**" **blood test** which WILL be used to determine if a driver is driving under the influence (impaired).
 1. The U.S. DOT has said that "it is not possible to conclude anything about a driver's impairment on the basis of his/her plasma concentrations of THC and THC-COOH determined in a single sample." (* sources below).

2. I foresee many patients could be caught up in this sticky web of “new crimes” as many could test at or above the arbitrary THC concentration of **ten or more nanograms per milliliter of blood**. Patients may have developed tolerance to the side effects –including intoxication.
3. I foresee many potential lawsuits if this is instituted—as it is unscientific and sober drivers could be criminalized—leading to a series of losses, including loss of one’s professional and driver’s licenses and/or jobs.
2. **Open container.** Some chemotherapy patients need to use their cannabis medicines right before their infusions. The only place they can do that is in their parked car at the infusion site. They are at risk of being caught with an “open container”.
3. Penalties for these NEW crimes include forced rehabilitation--which may require that a patient STOP using their medicines.

I believe that most of the 50 million people who use cannabis do so responsibly. I support legalization for adult-use. I would support a bill less focused on creating more crimes and stepping up law enforcement. I would support a bill more focused on the rights of adults to choose which substances they use. For example, I rarely drink alcohol because I avoid putting poisons into my body. I would like to see SAFER, alternative, LEGAL choices to alcohol. Many states that have legalized for adult-use have seen **decreases in the use of opioids, benzodiazepines and alcohol**, the three substances that dozens of people overdose on every single day in the United States.

I am a member of a growing network of healthcare professionals who see that the most damaging effects of cannabis use are **NOT from actual ingestion of cannabis**, but are largely the **result of the criminalization of hundreds of thousands** of non-violent citizens--disproportionally criminalizing people of color. Please take a look at HCR112 from 2021, which declared “Racism as a Public Health Crisis” . . . in which **Native Hawaiians are overrepresented** in state prisons, jails, and the school-to- prison pipeline. HCR112 urges policymakers **promote racial equity**.

In a January 30, 2024 Honolulu Star Advertiser article, I agree with a Doctors for Drug Policy Reform, Addiction Psychiatrist (and Professor of Alcohol and Drug Abuse Research), who recognizes that the **legalization and regulation** of cannabis **in Hawai’i is in the best interest of public health**. Having products that are tested and labeled is **KEY** to product safety and the only way to know what strength of THC the consumer is getting.

Thank you for the opportunity to share my concerns with this bill. Please consider these amendments:

No new crimes.

1. Remove the language that criminalizes adults with plasma concentrations of THC that are **ten or more nanograms per milliliter of blood**.
2. Remove the language that criminalizes patients with “open containers”.
3. No forced rehab for people who probably don’t need it

And, please, **No new taxes for medical cannabis patients.** Medicines should not be taxed. Patients need to be exempt from the adult-use sales tax.

Thank you again, Please do contact me if you have any questions or concerns.

Wendy Gibson-Viviani RN/BSN. Kailua (808) 321-4503

- Source U.S. Department of Transportation NHTSA 1993 and 2015 Reports

1993 “Marijuana and Actual Driving Performance Effects of THC

2015 “Tolerance is a contributor to this conclusion: the measurable presence of THC in a person’s system doesn’t correlate with impairment in the same way that alcohol concentration does” and “. . . evidence strongly suggests that alcohol encourages risky driving, whereas THC encourages greater caution”.

February 10, 2024

To the Hawaii Legislature,

I am a cannabis consultant and Social Equity participant serving the Massachusetts regulated cannabis industry since 2016. I have over 50 successfully submitted licenses for licensure in every category from Laboratory to Retail, Cultivation and Delivery. My clients represent over \$100M of entity value in the regulated industry. I also provide pro bono consultation to Social Equity and disadvantaged applicants that have been disproportionately harmed by cannabis law enforcement.

I applaud you on looking to Massachusetts for a cannabis regulatory framework, the first state to develop a Social Equity program. However, a pattern emerges in cannabis legislation where those who develop the regulations do not seek counsel from the industry they intend to regulate. They seek counsel from regulators who congratulate themselves on their successes but hide the dysfunction, drama, low morale, and inefficiency of the policies they are stuck enforcing until the legislature must return to revise bills. The wasted tax dollars implementing Massachusetts rules that neither protect the public nor reduce the black market are uncountable.

The cannabis industry in Hawaii is alive and well as the legacy market is efficient, experienced, and responding to supply and demand. Bill SB3335 is responding to the wishes of the Hawaii Attorney General and law enforcement agencies who have failed to reduce the unregulated industry year after year. The bill outlines its own potential failings but does not address why the policies have failed;

“Legalization is also not a panacea for eliminating the illicit market in cannabis, as the experience of other states is that the illicit market continues to exist in parallel to the legal, regulated market. In addition, there are practical difficulties in identifying individuals who may be impaired by cannabis while driving, including the lack of a cannabis analogue for a breathalyzer for alcohol.”

The reason Massachusetts has failed to eliminate the black market is over-burdensome regulations that don't take into account the natural consequence of creating a high bar to licensure. The small businesses, legacy growers and sellers who are unable to acquire the \$1.5 million dollar war chest to open a facility will continue to provide supply for consumers who do not want to pay the high prices of indebted companies. This is the law of supply and demand. Making it more difficult to open will make the Attorney General sleep better, but it will only bolster the black market and drain law-enforcement dollars better suited to the opiate epidemic and stopping drunk drivers.

Data shows THC levels are not correlated with driving impairment.¹ Every state that legalizes fears the stoned-driving menace... which never materializes. Grants to educate law enforcement is a positive approach, but ask any law enforcement authority which controlled substance kills the most motorists in marijuana-legal states. Focusing on stoned driving is an emotional approach, not a data-driven one.

The Massachusetts Cannabis Control Commission has skilled inspectors who are instrumental in industry compliance, but look to the turnover rate of the Commissioners themselves for evidence that their role is unnecessary and dysfunctional. Not a single member of the original commission remains, and none have had first hand experience in the industry- as inspectors, licensing agents, or industry workers. Because they are separated from the industry and hand-tied in chipping away at bloated bureaucracy, the black market continues, the regulated market favors Big Marijuana, and local 'ma and pa' businesses fail.

I encourage you to look to regulatory models in Vermont and Maine, where industry profits stay local, black markets are squelched out by the plethora of local, small businesses, and Big Marijuana has little incentive to suck profits to their distant share holders.

Additionally, seeking to understand how an industry is regulated by learning only from other regulators who created rules based on zero experience with how a cultivator might scale up a farm or how consumers prefer to acquire product also bolsters the black market. Seek out testimony from caregivers and consumers in Hawaii and other states. If you want to perpetuate the disconnect between governments and the cannabis industry, and support the black market, make the bar to entry high. If you are ready to acknowledge that cannabis is as ubiquitous but less harmful than alcohol, then look to your alcohol regulations and create an industry where diversity and local profits are the norm.

Sincerely,



Ezra Parzybok
Northampton, Massachusetts

¹ Sewell RA, Poling J, Sofuoglu M. The effect of cannabis compared with alcohol on driving. Am J Addict. 2009 May-Jun;18(3):185-93. doi: 10.1080/10550490902786934. PMID: 19340636; PMCID: PMC2722956.

Testimony of Will Caron
Comments on SB3335: Relating to Cannabis
Senate Committees on Health & Human Services and Judiciary
February 13, 2024

Aloha members of the committees,

I support the concept of legalizing adult-use recreational cannabis use in Hawai'i. Research shows that legalizing recreational cannabis lowers rates of overall drug abuse, while generating tax revenue that can be reinvested in priorities such as education.

At the same time, it is important to acknowledge and address the harms that cannabis prohibition has brought to marginalized communities. While this bill contains some provisions that appear to align with this restorative framework, other sections of the bill still rely on the failed policy of law enforcement crack-downs that made the "War on Drugs" such a devastating campaign for many communities.

Specifically, I have serious concerns about the provision that encourages law enforcement to aggressively pursue cannabis activity that is outside the legal market. Section §A-2 (6):

Ensure that state and county law enforcement agencies work closely with the Hawaii cannabis authority and vigorously investigate and prosecute illegal cannabis activities that fall outside of safe harbor protection;

We should not be stepping up efforts to criminalize activity related to cannabis simply because it occurs outside a newly-established legal market. Law enforcement resources should not be wasted in this way.

Section §A-2 (5) mentions incentives to move into the legal market voluntarily. This is a far more equitable and less costly way to phase-out the cannabis black market. Efforts should be concentrated here, rather than on criminalization.

I also have concerns about §A-5 (5), specifically:

...provided that in the case of the rental of a residential dwelling, a landlord shall not prohibit the possession of cannabis or the consumption of cannabis that is not inhaled..."

This appears to restrict the method of consumption for renters, including for medical cannabis card holders. We should not be restricting how cannabis is consumed in statute.

Instead, lawmakers should ensure the bill includes more robust consideration for:

- Remediation for individuals who have been affected by drug convictions for cannabis-related offenses. This process should be **automatically applied**, and include retroactive expungement of offenses for the possession of cannabis. This, in turn,

requires a dedicated source of funding—which can be drawn from recreational cannabis revenue. Other possible recommendations include financial compensation and assistance with employment and educational opportunities.

- Social equity programs to level the playing field for the recreational cannabis industry. These programs provide special licenses to business owners from communities that have been disproportionately affected by the War on Drugs.
- Community reinvestment through the allocation of a significant portion of cannabis tax revenue to communities affected by criminalization, promoting education, health, social services, arts, culture, and environmental programs.

Incorporating social equity into cannabis legalization efforts is a commitment to building a fair and inclusive society. Hawai'i has the opportunity to set a precedent for thoughtful and equitable cannabis policies that address historical injustices, paving the way for a cannabis industry that generates revenue for important priorities and helps foster positive social change.

Mahalo

SB-3335

Submitted on: 2/9/2024 3:17:56 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Marilyn Mick	Individual	Comments	Written Testimony Only

Comments:

“Aloha, my name is Marilyn Mick and I live in Honolulu. I’m testifying [with comments/in support] on SB 3335. I join along with 86% polled in POLL LINK of Hawai’i, Hawai’i should join 23 states in legalizing cannabis. Any legalization efforts should prioritize racial justice and equity in reform efforts in order to address the harms that cannabis laws have inflicted upon Native Hawaiians and communities of color.

SB 3335, Relating to Cannabis, needs to reinvest any cannabis revenue into community safety, not in law enforcement. We should invest cannabis tax revenues into proven solutions that help build safer communities such as programs that focus on harm reduction, crisis outreach, food banks, mental health support, homeless outreach, outpatient treatment, and housing assistance.

SB 3335 should ensure local ownership. People who have been harmed by the enforcement of cannabis must have a place in the burgeoning marketplace created by legalization.

SB 3335 should remedy the harm caused by the failed War on Drugs. Any outstanding debts for cannabis fines and fees should be forgiven. People with past arrest and conviction records for cannabis related offenses should have their records expunged and be able to fully re-integrate into society by accessing the same rights and services as anybody else.

Mahalo for your time and consideration.

SB-3335

Submitted on: 2/9/2024 10:18:12 AM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
James T Yamada	Individual	Oppose	In Person

Comments:

I am opposed to SB3335. I am an electrical contractor (A-1 Alectrician) as well as a pastor (Cedar Assembly of God, a church that ministers to the homeless population)

I am familiar with the effects of Marijuana, both on youth, the homeless, as well as adults in the work place. I am also aware of the concept that Childhood Trauma which affects nearly all people, some worse than others, has on the minds of people, especially the youth and young adults.

The Adverse Childhood Effects Study teaches us that anyone exposed to psychological, physical, sexual abuse, violence against mother, or living with household members who were substance abusers, mentally ill, suicidal, or imprisoned are between 4-12 times more likely to have increased health risks for alcoholism, drug abuse, depression, suicide, etc.

Medical Doctor Gabor Mate in his ground breaking book "In the Realm of Hungry Ghosts" tells us that anyone with Childhood Trauma could use drugs to try to deal with the Trauma that is implanted in their brains. He presents the case that their implicit memory doesn't remember the early traumatic events but they develop habits that turn to drugs, marijuana, etc in order to desensitize their minds so they can survive the day. The way they see life is through the negative lens of their eyes.

It is common knowledge that marijuana is one of the entry way drugs. Youth that don't avail themselves of the "Social Emotional Learning" and educational opportunities and concepts that can help them deal with trauma early on eventually lose hope in the opportunities Life should have for them.

Their educational opportunities becomes stunted and their test scores plummet.

PLEASE DO NOT PASS A BILL THAT WILL FOSTER THE DESTRUCTION OF OUR YOUTH.

Pastor James (Jimmy) Yamada

SB-3335

Submitted on: 2/9/2024 2:49:54 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Daniel Chinen	Individual	Oppose	In Person

Comments:

Dear members of the committee,

Thank you for your strong leadership and vision to honor the past and build a better Hawaii. I am writing in opposition to the legalization of recreational marijuana. As a husband, father, and pastor born and raised local from Kaneohe, I strongly urge you to oppose SB 3335 for the good of Hawaii and its future for generations to come. Many point out examples from other states in hopes to persuade us to be open to legalizing recreational marijuana. But the truth of the matter is that Hawaii is unique. Let Hawaii be Hawaii instead of following Las Vegas, Colorado, Massachusetts, and other models. Thank you for considering opposing this bill.

Aloha,

Daniel Chinen

SB-3335

Submitted on: 2/4/2024 4:38:09 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Lynn Murakami Akatsuka	Individual	Oppose	Written Testimony Only

Comments:

I **strongly oppose** the passage of SB 3335 which would legalize the personal adult use of cannabis beginning January 1, 2026. In the bill's content it states: "Under federal 17 law non-hemp cannabis is an illegal drug and is classified as a ~ 2024—0673 SB HMSO S.B. NO. ~ 1 schedule I controlled substance under the Uniform Controlled 2 Substances Act." And also states: "In addition, there are practical difficulties in identifying individuals who may be impaired by cannabis while driving, including the lack of a cannabis analogue for a breathalyzer for alcohol."

These are facts that should not be taken lightly. The personal adult use of cannabis (non-medical) would increase the health risk (in particular substance abuse and mental health issues) and safety risks of our residents and their families - on our roads, workplaces, and in our communities. Likewise, for our visitors to the islands.

Thank you for the opportunity to submit written testimony in **strong opposition** of SB 3335.

SB-3335

Submitted on: 2/5/2024 1:56:40 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Alberta Lono	Individual	Oppose	Written Testimony Only

Comments:

No to recreational marijuana

SB-3335

Submitted on: 2/5/2024 2:04:19 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Keith Kenyon	Individual	Oppose	Written Testimony Only

Comments:

NO TO RECREATIONAL MARIJUANA

SB-3335

Submitted on: 2/5/2024 2:07:13 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
tom laidlaw	Individual	Oppose	Written Testimony Only

Comments:

I am against the legalization of recreational marijuana! Doing so would negatively impact the health and well-being of people and families in the state of Hawaii.

SB-3335

Submitted on: 2/5/2024 2:33:10 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Esther Gefroh	Individual	Oppose	Written Testimony Only

Comments:

To Whom it May Concern:

No matter how our government wants to convince its citizens that marijuana is harmless, it is not. It is a mind altering substance that should not be used publically or at all. It is worse than a person driving under the influence of alcohol, should they drive after using marijuana.

It would be a big mistake to take marijuana and downgrade it safe for recreational use. I hope our government is prepared for the aftermath should this become a law.

God help us,

Sincerely yours,

SB-3335

Submitted on: 2/5/2024 2:50:32 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Terri Yoshinaga	Individual	Oppose	Written Testimony Only

Comments:

NO TO RECREATIONAL MARIJUANA.

Marijuana use WILL increase if it is made available. Hawaii's keiki will be the ones who will suffer the most. Hawaii already has a higher-than-average youth usage of e-cigarettes. It is irresponsible to think they will NOT access marijuana. In addition, states that have legalized marijuana for recreational purposes have seen an increase in children being brought to emergency rooms.

[\(USA TODAY, January 2023\)](#)

[\(Drug Free 2022\)](#)

[\(Story from KITV, August, 2020\)](#)

[\(Honolulu Advertiser, February 2021\)](#)

SB-3335

Submitted on: 2/6/2024 3:12:51 AM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Vernelle Oku	Individual	Oppose	Written Testimony Only

Comments:

I oppose legalization of marijuana in the state of Hawaii.

Thank you.

SB-3335

Submitted on: 2/5/2024 5:17:53 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Patricia Yasuhara	Individual	Oppose	Written Testimony Only

Comments:

No to Recreational Marijuana

SB-3335

Submitted on: 2/5/2024 9:48:34 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Chanara Caey Richmond	Individual	Oppose	Written Testimony Only

Comments:

Chanara Richmond, House District 42, I oppose SB3335

The courts are now ruling that people are not responsible for their actions, including murder, when under the influence of cannabis. Our HI driving tip sign says, "if it makes you feel different, it makes you drive different." People under the influence lose the ability to perceive how it is affecting their brain chemistry, energy level, aptitude, attitude, outlook on life and all of their relationships. It's only the people who don't use it that are able to see these personality alterations so clearly. The only way to help people not get swallowed up in their desire for zombie escapism, is to keep the illegal drug that is harming them, illegal. Cannabis IS addictive.

SB-3335

Submitted on: 2/5/2024 6:31:46 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Roxanne T Jim	Individual	Oppose	Written Testimony Only

Comments:

Aloha e Committee Members:

Please vote NO to this bill. It is not in the best interest of the safety, health and welfare of the people of Hawaii. Marijuana affects the mind and we don't want more traffic fatalities, homelessness, mental illness, violence and crime. It also pollutes the air and seems to linger longer than cigarettes. City Prosecutor Steve Alm gave an excellent report the past October on why it's harmful to Hawai'i. Something I did not know, the Japanese do not like marijuana and it would be a blow to our economy - among other negative effects.

There is NO ALOHA in recreational marijuana. It will destroy Hawaii as a place of healing, peace and safety. Please think about the keiki and the generations.

Again, for a safe and healthy Hawai'i please vote NO.

Aloha ke Akua,

Roxanne Jim

District 25

SB-3335

Submitted on: 2/6/2024 9:54:39 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
fehren	Individual	Oppose	Written Testimony Only

Comments:

Aloha,

my name is Fehren Jones and i oppose this bill of SB3335.

Reason: license category for "medical cannabis cooperative" only allowing for 5 patients will be challenging for some if not many. Living in Hawai'i all my life, i have been taking notice how our housing situation has changed throughout the years. acreage has reduced down to multiple homes on an acreage. apartments has been popping up like daisys, limiting space to grow medicine will not cut it. along with location of grow site. cramped up housing and apartments may not be ideal due to very limited sun to plant contact, being that the concrete jungle will block out the plants needs for 12+ hours of sun. i think square footage to card patient ratio may be ideal. with a possibility to have caregivers to be able to grow medicine for their patients on Ag land. Ag land is far from nosey neighbors, keep in mind not all neighbors are neighborly. the word may get out that so and so is growing, and their home may get robbed. on Ag land, its far away from the crowd, away from schools, where crops are ment to be grown, on agricultrial land. having only 5 patients may work for some, but theres also other caregivers who may have the 6 acres of land and that alot of patients agree with the caregivers growing n cultivation practices. for example: say i have 15 friends that admire 1 caregivers way of growing their medicine because we are aware of what fertilizer they apply, nutrients, their pesticide practices, they handle their medicine with care. now 10 of the 15 needs to find another caregiver. that sucks.

also, funding for a new HPD task force. it confuses me. if legalization is around the corner, decriminalization, and social justice, then why the need for a new task force? understand driving under the influence, but even that is hard to regulate because cannabis stays in your fat cell system for at least a month, every person differs. these extra funding for sure would do better to help fund the improvements of our childrens malnourished and half assed breakfasts and lunches of public schools or help aid the increasing of mental illnesses thats been on rampant today, possibly purchasing a one way ticket for these houseless individuals that flew here because their

state cannot serve them. its a shame that this system is so broken and crooked, aint no "land of the free and home of the brave". lets not forget the illegal occupations that Hawai'i falls under.

the tax payers general funding is disappointing. i would like to see the visiting tourist to participate in high taxation, instead of cartering to them and giving them the VIP treatment. Hawai'i was built on the backs of farmers, slaves if you wanna call it. i desend from them, coming from aound the world on ships to grow the pineapple and sugar cane that Dole and the committee of safety sneakily took over land from my kupuna and many many of others. our backs are tired. our backs are sore. farmers and ranchers are struggling to feed and care for the world along with this inflation. more and more fake and processed shelf stable foods that causes diseases and illness. a broken system.

no, i havent had time to read all 300+ pages of this bill, for i am a farmer and have very limited time in my day to keep up with these bills and hearings, to digest and understand what i have read due to "bill language".

concerned on how things move so quietly n sneakily, its hard to trust our legislators and senators, speaking from a place of having generational trauma of how Hawai'i became a "state". hoping that our politicts are reminded that you work for us by our votes. please come and speak with the community and not only the dispensaries, we are people too and we have voices and our own stories. maybe for some, they wanna hear the cha-ching instead bc money is the motive. i get it, living in Hawai'i is expensive with the affects of inflation.

i dont think this bill SB3335 is ready. i oppose.

mahalo. have a blessed day.

SB-3335

Submitted on: 2/7/2024 3:46:22 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Greg Misakian	Individual	Oppose	Written Testimony Only

Comments:

Just say no to drugs, and no to the supporters with dark money that really want to legalize cannabis.

This will only contribute to more crime, more vehicular accidents, and that constant smell of "weed" that I left San Francisco to get away from.

I strongly oppose SB3335.

Greg Misakian

SB-3335

Submitted on: 2/7/2024 7:09:18 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Gerard Silva	Individual	Oppose	Written Testimony Only

Comments:

You are just Wasting Time and Money on Crap that is not need. Do your job Remeber you work for the PEOPLE!!

SB-3335

Submitted on: 2/8/2024 12:51:26 AM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Mary Smart	Individual	Oppose	Written Testimony Only

Comments:

I stand in strong opposition to SB3335.

Cannabis is dangerous. Any expansion in the use of cannabis must be stopped. With cannabis come crime, health problems, and other social negatives. Our state has addressed the dangers of herbal cigarettes and flavored vales which are significantly less dangerous to the health and public safety of our community. Crime is already unusually rampant these days. Any bureaucratic "infrastructure" to manage cannabis is costly and not needed if we keep cannabis out of our state to the maximum extent possible.

Your bill clearly states the reason not to deregulate cannabis any more: "The potency of cannabis has increased dramatically over the past decades, which has been linked to mental health issues, particularly in children who use cannabis."

Crime and homelessness are on the rise. Increased access to drugs is related to this increase. Do not make cannabis, a gateway drug, more available to our communities.

My friends who live in states that have allowed recreational cannabis want the legislation repealed.

We do not need a "a vibrant, **well—funded** social equity program to be implemented by the Hawaii cannabis authority with the intent to bring greater economic opportunity to disadvantaged regions of our State and to help transition formerly illicit operators into the legal market;"

Your constituents don't want our funds wasted to create a bureaucracy that manages cannabis sales. This is a waste of our taxes. We are already over taxed.

Do not pass this bill.

SB-3335

Submitted on: 2/8/2024 1:06:26 AM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Brett Kulbis	Individual	Oppose	Written Testimony Only

Comments:

I oppose SB-3335.

I was the Commander Submarine Force, U.S. Pacific Fleet Alcohol and Drug Control Officer prior to my retirement. In that role, I oversaw the alcohol and drug abuse prevention programs for over 100 subordinate commands and submarines and was responsible for their compliance with the Navy’s policies and procedures. During that time I attended dozens of seminars and training on alcohol and drugs. I also had the opportunity to attend local AA and NA meetings. One core comment by many at the NA meetings all said they got started by using cannabis.

I find it very troubling that any legislator would think “that legalization of cannabis for personal use is a natural, logical, and reasonable outgrowth of the current science of and attitude towards cannabis,” or would think this is some sort of revenue stream, “cannabis cultivation and sales hold the potential for economic development, increased tax revenues, and reduction in crime.”

If this bill passes, marijuana use WILL increase, and Hawaii’s keiki will be the ones who will suffer the most. Hawaii already has a higher-than-average youth usage of e-cigarettes. It is irresponsible to think they will NOT access marijuana. In addition, states that have legalized marijuana for recreational purposes have seen an increase in children being brought to emergency rooms.

Please read [2023 SAM Hawaii's stats on why legalizing marijuana in Hawaii is a bad idea.](#)

This bill is bad for our keiki, bad for the safety of our communities, and bad for Hawai’i overall.

Vote NO on SB-3335!

SB-3335

Submitted on: 2/8/2024 8:54:58 AM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
JOHN L PANG	Individual	Oppose	Written Testimony Only

Comments:

Vote NO to SB3335. Do not put our people of Hawaii in harms way. Do not succumb to outside interests and do not allow keiki and families to lose their identities to drugs. The family unit is such a beautiful creation that shouldn't be subjected to such outside influences. We need and want to live pure lives without the want or need of recreational marijuana. I oppose this bill. I ask that you oppose it as well.

SB-3335

Submitted on: 2/8/2024 9:18:38 AM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Mi Yung Park	Individual	Oppose	Written Testimony Only

Comments:

Aloha,

I previously worked in a juvenile drug court. All the evidence supports that marijuana is a gateway drug to more serious drugs such as cocaine, meth, heroin, etc. All addicts first started with marijuana. Moreover, there are general health hazards implicated including lung problems. As an attorney, my income is above the average, and I pay my state taxes dutifully. Continued passage of ridiculous laws by the State which HARM (and not help) Hawaii, as well as continued high cost of living, will send taxpayers out of the State.

As your constituent I strongly urge you to vote NO.

Mahalo,

Mi Yung

SB-3335

Submitted on: 2/8/2024 9:40:24 AM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Lora Burbage	Individual	Oppose	Written Testimony Only

Comments:

Aloha!

I am opposed to this bill. There are so many negatives to allowing marijuana as recreational use.

More money for our coffer or more addicts and the terrible trickle down effect to our Keiki, that is what it boils down to, sadly.

Mahalo

SB-3335

Submitted on: 2/8/2024 9:43:34 AM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
L Toriki	Individual	Oppose	Written Testimony Only

Comments:

I strongly oppose this bill.

I strongly oppose the legalizaion of any recreational drug.

One only has to look at recent events in California with the drug cartels and this drug to see the problem with legalization.

I also firmly believe, despite what the "experts" claim, that marijuana is a gateway drug.

SB-3335

Submitted on: 2/8/2024 10:02:40 AM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Erin Psillos	Individual	Oppose	Written Testimony Only

Comments:

Please DO NOT vote to legalize marijuana. It is a gateway drug that leads to much harder drugs. We already have a serious and very concerning drug problem on this island. It is getting bad and will get much worse if marijuana is legalized. My 2 year old sons face was almost bit off the other day because a chronic came into our neighborhood with his pit bull and did not hold onto his leash while he got stoned with some young boys. This is not ok! DO NOT LEGALIZE MARIJUANA. You will out our keiki at risk and destroy our communities! Please do the right thing and vote NO

Mahalo

SB-3335

Submitted on: 2/8/2024 11:08:17 AM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Jennifer Chun	Individual	Oppose	Written Testimony Only

Comments:

Dear Senators,

This will be my first time testifying.

With the legislature in session again, and with Mayor Blangiardi and the police chiefs in the news speaking vehemently against the passage of bills allowing this insidious drug to foul my air, I felt moved to voice my opposition to any passage of bills which will increase the use of cannabis.

I am opposed to any bill that will legalize the recreational growth, consumption and/or sale of cannabis. I cannot abide the smell and consider it a nuisance and detriment to life in Hawaii. As you may know, it is most difficult to escape the noxious smell while living in a condominium in Salt Lake. And it is near impossible to track down the culprit.

In addition, I am already challenged by the distracted drivers on roads and distracted texters in crosswalks. Impaired driving and walking due to state-allowed recreational use of cannabis by the irresponsible users will only compound the problem. My defensive driving works most of the time, but I cannot guarantee all the time.

I would hope my elected officials would be in line with this constituent and vote against this bill. Thank you for your consideration.

Regards, Concerned Citizen

SB-3335

Submitted on: 2/8/2024 11:09:29 AM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Dara Yatsushiro	Individual	Oppose	Written Testimony Only

Comments:

Strongly and vehemently **Oppose!**

SB-3335

Submitted on: 2/8/2024 12:08:10 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Tammy Godoy	Individual	Oppose	Written Testimony Only

Comments:

Vote NO to SB3335. Do not put our people of Hawaii in harms way. Do not succumb to outside interests and do not allow keiki and families to lose their identities to drugs. The family unit is such a beautiful creation that shouldn't be subjected to such outside influences. We need and want to live pure lives without the want or need of recreational marijuana. I oppose this bill. I ask that you oppose it as well.

SB-3335

Submitted on: 2/8/2024 12:11:14 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Heide San Nicolas	Individual	Oppose	Written Testimony Only

Comments:

Senators,

Vote NO on SB 3335 Legalizing marijuana. I do not want my children taught by teachers who choose to smoke marijuana before class each day. I do not want my heart surgeon to smoke marijuana before he operates on me. I do not want to ride on a City and County Bus when the driver chooses to smoke before his shift and during his shift on his breaks and lunch. I fear for the safety of my child, my health and my life and others because you're considering legalizing marijuana. Marijuana is a mind altering drug that compromises one's ability to function. Oppose this bill. Mahalo!

COUNTY COUNCIL

Mel Rapozo, Chair
KipuKai Kualii, Vice Chair
Addison Bulosan
Bernard P. Carvalho, Jr.
Felicia Cowden
Bill DeCosta
Ross Kagawa



OFFICE OF THE COUNTY CLERK

Jade K. Fountain-Tanigawa, County Clerk
Lyndon M. Yoshioka, Deputy County Clerk

Telephone: (808) 241-4188
Facsimile: (808) 241-6349
Email: cokcouncil@kauai.gov

Council Services Division
4396 Rice Street, Suite 209
Lihue, Kauai, Hawaii 96766

February 8, 2024

TESTIMONY OF MEL RAPOZO
COUNCIL CHAIR, KAUAI COUNTY COUNCIL
ON
SB 3335, RELATING TO CANNABIS
Senate Committee on Health and Human Services
Senate Committee on Judiciary
Tuesday, February 13, 2024
9:00 a.m.
Conference Room 016
Via Videoconference

Dear Chair San Buenaventura, Chair Rhoads, and Members of the Committees:

Thank you for this opportunity to provide testimony in **OPPOSITION** of SB 3335, Relating to Cannabis. My testimony is submitted in my individual capacity as Council Chair of the Kauai County Council.

While the debate surrounding the legalization of marijuana has gained momentum in recent years, it is crucial to pause and consider the potential consequences that such a move may bring to our society.

Firstly, let me emphasize that my intention is not to dismiss the potential medical benefits associated with marijuana. Indeed, there is a growing body of evidence suggesting that certain compounds in marijuana may have therapeutic effects. However, the broader issue at hand pertains to the societal implications of widespread legalization, which demands our careful consideration.

One of the primary concerns is the impact on public health. Marijuana use has been linked to various health issues, including respiratory problems, cognitive impairment, and increased risk of mental health disorders, especially among vulnerable populations such as adolescents. The potency of today's marijuana products, with higher levels of Tetrahydrocannabinol (THC) (the psychoactive compound in marijuana), raises additional concerns about the potential for increased addiction and adverse health effects. Our mental health system is already less than adequate. Why would we take the risk of increasing the burden on our mental health providers that are already unable to provide necessary services?

Chair San Buenaventura, Chair Rhoads, and Members of the Committees
Re: SB 3335, Relating to Cannabis
February 8, 2024
Page 2

Moreover, the legalization of marijuana may lead to an increase in impaired driving incidents. The psychoactive effects of marijuana can impair cognitive and motor functions, posing a serious risk to road safety. Studies have shown that driving under the influence of marijuana can significantly increase the likelihood of accidents, jeopardizing the well-being of both the user and innocent bystanders.

Another aspect to consider is the potential impact on our youth. Legalization could inadvertently send a message that marijuana use is socially acceptable, potentially leading to an uptick in usage among adolescents. The developing brain is particularly vulnerable to the effects of marijuana, and early exposure may have lasting consequences on cognitive development and academic performance.

In addition, the legalization of marijuana may pose challenges to law enforcement. Determining impairment levels and enforcing regulations surrounding marijuana use can be complex. Unlike alcohol, marijuana's effects are not easily measured through standardized tests, making it difficult for law enforcement to accurately assess and respond to impaired individuals.

Furthermore, there is the concern of an increase in workplace issues. Marijuana use, even for recreational purposes, can affect productivity, concentration, and overall job performance. This could have ramifications for businesses and industries, impacting the economy on a broader scale.

In conclusion, while the debate on marijuana legalization continues, it is essential to carefully weigh the potential dangers associated with such a move. Public health, road safety, youth well-being, and workplace productivity are all aspects that deserve our attention. As responsible citizens, we must strive for a balanced and informed approach, considering both the potential benefits and the potential risks to ensure the well-being of our society as a whole.

Thank you again for this opportunity to provide testimony in opposition of SB 3335. Should you have any questions, please feel free to contact me or Council Services Staff at (808) 241-4188 or via email to cokcouncil@kauai.gov.

Sincerely,



MEL RAPOZO
Council Chair, Kaua'i County Council

AAO:mn

SB-3335

Submitted on: 2/8/2024 1:50:57 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Rebecca M. Quezada	Individual	Oppose	Written Testimony Only

Comments:

. Vote NO to SB3335. Do not put our people of Hawaii in harms way. Do not succumb to outside interests and do not allow keiki and families to lose their identities to drugs. How can people who are lawyers, physicians, nurses, teachers do their jobs correctly while under the influence of drugs. The family unit is such a beautiful creation that shouldn't be subjected to such outside influences. We need and want to live pure lives without the want or need of recreational marijuana. Why must we follow what other states are doing, why can't we rise above the bar and truly do what is best for the people and our keike. I oppose this bill. I ask that you oppose it as well.

SB-3335

Submitted on: 2/8/2024 3:10:10 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Boyd Ready	Individual	Oppose	Written Testimony Only

Comments:

Aloha, legislators,

Lawful sales and use for non-medical reasons will have bad effects. 1) youth will unavoidably be more likely to obtain it and cannabis used in younger years increases likelihood of schizophrenia, saps motivation, and hinders normal progress toward maturity; 2) stays in body up to 30 days and so driving under the influence enforcement becomes much more difficult; 3) as in California, regulations and taxes on this product will spawn an underground market and hinder the lawful distributors; 4) attracting tourists for the newly lawful uses will increase road hazards.

I'm opposed to legalizing cannabis.

Boyd Ready

Haleiwa

SB-3335

Submitted on: 2/8/2024 3:37:21 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Paul Yonamine	Individual	Oppose	Written Testimony Only

Comments:

Hawaii relies on our tourism industry. Our Asian tourists come from countries that have highly punitive laws against cannabis. If cannabis is allowed for recreational purposes, there could be serious implications to Asian parents traveling here with their children. The state needs to do further due diligence on impacts to our visiting tourists and only then, make a decision. This can wait another year until an adequate study is conducted.

SB-3335

Submitted on: 2/8/2024 3:53:42 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Rita Kama-Kimura	Individual	Oppose	Written Testimony Only

Comments:

I strongly oppose the advancing of this bill to legalize “the recreational use of cannabis” by adults. You know as well as we do that this will easily fall into the hands of our minors and will likely have a devastating effect on their lives and future!

What exactly is the justification for approving adult use of recreational cannabis aka marijuana? the potential for more money? Establishes taxes for adult-use cannabis sales. Highly unlikely, it will just make it easier for street sales and homegrown cannabis users.

Consider where this bill will lead, to more addictive, dangerous drugs, more homeless?

I now see all four county Police Chiefs along with the Mayor and Prosecutor all opposing this bill and for obvious reasons! ... see civilbeat [website](#)

We are currently aware of the affect smoking dope has on the air quality of those around them. Those using medicinal marijuana while enjoying it in and round their homes/apt. It is also affecting the air quality of those residents living around them! Is that fair? Is that healthy?

Will they be able to use it out in public? Walking around in public venues? on jobs? Will employers be responsible for accidents caused by employees that were smoking?

It is a very irresponsible bill, and I am extremely disappointed to see some of the names listed as introducers.

For the sake of the people of Hawaii, for our future please do not pass this bill, stop it now!

Rita Kama-Kimura

SB-3335

Submitted on: 2/8/2024 3:54:57 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Ed Arcalas	Individual	Oppose	Written Testimony Only

Comments:

Is not being intoxicated while driving under the influence? Are the effects of alcohol not equal to that of marijuana? Legalizing a level entry illegal substance is not a wise move on the behalf of our beautiful state. Do we want tourists visiting Hawaii to seek out the purchase of marijuana while visiting our State? Do we really need additional problems in light of what is currently going on? Depressed areas will continue to decline. Terrible decision and legislation.

SB-3335

Submitted on: 2/8/2024 4:57:08 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Jerald Dolak	Individual	Oppose	Written Testimony Only

Comments:

Honorable Members of the Committee,

I am writing to express my strong opposition to the proposed bill, S.B. 3335, which seeks to legalize marijuana. As a concerned citizen, I believe that the legalization of marijuana would have detrimental effects on our communities, particularly in terms of public health, homelessness, and law enforcement.

First and foremost, the legalization of marijuana has been linked to an increase in substance use disorders. Numerous studies have shown that regular marijuana use can lead to dependency and addiction, affecting individuals' physical and mental well-being. By legalizing marijuana, we risk exacerbating this issue and putting more people at risk of developing substance use disorders, thereby burdening our healthcare system and society as a whole.

Furthermore, the correlation between marijuana legalization and chronic homelessness cannot be ignored. In states where marijuana has been legalized, there has been a noticeable rise in chronic homelessness rates. Legalization may contribute to an increase in drug-related problems, including homelessness, as individuals struggling with addiction may face difficulties in accessing housing and support services.

Additionally, the legalization of marijuana may not only fail to reduce arrests but could potentially lead to an increase in law enforcement activities. In Colorado, for example, where marijuana has been legalized, there has been a significant increase in high school drug violations and suspensions related to drugs. Moreover, marijuana is the primary substance found in suicides of young people aged 10–19 years old in Colorado, highlighting the serious public health implications of legalization, particularly among our youth.

In conclusion, the potential consequences of legalizing marijuana outlined above are deeply concerning and warrant serious consideration by this committee. Instead of moving forward with S.B. 3335, I urge you to prioritize public health and safety by rejecting this bill and exploring alternative approaches to addressing drug-related issues in our communities.

Thank you for your attention to this matter.

SB-3335

Submitted on: 2/8/2024 4:59:03 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Wesley Fong	Individual	Oppose	Written Testimony Only

Comments:

Members of the Senate: I oppose SB 3335. I believe that it will produce more harm than good.

As Vietnam veteran and a captain of a company during the Vietnam War, I have seen the devastating affects of marijuana when lives were at stake.I believe that it will be a detriment to our society, especially our younger generation.

Please vote SB3335 down.

Mahalo,

Wesley Fong, COL, U.S. Army (retired) and an adjunct professor teaching law and ethics at the University of Hawaii

SB-3335

Submitted on: 2/11/2024 10:59:19 AM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Beverly Heiser	Individual	Oppose	Written Testimony Only

Comments:

Aloha Chairs San Buenaventura and Rhoads, Vice Chairs Aquino and Gabbard, and Committee Members,

I oppose SB 3335 that would legalize recreational marijuana.

Cannabis is still identified as a Schedule I drug and is illegal under Federal Law.

I have read the excellent comprehensive report prepared by the Department of the Attorney General, regarding the final draft bill entitled “Relating to Cannabis”. The report, submitted for consideration, identifies the serious risks to public safety and health, and addresses safeguards included in the draft bill should the decision be made to legalize recreational cannabis.

The problems and statistics reported that I found to be most troubling are:

- the potential rise in black market and criminal activity,
- the difficulty in determining if someone is driving high,
- the rise in traffic fatalities where drivers tested THC-positive,
- health concerns that cannabis causes harm to the developing brain of youths, and
- calls to Poison Control Centers about children age 5 and under ingesting an edible variety increased from 207 in 2017 to 3,054 in 2021, a 1,375% increase.

Another concern is the inhalation of second-hand marijuana smoke. As quoted from an article referenced in the report, “Secondhand marijuana smoke and kids”, by Claire McCarthy, MD, Senior Faculty Editor, Harvard Health Publishing.....

"[Studies show](#) that when you are around someone who is smoking marijuana, the smoke gets into your system too. How much of it gets in depends on how close the person is, how many people are smoking and how much, how long you spend near them, and how much ventilation there is in the space. But research is clear that cannabinoids, the chemicals that cause the “high,” get into the bodies of people nearby — including children.”

Mayor Blangiardi, Prosecutor Alm, and the four County Police Chiefs have all voiced their objections to legalizing recreational marijuana, and for good reason.

I cannot support something that is known to cause harm to others, especially our youth and children.

Please take the report by the Department of the Attorney General that identifies the risks to public health and safety seriously, and oppose SB 3335.

Thank you for the opportunity to testify.

SB-3335

Submitted on: 2/8/2024 5:02:24 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Steve Lipscomb	Individual	Oppose	Written Testimony Only

Comments:

I oppose any effort to legalize marijuana. Hawaii's legislators appear to be enamored with the idea of increased tax revenue, but at the expense of the health of our people and the safety of our communities.

One need only look to Colorado to see the negative impacts of this over-hyped legalization effort: "Over the past 10 years, Colorado has seen increases in marijuana-related hospitalizations, Emergency Room visits, poison control calls, DUIs, and fatal crashes where drivers tested positive for cannabinoids." [Colorado Division of Criminal Justice Publishes Report on Impacts of Marijuana Legalization in Colorado | Division of Criminal Justice](#). At the same time, the illicit sale of marijuana continues despite legalization.

This is bad public policy and needs to be defeated.

SB-3335

Submitted on: 2/8/2024 5:18:56 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Veronica Simao	Individual	Oppose	Written Testimony Only

Comments:

Senators, do not legalize marijuana in Hawaii. I am born and raised in Hawaii and have witnessed the abuse of this drug. It is a gateway drug to meth and crack. Every drug abuser I have ever spoke with will admit that they started their drug use with marijuana. Substance abuse leads to crime. Crimes are committed to finance their addictions. It is a vicious cycle that Hawaii does not want in our community. I oppose this bill and ask that you would oppose it too.

SB-3335

Submitted on: 2/8/2024 5:26:04 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Abby Paredes	Individual	Oppose	Written Testimony Only

Comments:

Oppose

SB-3335

Submitted on: 2/8/2024 7:52:36 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
adam	Individual	Oppose	Written Testimony Only

Comments:

This would take away legal medical growers protections .

SB-3335

Submitted on: 2/9/2024 11:25:41 AM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Me	Individual	Oppose	Written Testimony Only

Comments:

Thank you for hearing testimony, I am a family nurse practitioners and a certifying provider. I am concerned about the unintended effects this legislation will have on Hawaii's existing medical cannabis patients.

This bill aims to legalize one ounce of cannabis and growing 6 plants at home. However it creates several new ways for cannabis to be criminalized, creates a new task force in HPD and a pathway for cannabis DUI's that is unscientific and unreliable. People who use cannabis medicinally typically live with several chronic diseases, like diabetes or irritable bowel syndrome. Both of these conditions can change the way THC is metabolized in the body. A patient can test above 5 nanograms of THC per ml and not be impaired. People who use edibles can test at those levels for up to 8 hours after ingesting cannabis.

This bill also decreases the right for people to grow collectively at home. by limiting all grow sites to 10 plants regardless of the household size.

The cost of this bill to tax payers is outrageous at \$38 million dollars most of it going to enforcement. Is this something we should be focusing on as a state right now? The cost of enforcing this type of legislation is going to be astronomical and cause undue strain on law enforcement.

This is not a legalization bill it's a Commercialize and Criminalize bill, that will ultimately harm our existing medical program patients.

Thank you

SB-3335

Submitted on: 2/9/2024 11:49:33 AM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Sara Kim	Individual	Oppose	Written Testimony Only

Comments:

Strongly oppose.

SB-3335

Submitted on: 2/9/2024 12:26:05 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Mark Tamosiunas	Individual	Oppose	Written Testimony Only

Comments:

I oppose to illegal searches that the State of Hawaii wants their police to perform on registered grow sites. This is a direct violation of the US Constitution. Therefore, I must oppose this entire Senate Bill. You should all be ashamed of yourselves.

SB-3335

Submitted on: 2/9/2024 1:07:15 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Quintin Wilcox	Individual	Oppose	Written Testimony Only

Comments:

This does not allow equal or fair legality for patients or caregivers.

SB-3335

Submitted on: 2/9/2024 1:08:36 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Garner Shimizu	Individual	Oppose	Written Testimony Only

Comments:

I oppose legalizing marijuana because the negative ramifications far outweigh an perceived positive benefits.

i am 65 years old and I personally know a high school friend who has smoked weed throughout his life and is addicted to it. He suffers from depression, has lack of motivation, lives with his elderly parents who need caregiving, and an older sister who practically does all the caregiving.

Marijuana is a mind altering drug that leads a person to escape from reality and from being a sound, responsible functioning individual. Legalizing it will only open the door to more young unsuspecting minds to go down the wrong road, as well as introduce a powerful negative influence that will seriously affect people's lives and families.

i strongly urge you to vote no, and spare our Hawaii from going to a place of becoming an unwholesome and derelict place to live and visit.

SB-3335

Submitted on: 2/9/2024 2:17:18 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Donald Carroll	Individual	Oppose	Written Testimony Only

Comments:

I want to share my own personal experience where I stand. Volunteering at a nonprofit drug rehab program for men. The last 10 years on the Big Island. Plus, several years before moving to Hawaii going to the Holmes County Correctional Institute in Florida (State Prison). Counseling men who were about to reenter society. For the most part, these individuals all struggle with some type of drug addiction and the effects. If space would allow I could tell you hundreds of stories how drugs have affected their lives. Which yes, includes marijuana. The promised benefits of marijuana legalization, have failed to materialize, leaving hundreds of communities with more addiction, death, and chaos. Contrary to what propagandists tell you, marijuana is not a benign substance with medicinal properties. Marijuana is addictive, particularly for young users. Its habitual consumption is linked to schizophrenia and permanent brain damage, particularly in the frontal cortex. As the strength of marijuana has increased in recent years, it has become more addictive and more damaging. Just as the end of prohibition greatly increased national alcohol consumption, marijuana use and abuse have grown wherever it has been legalized. This means whenever this Drug Policy succeeds, there are more addicts, more brain damage, and more ruined families. What about all the supposed benefits of legalization? Has crime decreased now that it's legal to buy, sell, and possess marijuana? Are states that legalized marijuana rolling in new tax revenues? Are fewer people taking opioids and fentanyl now that marijuana is a legal option? The answers are no, no, and no. Marijuana legalization has clearly increased crime. Strict regulations and taxes placed on legal marijuana sellers have created a vast illicit market that easily undercuts the legal market on price. And because possession is legal, it is virtually impossible to crack down on the illegal market. This has left rural communities that never experienced drug violence before vulnerable because small county sheriffs don't have the budgets, staff, or laws to defeat illegal marijuana farms. This has brought drug-related shootouts, robberies, kidnappings, and killings to communities that never had them before. With the illegal market roughly double the size of the legal one, estimated tax revenues from legal marijuana sales have fallen far short of expectations, leaving states stuck with massive bills for increased drug addiction services but without the extra revenue to pay them. Recent research confirms that marijuana legalization is also associated with higher opioid use and mortality. Instead of acting as a substitute for more harmful drugs, legal marijuana is a gateway to their increased use. Basically no one is asking the right questions. What are the future consequences if we pass this Bill? The prudent foresee the difficulties and avoided it. I would like to strongly encourage the Senators to reject this Bill. Respectably, a Concern Citizen

SB-3335

Submitted on: 2/9/2024 2:38:51 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Tiani	Individual	Oppose	Written Testimony Only

Comments:

We need to be promoting a SOBER hawaii. With all the drug dependency in this day and age, the very LAST thing we need to be doing is legalizing drug use. We all know marijuana is known as a "gateway" drug and legalizing this will absolutely amplify and increase the use of other drugs. Lets keep Hawaii a clean and sober state. Lets keep family the focus of our islands and keep drugs of all kinds out of the lives here in Hawaii!

SB-3335

Submitted on: 2/10/2024 2:05:00 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Julia M. Yano	Individual	Oppose	Written Testimony Only

Comments:

Honorable Senators.

Please vote NO to SB3335. Legalizing Marijuana has the potential to create substance abuse and addiction. Especially vulnerable are our youth. There is no positive consequence in allowing it to become legal.

Thank you for listening.

Shared With Deep Respect.

SB-3335

Submitted on: 2/10/2024 9:20:03 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Carina Lara	Individual	Oppose	Written Testimony Only

Comments:

I oppose SB 3335, due to it's nature to possibly harm and impact children in a negative way. Children are already at a higher risk to obtain illegal drugs, and if this law goes into effect, they will be at a higher risk to more easily obtain marijuana if it becomes legalized here in the state of Hawaii. We need to care for our children and for our communities. Choose to not legalize marijuana for adult recreational use.

SB-3335

Submitted on: 2/11/2024 7:53:08 AM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Melissa Scott	Individual	Oppose	Written Testimony Only

Comments:

Please say no to medical marijuana.

Mahalo,

Melissa S.

SB-3335

Submitted on: 2/11/2024 10:16:43 AM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Kristen Kurata	Individual	Oppose	Written Testimony Only

Comments:

I am a wife, parent to two young kids and resident born and raised in Hawaii. I am strongly against the legalization of recreational marijuana. It would be detrimental to our families and our state and culture of Hawaii.

SB-3335

Submitted on: 2/11/2024 10:18:57 AM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Joel K Kurata	Individual	Oppose	Written Testimony Only

Comments:

I am a home grown Hawai'i resident living in Moanalua. I am registered to vote. I am STRONGLY OPPOSED to this bill as I believe it negatively affects our keiki and most vulnerable. Please consider. Thank you

SB-3335

Submitted on: 2/11/2024 1:24:19 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Carm Akim	Individual	Oppose	Written Testimony Only

Comments:

To our Honorable Legislators,

I am a registered nurse in an acute care facility in Honolulu. I have cared for both adults and teens who have used marijuana and experienced its effects like intractable vomiting and, at worse, violent behaviors and suicidal ideations. I have seen teens who were perfectly healthy and wanted to end their lives because they consumed or smoked marijuana a few weeks prior to coming in. They were rushed to the ED, hallucinating, vomiting, and nauseous, a threat to themselves. I feel so much compassion for these adolescents who just want to fit in but made a poor choice of smoking marijuana.

Still heartbroken, I have family members and friends who I lost to suicide, unable to cope with addiction. They all started smoking pakalolo as a teen.

Legalizing Recreational Marijuana IS A STAB IN THE BACK FOR US LOCAL FAMILIES. How many more brothers or sisters do we need to bury due to suicide? How many more broken families do we need to have because of addiction and domestic violence that started from smoking pot innocently? How many kanaka with mental illness caused by drugs have to be walking around the island houseless for our legislators to stop introducing bills like this? Let science tell you the outcomes.

Please, as a frontline healthcare provider, we are already burdened as a system and as a profession. Please do not add to our work by making Marijuana legal in our beloved state. Give our youth a better chance to live the rest of their life healthy and addiction-free. Please focus on legislating bills that will ensure services for Hawaii's youth to prevent them from even touching these addictive substances. Let's hone in on their mental health and coping skills, acknowledging that the challenges of their generation are way different than they were just a decade ago. Let's not patch them up with drugs.

Me ka'ōia'i'ō,

Carm Celine Akim, RN BSN, MSN, WCC

SB-3335

Submitted on: 2/11/2024 2:54:48 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
ANSON REGO	Individual	Oppose	Written Testimony Only

Comments:

Oppose. Please read below the growing evidence and studies why recreational marijuana hurts Hawaii's people especially the young and vulnerable.

Facts:

Marijuana smoking may raise your lung cancer risk. Many people who use pot also smoke cigarettes. Some research shows that people who do both could be even more likely to get lung cancer. Smoking marijuana delivers toxins and carcinogens to the body, which are harmful to the lungs and cardiovascular system, according to the U.S. Centers for Disease Control and Prevention.

[Drugs Behind 50% of Traffic Fatalities](#) on Oahu

“...Drugs specifically played a role in 38 of the 76 traffic deaths on island in the past three years...” Inhalation of marijuana may impair driving skills for about six to eight hours, while edibles can impair them for eight to 12 hours, according to [guidelines published in 2022](#) in the International Journal of Drug Policy.

<https://www.cnn.com/2023/11/06/health/marijuana-heart-stroke-risk-wellness/index.html>

Adults who don't smoke tobacco but do use [marijuana](#) were at higher risk of both [heart attack and stroke](#) when hospitalized, while people who use [marijuana](#) daily were 34% more likely to develop heart failure, according to two new non-published studies presented Monday at the American Heart Association Scientific Sessions in Philadelphia.

New research from University of Washington and Kaiser Permanente Washington Health Research Institute estimates [21 percent of marijuana users](#) had become addicted.

Scientists have a hard time agreeing on where the addiction threshold is for marijuana, but studies estimate [about four million Americans](#) qualified as having a 'marijuana use disorder' in 2015, according to the National Institute on Drug Abuse (NIDA).

That group accounts for about nine percent of all marijuana-users. But [addiction rates nearly doubled](#) - rising to 17 percent - among people that started getting high in their teenage years.

The advent of highly potent strains and vapes has compounded the addiction risk. Frequent, consistent use builds up a tolerance to the dose, resulting in feeling the need to smoke or vape more to get the same

Additionally, chronic cannabis use has been known to trigger the onset of schizophrenia and psychotic breaks.

A study published in the May issue of the journal Psychological Medicine found cannabis use disorder was linked to about 30 percent of schizophrenia diagnoses in young Danish men in the year 2021.

Dr Nora Volkow, the director of the federal National Institute on Drug Abuse who co-authored the study has proven a staunch advocate for tighter rules governing access to the drug.

She said, according to their findings, ‘As access to potent cannabis products continues to expand, it is crucial that we also expand prevention, screening, and treatment for people who may experience mental illnesses associated with cannabis use.’

And as marijuana limits have loosened, a black market industry of high potency strains and vapes has emerged, with such products that provide a high much more potent than previous ones.

Researchers from the Aarhus University Hospital in Denmark recently delved into the records of more than 6.6 million people in Denmark born between 1985 and 2021 and found of those with cannabis use disorder - defined as being unable to stop using in spite of it causing damage to their health and social lives - about 41 percent of those individuals were [diagnosed with major depression](#).

They also found chronic marijuana use quadrupled a person’s risk of being diagnosed with bipolar disorder.

There have been many anecdotal reports of high-potency marijuana vapes causing psychotic breaks, suicidal thoughts, [and deaths by suicide](#).

Additionally, chronic cannabis use has been known to trigger the onset of schizophrenia and psychotic breaks.....

SALEM, Ore. (AP) — In 2014, Oregon voters approved a [ballot measure](#) legalizing recreational marijuana after being told it would eliminate problems caused by “uncontrolled manufacture” of the drug. Illegal production of marijuana has instead exploded.

Oregon lawmakers, [who have heard complaints](#) from police, [legal growers and others](#), are now looking at toughening laws against the outlaw growers. Oregon, one of the first states to legalize recreational marijuana, can be an object lesson for other states, including [Maryland and Missouri, where voters](#) legalized weed on Nov. 8. That raised the number of states that have approved marijuana's recreational use to 21.

So far this year, police have seized over 105 tons (95 metric tons) of illegally grown marijuana in Oregon, according to the Oregon-Idaho High Intensity Drug Trafficking Area task force. That's up from at least 9 tons (8 metric tons) in 2019.

<https://apnews.com/article/politics-business-oregon-government-and-7f1670654904a453b1d06f6b7a2903>

September 2018CThe rise in teenagers using e-cigarettes has alarmed health officials who worry kids will get addicted to nicotine, a stimulant, and be more likely to try cigarettes.

Nearly 9 percent of students surveyed in 2016 said they used an e-cigarette device with marijuana, according to Monday's report in the journal JAMA Pediatrics. That included one-third of those who ever used e-cigarettes.

The number is worrying "because cannabis use among youth can adversely affect learning and memory and may impair later academic achievement and education," said lead researcher Katrina Trivers of the Centers for Disease Control and Prevention.

Students who said they lived with a tobacco user were more likely than others to report vaping marijuana.

It's unclear whether marijuana vaping is increasing among teens or holding steady. The devices have grown into a multi-billion industry, but they are relatively new.

In states where marijuana is legal, shoppers can buy cartridges of liquid containing THC, the chemical in marijuana that gets people high, that work with a number of devices. Juul, by far the most popular e-cigarette device, does not offer marijuana pods, but users can re-fill cartridges with cannabis oil.

It was the first time a question about marijuana vaping was asked on this particular survey, which uses a nationally representative sample of students in public and private schools. More than 20,000 students took the survey in 2016.

U PENNYVANIA

<https://www.vpul.upenn.edu/alcohol/marijuana.php> SARA PUTA---INHALATION SMOKE BAD IMPAIRED RATES---AFFECTS COGNITIVE FUNCTION IN MINDS THC AFFECTS ON 2 RECEPTOR SITES IN BRAIN

What it is:

Dried leaves and flowers of the Cannabis plant. THC and other chemicals found in the plant produce a psychoactive effect when smoked or eaten.

What it does:

Individual experiences with marijuana vary widely. The "high" may only last a few hours, but

THC stays in the body for days. Effects may include:

- Physical and mental relaxation

- Elevated mood
- Drowsiness or sedation
- Mood swings
- Increased appetite

The risks:

Most research on the effects of marijuana focus on THC; however there are hundreds other compounds produced by burning marijuana and smoking it. The effects and long-term impact of these compounds on various body systems is largely unknown. Researched risks include:

- Impaired memory, learning ability, and other cognitive functions. This may last for up to 72 hours after use, because THC is eliminated very slowly from the body.
- Increased danger with heart conditions because of increased heart rate

- Headache
- Panic attack
- Increased anxiety, depression, or insomnia over time with continued use
- Impaired lung function or chronic bronchitis with heavy long-term use
- Irregular menstrual cycles or decreased sperm count due to suppression of hormone production
- Long-term use beginning at a young age may lead to permanent cognitive deficits

SUMMARY: Please vote no. There are many many more studies against legalizing recreational marijuana due to its harm on people---Lets not kid ourselves, the pushers of this law in Hawaii are also mainly monetary interests to increase their business profit by legalizing this new drug, as well as governmental interest to tax it and add it to Hawaii's general funds coffers. Government will fail to control this use! Leaders please lead...lead us away from creating new ills and Government promotion of recreational marijuana which will bring more problems to Hawaii's people. Our local people will be hurt the most!

Thank you

Anson O. Rego, Waianae Attorney

SB-3335

Submitted on: 2/11/2024 3:15:34 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Ken kasik	Individual	Oppose	Written Testimony Only

Comments:

- Bad ideas 💡

SB-3335

Submitted on: 2/11/2024 3:23:23 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Shawnell Alonso	Individual	Oppose	Written Testimony Only

Comments:

I oppose this bill.

SB-3335

Submitted on: 2/11/2024 3:27:58 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Ryan Keomaka	Individual	Oppose	Written Testimony Only

Comments:

No to this corrupt bill.. how hard is it to look up the data from other states and implement the good things and fix the problems that we already have? Greed is what is fucking up this bill.

SB-3335

Submitted on: 2/11/2024 3:51:39 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Jacob Britt	Individual	Oppose	Written Testimony Only

Comments:

Aloha,

I am strongly opposed to bill SB3335. We don't need more plant regulations. Hawaii doesn't need recreational cannabis, the medicinal cannabis laws should be improved upon before we consider anything recreational. More Strains, More Growers, More Options... Please don't push the laws backwards; patient trust was already an issue when the DEA had every MMJ patient's information back when it started before you moved it over to the DOH.

Mahalo for taking the time to read my thoughts.

SB-3335

Submitted on: 2/11/2024 4:00:53 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
William c Boughnou	Individual	Oppose	Written Testimony Only

Comments:

The dispensary prices are insane over 350 400 dollars for an oz of weed lol its a joke when black makes and Co op are well into 150 or sometimes less... and far better product as well these dispensary and farms seem to be at war and from what I saw last hearing the majority or dispensary voices don't seem to think the committee is smart enough to fact check ... I'd be surprised if this bill doesn't pass as is since that's about all I've seen out of this committee just blindly following instead of hearing its consitutenses and leading the community

SB-3335

Submitted on: 2/11/2024 4:04:17 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Paul Asuncion	Individual	Oppose	Written Testimony Only

Comments:

Dispensary prices are outrageously more expensive then even flower bought illegally!!! Only the rich buggah can afford their flower!!!

SB-3335

Submitted on: 2/11/2024 4:46:18 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Tricia Mills	Individual	Oppose	Written Testimony Only

Comments:

Oppose

SB-3335

Submitted on: 2/11/2024 5:18:00 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Michael karlovich	Individual	Oppose	Written Testimony Only

Comments:

This bill does not support equal opportunity in the cannabis industry. We need affordable licensing for cannabis cultivation and enforcement that the community supports.

SB-3335

Submitted on: 2/11/2024 5:49:26 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
William Nasario	Individual	Oppose	Written Testimony Only

Comments:

This is why the State Dispensaries are so expensive because they have to FUND all the new " CANNABIS CONTROL BOARDS" the State keeps creating.

SB-3335

Submitted on: 2/11/2024 6:36:27 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Charles Gwin	Individual	Oppose	Written Testimony Only

Comments:

As a current HB329 patient I adamantly OPPOSE this bill in its entirety.

This bill does not protect my HB329 patient rights and subjects my private property to unconstitutional and illegal search and seizure without warrant. I feel that under no circumstances should my constitutional rights as a private citizen be jeopardized for personal medical needs already approved by state law.

SB3335 violates these constitutional rights and protections in whole and must not be passed.

Sincerely,

Charles Gwin

SB-3335

Submitted on: 2/11/2024 7:21:12 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Robert Gwin	Individual	Oppose	Written Testimony Only

Comments:

As a current HB329 patient I adamantly OPPOSE this bill in its entirety:

This bill does not protect my HB329 patient rights and subjects my private property to unconstitutional and illegal search and seizure without warrent. Ifeel that under no circumstances should my constitutional rights as a private citizen be jeopardized for personal medical needs already approved by state law. SB3335 violates these constitutional rights in whole and must not be passed.

Sincerely, Robert Gwin

HB329 card holders

SB-3335

Submitted on: 2/12/2024 2:09:27 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

LATE

Submitted By	Organization	Testifier Position	Testify
richard rocker	Individual	Oppose	Written Testimony Only

Comments:

Aloha Kakou

Please do not support this bill. It is against farmers in Hawaii who already have too much on their plates like the high cost of land, lack of housijng, cost of living etc to burden them with more regulations that will hurt an enterprise that WE the citizens support.

Please immediately remove ALL hemp elements from SB 3335 relating to medical and recreational cannabis that is a pathway for recreational marijuana.

Its time to stand behind your pleges of supporting Ag and sustainability.

mahalo

richard rocker

SB-3335

Submitted on: 2/12/2024 2:03:24 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

LATE

Submitted By	Organization	Testifier Position	Testify
Mary	Individual	Oppose	Written Testimony Only

Comments:

Hemp farmers have been struggling for decades to introduce hemp as an industrial crop both in Hawaii and across the country. It has tremendous economic potential while also improving the soil on ag land, creating jobs, and as a raw product for many applications. It should not be classified as a Cannabis product and should be completely removed from this bill.

Sincerely,

Mary Spadaro

SB-3335

Submitted on: 2/12/2024 12:43:59 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

LATE

Submitted By	Organization	Testifier Position	Testify
Doreen Morimoto	Individual	Oppose	Written Testimony Only

Comments:

I oppose this bill.

LATE

SB-3335

Submitted on: 2/12/2024 2:27:18 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Chris McKay	Individual	Oppose	Written Testimony Only

Comments:

I am a 32 year old medical marijuana patient living on the Island of Maui. I work for a non profit based on Maui and make \$70k a year.

I refuse to have my medicine controlled by dispensaries, who sell it recreationally too. They have no idea how to help me and are only interested in products with the most THC. I am a medical patient and use cannabis daily. How can anyone living on island afford "medicine" at these dispensaires. I'm talking aunties and uncles. The current price for 1/8 of cannabis at Maui dispensaires is \$74. I use that amount daily. How can I afford that? I have severe hip pain from a childhood hip degenerative disease.

Dispensaries also use harmful chemicals, grow indoor using lots of energy when we have tons of natural sunshine in Hawaii. I want to be close to my medicine. I cannot grow it at home as I have neighbors and rent my place. How Im I supposed to grow my own medicine? I have no idea how to, dont have the space, and cannot afford to go to the dispensaries. I want and demand that my medicine is organic as I put it in my body every day. Hawaii has an incredible history of cannabis with certain strains coming from here that help people medically.

My brother is recovering heroin and opiate addict. I don't understand how these drugs can be sold so easily to the public, many times getting a precription at no cost to the consumer. How can aunties and uncles get opiates that can KILL YOU and I can't get my cannabis medicine. When the dispenary prices are so high, you are forcing aunties and uncles to deal directly with DRUG DEALERS because they can't afford the dispensaries. My cannabis medicine is not insured, so I have to pay for it and I can't afford it when its at a dispensary and the product is not medical, Its dry, stale and cannabis loses potency the longer it sits. Support the people and growers of Hawaii and say no to this bill. Thank you.

SB-3335

Submitted on: 2/12/2024 12:40:59 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

LATE

Submitted By	Organization	Testifier Position	Testify
Charlene Lum	Individual	Oppose	Written Testimony Only

Comments:

I strongly oppose this bill. Allowing marijuana to be legalized will only increase the usage of substance that impair cognitive abilities when driving, working, and being in the community. Hawai'i has approved the use of medical marijuana; why do you find the need to expose it to more people and children. Hawai'i doesn't need to be another Las Vegas. We need to protect our state not turn it into a paradise for drugs, sex, and having adventures at other people's cost. I voted for the legislators to keep Hawai'i safe and to live up to the state motto, the life of the land is perpetuated in righteousness.

SB-3335

Submitted on: 2/12/2024 12:26:02 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Jamie Vega	Individual	Oppose	Written Testimony Only

Comments:

This bill will hurt Hawaii residents and have cannabis care become unaffordable.

LATE

SB-3335

Submitted on: 2/12/2024 11:55:29 AM
Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Kamalei Pai	Individual	Oppose	Written Testimony Only

Comments:

I strongly OPPOSE this bill as it supports BIG \$\$ Corporate farming and business which means unaffordable lower quality medicine and also means leaving the grass root and legacy growers in the dust....we need affordable meds that's means small coops which are in fact better for the environment than big Corporate farming.... oppose oppose oppose this bill.

KILL THIS BILL!!!!

SB-3335

Submitted on: 2/12/2024 11:53:32 AM

Testimony for HHS on 2/13/2024 9:00:00 AM

LATE

Submitted By	Organization	Testifier Position	Testify
Nicholas Silberman	Individual	Oppose	Written Testimony Only

Comments:

I Nicholas Silberman, resident and medical card holder in Hawaii, wish to oppose SB3335.

Thank you,

Nicholas S

SB-3335

Submitted on: 2/11/2024 5:43:30 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Grant Overton	Testifying for Agripelago	Oppose	Remotely Via Zoom

Comments:

I strongly oppose the proposed bill's inclusion of industrial hemp. This legislation, in its current form, poses a significant threat to the viability and future investments in Hawaii's industrial hemp businesses. Moreover, by continuing to exceed federal regulatory standards for industrial hemp, it significantly harms local farmers and jeopardizes tens of millions of dollars in diversified agriculture investments. The bill indiscriminately impacts sectors unrelated to cannabinoids, including those focused on food, fiber, and renewable energy applications.

The ambiguity and potential for regulatory shifts creates a prohibitive investment environment, especially for critical agricultural processing and bioenergy projects that demand high certainty for investment due diligence. The prospect of unjust regulation or reclassification of industrial hemp under similar legislative efforts in the future has already caused irreversible damage to the sector's investment viability. This not only undermines the confidence necessary for long-term capital allocation and innovation, but also stalls economic opportunity and significantly harms Hawaii's efforts toward diversified agriculture.

SB-3335

Submitted on: 2/12/2024 11:18:27 AM

Testimony for HHS on 2/13/2024 9:00:00 AM

LATE

Submitted By	Organization	Testifier Position	Testify
Andre Pulido	Individual	Oppose	Written Testimony Only

Comments:

I Andre Pulido oppose legalization of cannabis. Please keep it a medical program. Don't sale out our state for drug money.

thank you

SB-3335

Submitted on: 2/11/2024 7:23:47 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Leonard Suan	Individual	Oppose	Written Testimony Only

Comments:

I am in opposition of SB3335. As a parent and teacher in the public school system I worry that the passage of this bill will lead have a negative effect on our children. If marijuana is accessible to adults I am afraid that it could get into the hands of our children. Please consider my testimony as you review this bill. Mahalo & God Bless!

LATE

SB-3335

Submitted on: 2/12/2024 2:32:37 PM
Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Cathryn Kelley Smith	Individual	Oppose	Written Testimony Only

Comments:

Dear Committee Members,

For my volunteer contribution to wildfire recovery, I'm advocating the development of industrial hemp production on Maui. We saw with the wildfire that we cannot rely so completely on tourism. I'm sure you realize that hemp can used to create fabrics, bioplastics, building supplies - I recently saw a figure of 50,000 for the number products that can be made from hemp. Add to that Maui's entrepreneurial spirit, and voila! We have a strong economic driver.

For the Lahaina rebuild, hempcrete would be invaluable. Its benefits include: fire resistance-you can take a blow torch to it; termite resistance; water resistance (even if not fully hardened); mildew resistance; high specific heat capacity - it can store a lot of heat energy, which helps to stabilize indoor temperatures thereby reducing the need for cooling, which can save energy and money; strength – the hemp cells hold lime and bind to themselves, without a need for rebar or anything to hold them together; breathability - there's no off-gassing. On the other hand, the concrete industry produces 8% of global carbon emissions, and on Maui it's currently 20% more expensive than it was previously.

Unnecessary regulatory interference contributed enormously to the virtual collapse of the hemp industry from 2022 to 2023. All hemp elements need to be deleted from the Draft Cannabis Bill, so that Maui's hemp economy can thrive, as it does in Holland, Canada, and other countries where reasonable policies prevail.

It is ignorant and harmful to fail to delete all hemp elements from SB335. As one Native American brother told his fellow members of the Tribal Council which was considering developing a hempcrete industry on their land: "You can't smoke the walls." They proceeded to develop the industrial hemp industry and offered their people greatly expanded economic opportunity.

Here is one example of the hemp industry in Holland: <https://dunagrohempgroup.nl/>

Mahalo,

Cathryn Kelley Smith

Kihei, Maui

While the benefits of marijuana are often highly touted, little is often said about the negative reality. There are numerous studies illustrating strong correlations between marijuana use and the development of mental disorders including schizophrenia. In recent news, a California woman was acquitted after stabbing her boyfriend to death 108 times after suffering a psychotic episode directly linked to using cannabis (Keane, 2024). Furthermore, she also stabbed herself in the neck 48 times before stabbing her dog. Marijuana has been linked to memory loss, correlated with anxiety, depression, and paranoia, and has served as a gateway drug to other, potentially more harmful substances in youth such as crystal meth and fentanyl. Youth who use it today may suffer long-term impairments later in life; these impairments include attention and concentration deficits, reduced reaction time and coordination, and increased risks for depression, anxiety, suicidal thoughts, paranoia, and even psychosis (Cunningham, 2024; Geoffrion, 2024).

For those in the medical, mental health, law enforcement, and educational fields, the negative consequences of marijuana are real enough that we do not need to take the chance in seeing what harm it may cause the community. Sadly, a number of the young and homeless I have met told me they use marijuana regularly; still, in many cases, although they would like to improve their living situations, they openly admit they do not have the wherewithal nor motivation to change their current circumstances—with some honestly saying it is due to being high. Depending on how long they may have been using marijuana and/or other substances, the damage to their cognition could be irreversible. This can be coupled with the fact that THC levels today are 15 to 30% higher than those in the 1990s—which should lead to even more concern (Woods, 2023).

One incident that disturbed me personally was seeing a young man howling and screaming in a Kapolei field, one night. Rather than help him, the surrounding young adults who saw his display merely brushed off the incident as the young man having a negative reaction to ‘a bad batch.’ With substance abuse, homelessness, and mental illness already on the islands’ forefront, one has to wonder what the long-term consequences might be, with the least to greatest including: cognitive impairment, dabbling with other, more lethal drugs, crime, incarceration... and possibly

death due to impaired choices. It is important that we encourage our keiki to find other, more productive ways to unwind, socialize, and handle life's stressors without creating newer, and potentially more devastating, problems. Simultaneously, it is important that adults shift their philosophy from downplaying marijuana use as a seemingly benign activity in youth to something that has the potential of long-term damage. For instance, there have been an increasing number of cases where keiki have mistakenly eaten candy meant for adults and suffered severe reactions. We are at a place where the financial benefits of legalizing marijuana might seem appealing... but the lingering, negative effects on future generations might come at an even greater cost.

References

- Cunningham, A. (2024). The teen brain is especially susceptible to the harms of THC. *Science News*. Retrieved from [How does THC affect teens' mental health? \(sciencenews.org\)](https://www.sciencenews.org/article/how-does-thc-affect-teens-mental-health)
- Geoffrion, L. (2024). The Effects of Marijuana on the Teenage and Young Adult Brain. *American Addiction Centers*. Retrieved from [The Effects of Marijuana on the Teenage Brain \(americanaddictioncenters.org\)](https://www.americanaddictioncenters.org/marijuana-effects-teenage-brain)

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Post. Retrieved from

[Girlfriend who stabbed boyfriend 108 times in marijuana-induced episode smoked strain with more than 30% THC \(nypost.com\)](#)

Woods, Tyler. (2023). Cannabis and the teenage brain. *Psychology Today*.

Retrieved from [Cannabis and the Teenage Brain | Psychology Today](#)

SB-3335

Submitted on: 2/11/2024 7:44:47 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Alika Bee	Individual	Oppose	Written Testimony Only

Comments:

I oppose SB3335

SB-3335

Submitted on: 2/12/2024 11:18:17 AM

Testimony for HHS on 2/13/2024 9:00:00 AM



Submitted By	Organization	Testifier Position	Testify
Misty Yee	Individual	Oppose	Written Testimony Only

Comments:

I STRONGLY OPPOSE SB3335! Legalizing cannabis will further destroy our families and increase crime and violence. I have visited Colorado and California and I don't want our Hawaii to become like those states. We have to get over following foolish :sister state: decisions like this. We must not be fools! Do not pass this bill. Thank you!

SB-3335

Submitted on: 2/11/2024 7:47:11 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Sandra Suan	Individual	Oppose	Written Testimony Only

Comments:

I kindly ask you to vote no to SB3335. As a mother I am concerned that the legalization of recreational marijuana may have a negative effect on adolescents and teenagers. If marijuana is legalized, I believe more children and teens will try it, especially if it is easily accessible to them. As I understand it, the THC content of today's marijuana is much higher than the content of the 1970s making it more dangerous and harmful. Case in point, a 12 year-old student at Pahoa Intermediate School who had vaped and was found unresponsive. She was found to have high level of cannabinoids in her system.

Thank you for considering my testimony.

LATE

SB-3335

Submitted on: 2/12/2024 2:33:39 PM
Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Gail P. Gnazzo	Individual	Oppose	Written Testimony Only

Comments:

Honorable Committee Chairs & members

I oppose including Hawaii grown & regulated Hemp in this bill. Hemp is not medical marijuana & is not imported. It is a crop which can contribute to Hawaii's agricultural growth & sustainability. Mahalo nui loa

SB-3335

Submitted on: 2/11/2024 7:48:02 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Lorraine Nip	Individual	Oppose	Written Testimony Only

Comments:

We don't need another group of regulators to monitor non-medical use of cannabis, and certainly not by diverting the personnel and assets from the Dept of Health and Dept of Agriculture (to a new Hawaii Cannabis Authority and Cannabits Control Board). Cannabis is already monitored for medical use.

SB-3335

Submitted on: 2/11/2024 7:55:13 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Riana Jicha	Individual	Oppose	Written Testimony Only

Comments:

Aloha, my name is Riana Jicha, and I am a graduate student at Hawaii Pacific University and a resident of the Big Island.

I am testifying against SB3335 and its proposed measures to legalize cannabis by 2026. My primary opposition to this proposed bill is the drastic effect it will ultimately have on the public safety of Hawaii’s residents. I do not believe that legalization, with its stipulations, will benefit the long-term health and safety of the population, specifically Hawaii’s youth. I understand that a condition of legalization, as outlined by the proposal, is educational programs to deter underage addiction. However, states like California implemented similar plans and still experienced increased underage usage (Paschall, 2021). Several states also experienced rates of truancy and school absence as a correlation to legalization; there cannot be a law that creates a substantial deficit for children in Hawaii and their right to thrive in an educational environment.

It is also worth noting that traffic-related incidents are strongly connected to legalization. A conjoining hazard is the fact that officers cannot objectively assess the degree of risk on the scene with impaired drivers, as determining the evidence of cannabis in the blood is impossible to substantiate without evasive tests (Stohr, 2020).

Those factors, out of many other logistical features of safety, create a heavy burden on public health and will result in detrimental consequences if enacted.

Mahalo for considering my testimony,

Riana Jicha

Paschall, M. J., García-Ramírez, G., & Grube, J. W. (2021). Recreational Marijuana Legalization and Use Among California Adolescents: Findings From a Statewide Survey. Journal of studies on alcohol and drugs, 82(1), 103–111. <https://doi.org/10.15288/jsad.2021.82.103>.

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Stohr, M., Willits, D., Makin, D., Hemmens, C., Lovrich, N., Stanton, D., & Meize, M. (2020). Effects of Marijuana Legalization on Law Enforcement and Crime: Final Report. National Crime Justice Reference Service. <https://www.ojp.gov/pdffiles1/nij/grants/255060.pdf>.

LATE

SB-3335

Submitted on: 2/12/2024 10:43:51 AM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Jael Esther Simonson Tunick	Individual	Oppose	Written Testimony Only

Comments:

Aloha, my name is Jael Esther Simonson Tunick, and I am a kanaka resident registered in the Medical Cannabis program. I have had difficulty enough navigating the current laws of this system, as its framework is designed not for us patients, but for the profit of dispensaries. Dispensaries, by the way, that do not serve the medical community in the way they were supposed to!

To now move forward with a system to legalize without any input from the people currently in the medical system, is an **unconscionable decision that protects none of Hawai'i's citizens, but only corporate interests yet again!** Hawai'i has enough problems as it is--a housing crisis that is now a full-blown emergency thanks to the events of August 2023; a shortage of healthcare workers, leaving us with months to wait for a crucial doctor's appointment; a complete lack of jobs that pay residents a living wage salary in keeping with the high costs of Hawai'i living; a food-poor system dependent 95+% on imported goods, even produce; why would you then, want to continue forsaking medical patients like myself, and deny us the opportunity to provide invaluable experience and insight that would make the system both practical and beneficial for the state and its citizens.

I have been a registered medical cannabis user for nearly 5 years, and my experience has taught me that the current system Hawai'i has, does not empower the community to affordably pay for their medicine. The dispensaries charge **obscene** prices, claiming that they're "cheaper than black market" when the reality is their prices are the same, **if not higher**. More importantly, none of these dispensaries actually provide products created for medicinal use--the dosage is never higher than what you would find at a legal cannabis shop on the Mainland, which would require a chronic patient like myself to **pay as much money per month for their medicine as they would be paying for rent!** How can these dispensaries say they operate for the benefit of medical patients, when they can't even provide us medicine that we can use and afford?

If it wasn't for the co ops like Care Waialua, medical patients like myself would never be able to adequately treat our pain, anxiety, and other debilitating symptoms that keep us from living normal lives. Not only that, but these establishments actively help educate their patients about how their products are made, and what is most effective for their specific condition(s). I haven't ever had an experience with a so-called "budtender" at a dispensary in Hawai'i that had half that helpful insight! Moreover, I have yet to find a product at a Hawai'i dispensary that is as high quality as the medicine Care Waialua can provide.

I don't imagine you can understand the kind of heartbreak and stress that comes from having your medicine **stolen from you**; medicine that you spend lots of your hard-earned money on, that you go out of your way to procure. When you add to the fact that it's your own government doing it, and they end up giving no real reason or charges for it--**it is a basic destruction of your world**. You no longer have secure access to the medicine you rely on every day, and you have no idea when it's coming back.

It truly sends a level of cortisol coursing through your system that can completely change your body. Before the raid on Care Waialua, when we were all able to **safely access our medicine**, I had been on a regime of **80mg twice a day**--now, I have to take **a minimum of a 200mg dose** to manage my chronic pain each day, because the stress of the uncertainty is so high in my body, it actively works to encourage my pain and inflammation. I don't think the government or the dispensaries have any concern or care for these issues, and that is dangerous when going into setting up a new system like this.

Before Hawai'i can effectively set up a legal market, they first need to establish a program that **involves the entire community**--that includes medical patients like myself, caregivers, doctors, and growers who can provide valuable experience that can ensure this market will benefit Hawai'i in her entirety, and not just "special interest groups" yet again. As this bill stands, it is a veneer of support for the legal market, while it instead puts a muzzle on the most important aspects of successfully legalizing cannabis.

Firstly, Hawai'i should be empowering native kanaka residents like myself to become growers and business owners; after all, it is embedded in our culture to understand and involve ourselves with the growing of our resources. As it stands, there are a very small number of dispensaries operating under the current medical system, and it doesn't have any program in place to encourage local native born residents to become involved. This just ensures that the market remain small, and the dispensaries maintain their monopoly.

The principles of Lā'au lapa'au align perfectly with medical cannabis, so why aren't we educating patients like myself, as to how to grow their own medicine? What resources are provided to help us do so? These loopholes in our already existing medical cannabis program, show a clear lacking in the state's priorities when considering to legalize; all of the focus seems to be on enforcement, and not understanding how Hawai'i's unique community can assist in the sustainability of the market. It completely ignores the valuable opportunities innate in these programs for kanaka residents; I myself am a container gardener at home, but I still lack the space and resources to grow my own medicine. If the state wants to legalize cannabis, shouldn't it first establish a program that takes care of its current medical patients first?

I urge you to oppose this bill, as it does nothing for the citizens of Hawai'i, the people you were elected to protect. It does nothing to ensure the safety of access to medicinal cannabis, and it does nothing to help current patients or caregivers provide medicine or assistance to others. Growers should be able to educate patients about their medicine and empower them to get involved in the growing process; this could then encourage patients themselves to become growers and they could provide their unique insight to improve products or marketing. The

possibilities are endless; you just need to stand up now and oppose this "blind to the people's needs" bill.

Mahalo piha,

Jael Esther Kealiwahineouilaninaopio Simonson Tunick

SB-3335

Submitted on: 2/11/2024 8:01:09 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Gary Hofheimer	Individual	Oppose	Written Testimony Only

Comments:

Oppose

LATE

SB-3335

Submitted on: 2/12/2024 10:40:31 AM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Blyth Iwasaki	Individual	Oppose	Written Testimony Only

Comments:

STRONGLY OPPOSE

SB-3335

Submitted on: 2/11/2024 8:11:43 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Wakea Po	Individual	Oppose	Written Testimony Only

Comments:

This is a clear attempt by out of state operators and large companies to form a monopoly and cut our local farmers from a future market . Terrible bill that hurts small farmers and Hawaiians .

SB-3335

Submitted on: 2/11/2024 8:26:02 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Alan Kaneko	Individual	Oppose	Written Testimony Only

Comments:

NO TO RECREATIONAL MARIJUANA

LATE

SB-3335

Submitted on: 2/12/2024 9:43:42 AM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Michael Voss	Individual	Oppose	Written Testimony Only

Comments:

I oppose the bill. Thank you very much

LATE

SB-3335

Submitted on: 2/12/2024 9:29:53 AM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Hiiaka Hao-Suh	Individual	Oppose	Written Testimony Only

Comments:

I oppose this Bill 3335 because it is detrimental to our community and state. Marijuana is the gateway to all kinds of drugs and substance abuse. We have to stop this evil scheme against our next generation. This bill has no benefit and is only motivated by greed and money. It will also hurt our tourism particularly visitors from Japan.

LATE

SB-3335

Submitted on: 2/12/2024 9:15:48 AM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Drew Erickson	Individual	Oppose	Written Testimony Only

Comments:

I am opposed to bill SB3335. This legislation regresses us to the era of Green Harvest in Hawaii, where local families were unjustly imprisoned for a simple plant, while more harmful substances like methamphetamine flooded the islands, leaving lasting devastation. Other states are decriminalizing cannabis, recognizing its potential, yet SB3335 aims to increase police enforcement, diverting resources from pressing issues like homelessness, violent crime, and education. Moreover, any adult-use cannabis bill must prioritize fair licensing for small businesses, ensuring local participation and preventing the monopolization seen with the current dispensary system. Islands like Lanai, Moloka'i, and Ni'ihau lack dispensaries, raising concerns about access to medicinal cannabis. Maintaining the current dispensary structure only perpetuates historical injustices, akin to the era of sugar barons. We have the opportunity to do better, to create a history we can be proud of. This century marks the second chance to end prohibition, and it's imperative to provide opportunities beyond the current eight license holders. With millions of visitors to Hawaii annually, supporting local farmers is essential to meet the demand for medical and adult-use cannabis. Before deciding on this bill, I urge you to consider its implications and the chance to positively impact Hawaii and its people. Your decision will shape our history. Thank you for your time and consideration.

SB-3335

Submitted on: 2/12/2024 8:58:58 AM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Brent Neal	Individual	Oppose	Written Testimony Only

Comments:

February 12, 2024

RE: Opposed to SB 3335 until ALL hemp elements are removed

Aloha, Honorable Senators,

I strongly oppose the passage of SB 3335. As currently written, this bill would make hemp, a federally legal agricultural commodity, be regulated under the same regulatory agency as recreational marijuana and medical marijuana, which both remain illegal under federal law. I do not agree with this. Hemp needs to be removed in its entirety from SB 3335.

Thank you for your time and attention to this important matter.

Sincerely,

Brent Neal

SB-3335

Submitted on: 2/12/2024 8:57:10 AM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Aimee Donzis	Individual	Oppose	Written Testimony Only

Comments:

I strongly oppose bill SB3335. This bill takes us backwards into the the Green Harvest era of Hawaii, when local families were taken to jail for a flowering plant while harder drunks like Meth began to flood into Hawaii, the decimating effects are still visible everywhere you look.

If you look at other states, they are decriminalizing cannabis, NOT expanding / creating a path for more police enforcement.... OF A PLANT. Hawaii has bigger needs for its tax dollars such as homelessness, violent crime, land use, water use, Lahina, schools & legislation....the list goes on.

Furthermore, any adult use bill for cannabis needs to include more / inclusive fair liscensing for small businesses for local people to participate.

This is the same as saying only Big Box stores can sell produce in Hawaii (in this case the 8 dispensary liscense holders) and completely shutting out and criminalizing small, local farmers who's ohanan's have lived on, worked the land and fed the community from the beginning of Hawaii's recorded history.

Further more, mutiple islands such as; Lanai, Moloka'i & Ni'ihau have zero dispensaries. How can those islands and community's safely, legally provided the plant medicine to their Ohana's and community in the current model or one proposed in SB3335

If the Hawaii dispensary structure remains as is, under the horizontal model with only 8 liscense holders, then the state and all those who support this model / market structure are RECREATING HISTORY.

INSTEAD OF 5 SUGAR BARONS.... WE NOW HAVE 8 CANNBIS BARONS.

Whoever signs / supports this model / repeats one of Hawaii's most painful history's, and criminalizes everyone except the dispensaries for providing necessary plant medicine, will go down in history right along side the original 5 Sugar Barons.

WE can do BETTER and make a history to look back and smile about. Please consider this before making any decisions regarding this bill. YOU have the power to HELP HAWAII and HER PEOPLE or recreate the same history and tragedy's that the Sugar Barons left on Hawaii and is still felt to this day.

Whatever you choose, your name will go down in history. Here's to making a choice we can all look back and smile about.

This is the 2nd time in a century to end prohibition. It's rare that a new industry is created in a century and now is the time to open up the opportunities for more than the current 8 license holders and their lobbyists.

With more than 10 million people per year visiting the Hawaiian islands, it's going to take more than 8 license holders to provide for those who seek medical & adult-use cannabis. WE NEED OUR LOCAL FARMERS!

If you're in doubt, ask your Tutu's, Aunties & Uncles how the Green Harvest impacted them.

Mahalo nui loa for taking the time to read and consider my testimony.

SB-3335

Submitted on: 2/11/2024 8:43:30 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Lorraine Martinez	Individual	Oppose	Written Testimony Only

Comments:

I oppose this bill!!

LATE

SB-3335

Submitted on: 2/12/2024 2:43:46 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
John NAYLOR	Individual	Oppose	Written Testimony Only

Comments:

Aloha,

Please exclude references of hemp from this bill. Hemp is different.

Mahalo,

JN Makawao

SB-3335

Submitted on: 2/11/2024 9:20:08 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Lynette Honda	Individual	Oppose	Written Testimony Only

Comments:

Please OPPOSE this bill. Do not legalize recreational marijuana in Hawaii. I am born and raised in Hawaii and have witnessed the abuse of this drug. It is a gateway drug to meth and crack. Every drug abuser I have ever spoke with will admit that they started their drug use with marijuana. Substance abuse leads to crime. Crimes are committed to finance their addictions. It is a vicious cycle that Hawaii does not want in our community.

SB-3335

Submitted on: 2/11/2024 9:43:20 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Pat Fondren	Individual	Oppose	Written Testimony Only

Comments:

I strongly oppose this bill . SB 3335 is not good for Hawaii . This is not the solution that will benefit residents and Hawaiian people .

SB-3335

Submitted on: 2/11/2024 10:00:27 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Baleen Markwort	Individual	Oppose	Written Testimony Only

Comments:

I oppose this bill based on regulatory concerns and the severe lack of transparency concerning "new agencies" and their governing bodies.

SB-3335

Submitted on: 2/11/2024 10:32:50 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Patrick Rorie	Individual	Oppose	Written Testimony Only

Comments:

Dear Hawaii State Senators and members of the committee on Health and Human Services or Judiciary,

As we consider what should be accomplished at this year's Legislative Session, please consider the following..

Please vote 'No' to the legalization of recreational marijuana in the State of Hawaii (SB3335).

Why? Here are 6 good reasons...

1) It is illegal on the Federal level, and in 26 of 50 United States the use of recreational marijuana is illegal - let's not become a part of the radical minority.

2) Legalized marijuana creates steep costs for society and taxpayers that far outweigh its tax revenues.

3) We already have enough problems with drunk drivers on our roads. If this bill is passed, we will have drivers under the influence of marijuana who might crash and kill themselves (and perhaps others, **including you and your family**). The State of Colorado, where recreational marijuana use is legal, has reported that marijuana-related traffic deaths rose 62 percent.

4) What are we telling our children? And how many of them will become addicted to marijuana, which, studies show, harms the brain and will increase mental health problems?

5) The use of marijuana can lead to the use of other, more harmful drugs like cocaine or heroin.

6) It is **opposed by the Honolulu and Maui Police Departments, the state Department of Transportation, the Honolulu Department of the Prosecuting Attorney, the Coalition for a Drug-Free Hawaii, and Hawaii Family Forum.**

Mahalo nui for your time and consideration.

Most sincerely and with Aloha,

Patrick Rorie (Hawaii resident since 1987, tax payer, voter)

SB-3335

Submitted on: 2/11/2024 10:52:31 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Kevin Mita	Individual	Oppose	Written Testimony Only

Comments:

I oppose this bill because as a medical patient this bill does nothing other than take my rights away as a medical patient.

SB-3335

Submitted on: 2/12/2024 2:49:57 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Carolyn Witcover	Individual	Oppose	Written Testimony Only

Comments:

I believe that ALL hemp elements should immediately be removed from SB 3335 relating to medical and recreational cannabis that is a pathway for recreational marijuana. Hemp is an important **agricultural opportunity** for Hawaii (I am a coffee farmer and **need** options) and is very different from marajuana.

SB-3335

Submitted on: 2/12/2024 2:49:26 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Sarah Martins	Individual	Oppose	Written Testimony Only

Comments:

Please remove ALL hemp elements from SB 3335 relating to medical and recreational cannabis that is a pathway for recreational marijuana. Removing hemp from this bill will not stop the bill from creating a pathway for recreational cannabis if that's what the legislature wants. The Hawaii hemp industry has an agricultural mission that is moving Hawaii towards greater sustainability, producing a variety of value-added products such as food, and hempcrete (building material). Please regulate hemp usage and marijuana usage separately because they are used in two very different ways; one for functional practical usage and one as a recreational drug. Mahalo

SB-3335

Submitted on: 2/12/2024 8:51:32 AM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Brittany Neal	Individual	Oppose	Written Testimony Only

Comments:

February 12, 2024

RE: Opposed to SB 3335 until ALL hemp elements are removed

Aloha, Honorable Senators,

I am a licensed USDA hemp producer. I strongly oppose the passage of SB 3335. As currently written, this bill would make hemp, a federally legal agricultural commodity, be regulated under the same regulatory agency as recreational marijuana and medical marijuana, which both remain illegal under federal law.

The states scheme, as outlined in SB 3335, violates federal law with regards to distributing marijuana, a schedule I controlled substance as defined by the Uniform Controlled Substances Act. I believe this bill creates a scheme to launder money, defraud banks and is racketeering. I want no part of the States conspiracy to commingle legal funds derived from the hemp industry with illegal funds derived from recreational and medical marijuana sales and regulations. Hemp needs to be removed in its entirety from SB 3335.

Thank you for your time and attention to this important matter.

Sincerely,

Brittany Neal, *MSOM, BSN, RN,*

USDA hemp producer

SB-3335

Submitted on: 2/11/2024 11:13:13 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Joshua Siefman	Individual	Oppose	Remotely Via Zoom

Comments:

SB3335 is a bill that leads us in the wrong direction. So you want to legalize possession but then make a whole cannabis agency to keep us in check? It's scaring people more than anything else.. we do not need more regulation and authority for this plant. We are not criminals just people that see the true medicine that this plant is. There are better ways to do this but not this way. Why are the lawmakers in this cannabis space so disconnected from what the actual growers and small farmers want for this plant? We do not need a regulatory cannabis agency or authority group. This will only scare more people and keep the negative stigma of cannabis going. Who will get to choose who is in this supposed regulatory agency? Will the people get to vote on this? The dispensaries and small farms can coexist and both thrive. Why does it always have to be a monopoly with favoritism for the dispensaries? SB3335 is a bad direction to go in! Cannabis regulatory agency is a foolish idea that will cause more harm, confusion, and scare tactics than good. More restrictions and authority is the wrong direction to go. We can legalize possession without needing an entirely new task force to regulate, it's called trust and compliance.. such a waste of money to allocate to an entire new agency/authority .

SB-3335

Submitted on: 2/12/2024 12:44:15 AM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Jed Tesoro	Individual	Oppose	Remotely Via Zoom

Comments:

Aloha,

Please say "NO to RECREATIONAL MARIJUANA!"

As a registered voter, please honor the wishes of our communities on behalf of our children and families and say **"NO to Recreational Marijuana!"** Our children, families, and communities are struggling with so many issues. We do not need something else to harm our children and families. We cannot control Vaping, Drunk Driving, Sex Trafficking, and so many other challenges in our society.

As a Grandpa and retired educator, please help us to protect our children. They face too many dangers and influences with social media and peers. It's heart wrenching to see students as young as the third grade trying to fit in by experiment with vaping. The Star Advertiser, reported that the DOE is seeking support for teens' mental health needs. One-third of our students feel sad or hopeless. One-fifth say they purposely hurt themselves. We cannot say, "Kids will not have access to the recreational marijuana." They already have access to so many other detrimental situations. If government says, "It's recreational use, they will view it as it must be okay." Please fix these other dangers and challenges in the lives of our kids before introducing another potential harm. They need our help, not more confusion! **Please don't make this about finances and money. Our children are priceless!**

As a citizen and community member, I have witnessed and experienced the consequences of marijuana as a gateway drug. Family members and friends have lost their lives, mental capacity, or have gone to prison. Many have the lost the ability to be a contributing member of our society. Many used marijuana before doing harder drugs. It's heartbreaking to think about the devastating potential of recreational marijuana.

"Please vote "NO!" to recreational marijuana use!"

Thank you for your service to our state and communities.

We trust that you will do the right thing by voting "NO!" to recreational marijuana use.

Aloha

Testimony in Opposition to SB 3335: Relating to Cannabis

Aloha Senators,

I urge you to vote **NO** to this bill. Legalizing recreational marijuana use in Hawaii will increase drug abuse and addiction, cause direct negative health consequences to users and indirect negative health consequences to nonusers, potentially increase crime, cause impaired driving, and adversely affect the general public, especially children without parental consent.

Marijuana is a Schedule I controlled substance drug because of its *high potential for abuse and has no FDA-approved use for treatment of any disease or condition*. The FDA's Center for Drug Evaluation and Research (CDER) evaluates drugs before approval to ensure that drugs work correctly and the health benefits outweigh their known risks. This lengthy process of laboratory and animal testing followed by phase I, II, III clinical trials on humans is required to determine safety and use. Additionally, the manufacturers must comply with good manufacturing practices for quality and purity of the drug product and provide identifiers to every batch with lot numbers and expiration dates.

Unapproved marijuana or cannabis and cannabis derived products do **not** undergo standardized good manufacturing practices for quality and purity and can have unpredictable levels of cannabinoids, particularly cannabidiol (CBD) and 9-tetrahydrocannabinol (THC), which can cause serious health risks. The ratio of THC was already shown to have increased by 80 times the CBD level in a study of 39,000 samples of illegal cannabis in 2014.¹ Smoking marijuana with higher doses of THC, which is considered the psychoactive intoxicating component of cannabis, increases adverse effects like panic attacks and psychosis (hallucinations and delusions).¹ Other short term effects of marijuana use include: altered sensory perception, changes in the perception of time, mood changes, impaired body movement, impaired cognition and memory, increased heart rate.² Moreover, nonusers will be indiscriminately exposed to secondhand marijuana smoke that can cause negative health consequences such as irritation to respiratory tract and lungs and unknown effects to pregnant women.

Increased marijuana or cannabis use and frequency leads to tolerance which leads to an increased need in cannabis potency for the same desired effect. This can easily lead to cannabis addiction and abuse. Marijuana is also an entry point for the use of other illicit or prescription drugs, particularly when used in combination to achieve the same or a greater desired effect. It has been estimated that people who begin using marijuana before age 18 may be 4-7 times more likely than adults to develop a marijuana use disorder.²

In addition, there is growing evidence that the long-term effects of regular marijuana use can lead to impaired adolescent brain development such as memory loss and impaired impulse control, pregnancy risks, and increased risk of mental health disorders in individuals who are genetically predisposed.²

With this in mind, how can a marijuana recreational user be able to work in a competent frame of mind or drive responsibly? Who is liable for adolescent children who gain access to marijuana without their parents' consent or knowledge? What will be done when addicted recreational users are unable to financially support their use and turn to committing theft crimes? What about the effect on homeless persons? Marijuana or cannabis addiction is not an impossibility but a probable outcome. Any kind of drug addiction hinders and/or destroys relationships and families. There are definite costs to the general public from users and even to the users themselves.

I have included Smart Approaches to Marijuana (SAM) Hawaii information with more points in opposition to legalizing recreational marijuana use that I am in agreement with.

Again, I urge you to vote **NO** to SB 3335. Thank you for considering my testimony.

Mahalo,

Mrs. Sharon Martin
Resident and concerned citizen

¹ Potent Pot: Marijuana Is Stronger Now Than It Was 20 Years Ago, By Agata Blaszcak-Boxe, LiveScience.com, February 8, 2016.

² Marijuana Side Effects: Physical, Mental, and Long-Term Effects, By Lauren Geoffrion, M.D. Reviewed by Scot Thomas, M.D. American Addiction Centers.org, Updated December 29, 2023.



Legalizing recreational marijuana is a bad idea for Hawaii

Marijuana is not what it used to be. THC potency has increased from 3% in the 1970s, to over 25% today. THC concentrates can reach 90-95% potency.¹

1. Costs will outweigh underwhelming Revenue Projections

- Cannabis tax revenues are expected to range from \$36-\$51 million in year five, which represents approximately 0.5% of total tax collections.
- Isaac Choy, Director, Department of Taxation²
- In Colorado, for every \$1 of tax revenue, the state spends \$4.50 counteracting legalization's effects.³

2. Protecting our Moms and Keiki

- **Pregnancy:** "No amount of marijuana use during pregnancy or adolescence is known to be safe." - Dr. Jerome Adams, U.S. Surgeon General, 2019
- **Pediatric poisonings:** Calls to poison control centers about kids 5 and under consuming edibles containing THC rose 1,375% from 2017 to 2021.⁴

3. Youth Use, Mental Health, and Suicide

- **Cannabis Use Disorder:** Marijuana is the #1 drug in Hawaii (64.7%) for adolescent substance abuse treatment⁵
- **Psychosis and Suicidal ideation:** Frequency and higher THC potency are associated with psychosis, suicidality, reshaping of brain matter, and addiction⁶
- **Vaping Marijuana:** 12.5% of Hawaii teens report vaping marijuana⁷

4. Drugged Driving

- THC positivity among fatally injured drivers [in Hawaii] increased nearly threefold, from 5.5% in 1993-2000, to 16.3% in 2011-2015.⁸
- Marijuana is involved in more than **1 in 4** road deaths in Colorado.⁹

5. Black Market Won't Go Away

- In legalized states the black market is expanding as they undercut the retail price. In 2018 CA grew 12 million pounds of pot but only sold 2.5 million.
- In California, 7,200 marijuana vape cartridges were seized in a single bust of a warehouse tied to state-licensed Kushy Brands (Peltz, 2019).

¹ Cannabis Policy: Public Health and Safety Issues and Recommendations. Caucus on International Narcotics Control, United States Senate, March 3, 2021, Washington, D.C. Report. <https://www.drugcaucus.senate.gov/sites/default/files/02%20March%202021%20-%20Cannabis%20Policy%20Report%20-%20Final.pdf>

² <https://health.hawaii.gov/medicalcannabis/files/2022/08/CANNABIS-TAX-PIG-REPORT-FINAL.pdf>

³ Economic and Social Costs of Legalized Marijuana [Study]. (2018, November 15). In Centennial Institute. Retrieved February 1, 2019, from <http://www.cci.edu/centennial/policy-briefs/marijuana-costs/>

⁴ <https://www.nbcnews.com/health/health-news/reports-young-children-accidentally-eating-marijuana-edibles-soar-rna63501>

⁵ ADAD Report to the Legislature 2021, p. 37

⁶ Cinnamon Bidwell et al., 2018; Di Fort et al., 2019; Fischer et al., 2017; Pierre et al., 2016.

⁷ 2019-2020 Hawaii Student Alcohol, Tobacco and Other Drug Use (ATOD) Survey, p. 38

⁸ Motor vehicle crash fatalities and undercompensated care associated with legalization of marijuana. Susan Steinemann, MD, Daniel Galanis, PhD, Tiffany Nguyen, and Walter Biff, MD, Honolulu, Hawaii

⁹ Rocky Mountain High Intensity Drug Trafficking Area. (2019). The legalization of marijuana in Colorado: The impact. <https://rmhida.org/files/D2DF/FINAL-Volume6.pdf>.

February 12, 2024

To: Chairs San Buenaventura and Rhoads, Vice Chairs Aquino and Gabbard and the honorable members of the Senate Committees on Health and Human Services, and Judiciary members.

Subject: **Opposition of SB3335**

I appreciate the opportunity to submit testimony in opposition to Senate Bill 3335. While the intention behind the bill—to establish a regulated cannabis market in Hawaii—is understood, I am concerned that its current structure does not adequately support medical marijuana patients, fails to capitalize on broader economic benefits, and risks creating an oligopoly that could exclude small farmers and entrepreneurs from participating in the cannabis industry.

Senate Bill 3335, in its focus on establishing a recreational cannabis market, may inadvertently undermine the existing medical cannabis program. Medical patients rely on cannabis for essential therapeutic benefits, and any shift that could lead to decreased access or increased costs for patients is deeply concerning. It is crucial that we ensure the continued support and prioritization of medical cannabis patients within our legislative framework.

The bill does not appear to fully consider the economic implications of creating a potentially oligopolistic market. By favoring larger operators through the structure of licensing fees and regulatory requirements, SB3335 could stifle competition, innovation, and diversity in the burgeoning cannabis market. A more inclusive approach would offer greater economic benefits to our state, including job creation and revenue generation across a broader spectrum of our community.

Hawaii's agricultural sector, particularly small farmers, stands to benefit significantly from the legalization of cannabis. However, SB3335 does not provide a clear path for their participation. The absence of provisions to support small-scale cultivation and the high barriers to entry could prevent local farmers from contributing to and benefiting from the cannabis industry. This oversight not only limits opportunities for rural development but also misses a chance to promote sustainable and diversified agricultural practices.

By not addressing the potential for market concentration, SB3335 risks creating an environment where only a few large players dominate. This oligopoly could lead to reduced consumer choice, higher prices, and a market that is resistant to innovation. It is essential for legislation to foster a competitive market that encourages a wide range of participants, ensuring that the benefits of cannabis legalization are widely distributed.

To address these concerns, I urge the committee to consider the following amendments to SB 3335:

- Strengthen protections and support for medical cannabis patients to ensure they are not adversely affected by the legalization of recreational cannabis.
- Implement licensing and regulatory frameworks that are accessible to small businesses and farmers, encouraging broad participation in the cannabis industry.

- Establish measures to prevent market consolidation and ensure a competitive and diverse market that benefits all Hawaiians.
- Prioritize local economic development and reinvestment in communities most impacted by previous cannabis prohibitions.

In conclusion, while the goals of SB3335 are commendable, the bill in its current form does not adequately protect the interests of medical marijuana patients, small farmers, and the broader economic landscape of Hawaii. I respectfully request that the committee consider these concerns and work towards amendments that ensure a more equitable and inclusive approach to cannabis legalization.

Mahalo nui loa for considering my testimony.

Sincerely,

Kawika Kahiapo

SB-3335

Submitted on: 2/12/2024 3:38:12 AM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Heidi Brown	Individual	Oppose	Written Testimony Only

Comments:

This law only inhibits patients and gives more restrictions rather than more rights. Why would the people want to pass this law? Only allowing 5 cards per site will only impact the medical patients of this state in a negative way.

SB-3335

Submitted on: 2/12/2024 2:58:02 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

LATE

Submitted By	Organization	Testifier Position	Testify
hugo	Individual	Oppose	Written Testimony Only

Comments:

Hawaii farmers need more opportunity. Not less

LATE

SB-3335

Submitted on: 2/12/2024 2:53:59 PM
Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Melisa D. Haile	Individual	Oppose	Written Testimony Only

Comments:

Aloha mai kākou,

I am writing to ask that you please remove all mention of hemp from this bill, as it is a federally approved crop with numerous applications and benefit across industries.

Hemp offers food, fiber, and fuel options. To restrict hemp in an attempt to reduce recreational marijuana is misinformed and misguided.

Hawaii's hemp farmers and aspiring farmers will be greatly and severely impacted by the inclusion of hemp in this bill.

Respectfully,

Melissa D. Haile

Beginning Farmer

Agvocate

SB-3335

Submitted on: 2/12/2024 5:56:09 AM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
William Peters	Individual	Oppose	Written Testimony Only

Comments:

I absolutely oppose this bill this is America what is with all the non sense bills this bill is not for the people nor the plant it would absolutely be wrong to pass this bill no no and No I Oppose

SB-3335

Submitted on: 2/12/2024 2:53:18 PM
Testimony for HHS on 2/13/2024 9:00:00 AM



Submitted By	Organization	Testifier Position	Testify
Allen Cardines, Jr.	Individual	Oppose	Written Testimony Only

Comments:

Aloha Senate Committee on Health & Human Services and Senate Committee of Judiciary,

Thank you for allowing me to submit my testimony on SB3335.

I OPPOSE SB3335 BECAUSE LEGALIZING RECREATIONAL MARIJUANA IS A BAD IDEA FOR HAWAII

Marijuana is not what it used to be. THC potency has increased from 3% in the 1970s to over 25% today. THC concentrates can reach 90-90% potency.

COST WILL OUTWEIGH UNDERWHELMING REVENUE PROJECTIONS

- Cannabis tax revenues are expected to range from \$36-\$51 million in year five. Which represents approximately 0.5% of total tax collections
- In Colorado, for every \$1 of tax revenue, the state spends \$4.50 counteracting legalization effects.
- It's a BAD IDEA for REVENUE PROJECTION

PROTECTING MOMS AND KEIKI

- Pregnancy: "No amount of marijuana use during pregnancy or adolescence is known to be safe." Dr. Jerome Adams, US Surgeon General 2019
- Pediatric poisonings: Calls to poison control centers about kids 5 and under consuming edibles containing THC rose 1,375% from 2017 to 2021
- It's a BAD IDEA for MOMS AND CHILDREN

YOUTH USE, MENTAL HEALTH, AND SUICIDE

- **CANNABIS USE DISORDER:** Marijuana is the #1 drug in Hawai'i (64.7%) for adolescent substance abuse treatment

- **PSYCHOSIS AND SUICIDAL IDEATION:** Frequency and higher THC potency are associated with PSYCHOSIS, SUICIDALITY, RESHAPING OF BRAIN MATTER, AND ADDICTION.
- **VAPING MARIJUANA:** 12.5% of Hawai'i teens report vaping marijuana
- **It's a BAD IDEA for OUR YOUTH'S MENTAL HEALTH AND SAFETY**

DRUGGED DRIVING

- THC positivity among fatally injured drivers (in Hawai'i) increased nearly threefold, from 5.5% in 1993-200 to 16.3% in 2011-2015
- Marijuana is involved in more than **1 in 4** road deaths in Colorado.
- **It's a BAD IDEA for OUR PUBLIC HEALTH AND SAFETY**

BLACK MARKET WON'T GO AWAY

- · In legalized states, the black market is expanding as they undercut the retail price.
- In 2018, CA grew 12 million pounds of pot, only sold 2.5 million
- In California, 72,00 marijuana vape cartridges were seized in a single bust of a warehouse tied to state-licensed Kushy Brands (Pellz, 2019)
- **It's a BAD IDEA**

Again, I OPPOSE SB3335.

Mahalo,

Allen Cardines, Jr.

SB-3335

Submitted on: 2/12/2024 5:58:30 AM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Ciara Gwin	Individual	Oppose	Written Testimony Only

Comments:

As a current hb329 patient I OPPOSE the passing of this bill.

I don't feel protected and feel stripped of my rights as a US citizen. Please do not pass this bill and take away my sense of security as I already have severe ptsd. This just isn't right if this bill is passed.

Mahalo Ciara Gwin

LATE

SB-3335

Submitted on: 2/12/2024 3:06:34 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Ian Kennedy	Individual	Oppose	Written Testimony Only

Comments:

I vehemently object to this proposed legislation, as it poses a threat to the local economy, agricultural sector, and overall well-being of the state. The Hawaii hemp industry is committed to advancing sustainability by generating a diverse range of value-added products, including but not limited to hemp cannabinoids, food, construction materials, eco-friendly plastics as alternatives to disposable cutlery, textiles, and biofuels. Furthermore, the industry contributes to the production of health-related products. My firm opposition to this bill stems from its potential detrimental impact on our local industry and its tendency to foster dependence on imports.

SB-3335

Submitted on: 2/12/2024 8:43:16 AM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Fenton K lee	Individual	Oppose	Written Testimony Only

Comments:

Honorable Members of the Committee,

I write to express my strong opposition to Bill SB3335_SD1, concerning the proposed legalization. My concerns are primarily centered on public safety and the potential increase in crime rates, particularly violent offenses, which has been observed in other states following similar legal changes.

Evidence from various jurisdictions that have embarked on this path shows a troubling trend. Studies indicate an uptick in violent crimes and property crimes, suggesting that the legalization might inadvertently fuel criminal activities. For instance, research published in the Journal of Drug Issues found a significant increase in violent crimes in states post-legalization compared to their counterparts.

The implications of these findings are profound, impacting not just law enforcement resources but the very fabric of our communities. It is paramount that we consider the broader societal costs, including the potential strain on our healthcare systems and the safety of our citizens.

In conclusion, while the intentions behind SB3335_SD1 may be well-meaning, the evidence suggests a need for caution. I urge you to consider the potential adverse effects on public safety and oppose this bill.

Sincerely,

Fenton Kaulana Lee

SB-3335

Submitted on: 2/12/2024 8:40:33 AM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Natasha Thorne	Individual	Oppose	Written Testimony Only

Comments:

I oppose this Bill 3335 because it is detrimental to our community and state. Marijuana is the gateway to all kinds of drugs and substance abuse. We have to stop this evil scheme against our next generation. This bill has no benefit and is only motivated by greed and money. It will also hurt our tourism, particularly visitors from Japan.

SB-3335

Submitted on: 2/12/2024 8:32:03 AM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Robert C. Anderson	Individual	Oppose	Written Testimony Only

Comments:

I oppose this bill for the following reasons.

This bill would create a cannabis regulatory board without the people of Hawaii being involved.

This bill would create new law enforcement teams to crack down on legacy growers.

This bill would not allow affordable licenses for local people.

This bill is a cut and paste from Massachusetts' which has most of its cannabis industry owned by Multi-National companies. These people have no regard for local families, care givers, and entrepreneurs.

This is a bad bill, if passed will be bad law, and is the wrong way to legalize. Senators and the Attorney General wrote this in 4 months, and there are all of the details missing.

Massachusetts has been colonized as spoken by the budtenders of the state and have left its small cannabis grower behind with unaffordable licensing and regulations.

Maine was right next door with a 12-year, best in the states, medical program, and a recreational program worth fixing and moving forward.

Let's not make the same mistakes as other states going recreational. Keep it medical, protect legacy growers who are caring for the community by providing medicine for those in need.

SB-3335

Submitted on: 2/12/2024 8:31:26 AM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Ryan Lim	Individual	Oppose	Written Testimony Only

Comments:

I oppose this bill.

Legalizing the use of marijuana for personal use will not benefit our state in the long-term. The bill states that a primary reason behind this bill is to provide economic value to Hawaii. However, legalizing recreational use of marijuana will detour tourists from Japan from coming to Hawaii. The use and possession of recreational marijuana is illegal in Japan. Legalizing recreational use of marijuana in Hawaii will hurt the appeal of Hawaii as a tourist destination, which will significantly hurt our economy.

Legalizing recreational use of marijuana will also make it easier for children to get access to the drug. There also is not strong evidence that legalizing the drug will significantly affect current crime rates in Hawaii. The bill also references the potential for marijuana use to impair driving ability. The state is currently struggling to deal with high rates of car-related accidents. According to state data from 2021, 61.7% of drivers involved in fatal crashes tested positive for alcohol and / or drugs in their system. Marijuana and alcohol are both act as depressants on the human body, but marijuana is worse because its effects linger longer than alcohol.

Please do not pass this bill. There are better ways to promote the economic and public health of Hawaii.

SB-3335

Submitted on: 2/12/2024 8:28:24 AM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
jonathan lim	Individual	Oppose	Written Testimony Only

Comments:

I oppose this Bill 3335 because it is detrimental to our community and state. Marijuana is the gateway to all kinds of drugs and substance abuse. We have to stop this evil scheme against our next generation. This bill has no benefit and is only motivated by greed and money. It will also hurt our tourism particularly visitors from Japan.

SB-3335

Submitted on: 2/12/2024 8:24:43 AM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Taryn Murray mccaig	Individual	Oppose	Written Testimony Only

Comments:

Oppose

SB-3335

Submitted on: 2/12/2024 8:20:54 AM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Donald stenson	Individual	Oppose	Written Testimony Only

Comments:

I oppose sb3335 !

SB-3335

Submitted on: 2/12/2024 8:07:13 AM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Naomi Edwards	Individual	Oppose	Written Testimony Only

Comments:

Please OPPOSE this bill. Do not legalize recreational marijuana in Hawaii. I am born and raised in Hawaii and have witnessed the abuse of this drug. It is a gateway drug to meth and crack. Every drug abuser I have ever spoke with will admit that they started their drug use with marijuana. Substance abuse leads to crime. Crimes are committed to finance their addictions. It is a vicious cycle that Hawaii does not want in our community.

SB-3335

Submitted on: 2/12/2024 7:34:05 AM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Margaret U. Lim	Individual	Oppose	In Person

Comments:

I oppose this bill as it is very detrimental to the well-being of our community and society as a whole. The crime, violence, homelessness, domestic violence, and destruction of relationships are largely attributed to marijuana and drug use. Cannabis is really the gateway to all other drug use. I personally saw how it destroyed the life of my oldest son. He is now 30 y/o unable to function in our society. He grew up in a Christian family and was educated in private schools. What started as a marijuana use in his H.S. senior year has ushered in all kinds of drug use, and has destroyed his ability to keep relationships, hold jobs, and function in our society. This bill is evil, and only motivated by greed and money.

SB-3335

Submitted on: 2/12/2024 7:17:58 AM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Ron Yoshida	Individual	Oppose	Written Testimony Only

Comments:

Aloha Legislators,

Aloha and Mahalo, for all your hard work, and helping to improve the quality of life for all of us in our beloved Hawaii.

I'm writing in Opposition to SB3335, a bill that would legalize the use of recreational marijuana. I know that Marijuana is already all around us, but my concern is if we legalize "recreational" marijuana use, access to it will be so much more easier. I know this will add funds to our economy, but the negative backlash would far outweigh this, when it comes to the increase in marijuana related crime, car accidents, young people overdosing due to vaping THC oil, and the list goes on and on, as statistics has shown in other States, such as Colorado, and Oregon.

The weed used in the 60s is nowhere near as strong as it is today (5% to now upwards of 40-80%). As a former CSAC I have seen the detrimental effects Cannabis use has had on youth and their families.

Marijuana also continues to be a "Gateway drug" and therefore I cannot agree with the Governor's statement that this will decrease the use of harder substances. I humbly asked you to thoughtfully consider what I have shared and to vote your conscience. Call me anytime.

Mahalo,

Ron Yoshida

(808) 265-5566

SB-3335

Submitted on: 2/12/2024 7:08:02 AM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Zane DeMello	Individual	Oppose	Written Testimony Only

Comments:

Aloha nui,

The following are my humble thoughts opposing bill 3335:

I oppose this bill because it fails to clearly state objectives for social equity licensing as it relates to Kanaka and small farmers.

The Cannabis Commission should not regulate hemp and it should instead continue to be regulated by the USDA. Lumping in our growing hemp industry with the Cannabis Commission would be devastating to local producers in an already overregulated regulatory environment. We need to increase the amount of hemp based products and businesses in the marketplace.

More funds to Law Enforcement without clear allocation of funds to education leave room for further anti cannabis militarization which increases the chances of traumatic law enforcement raids.

This would dismantle medical cannabis patients rights and ability to grow/ access affordable medicine.

This bill has failed to consult the current operators in the local cannabis space and threatens to crack down on a thriving community of healing and wholistic medicine.

WE WOULD LOVE TO SEE A BILL THAT FAVORS SMALL, DIVERSIFIED, COMMUNITY FARMING. We should prioritize providing resources to our rural communities and funding projects started by Native Hawaiians.

We should incentivize natural outdoor farming and not limit farmers through sight and smell or square foot restrictions.

Plant count restrictions should take better account for Hawaii's unique environmental makeup that is different from continental states, making it necessary for higher plant counts and even

disregarding plant count altogether in favor of square foot limits for regular citizens.

Mahalo

SB-3335

Submitted on: 2/12/2024 6:59:50 AM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Chad Miller	Individual	Oppose	Written Testimony Only

Comments:

Hawaii's program has been a failed medical program. This needs to be fixed and include the local community not a few special interested parties. Patient rights, caregivers and cooperatives should have a voice and a place in a horizontal market. No Rec without a clear plan for protecting and investing in medical patients, and their rights to this plant medicine.

Many of the proposed initiatives in this bill are wrong, a unelected board, DUI programs that are faulty and not an accurate reading. Increasing law enforcement is also another issue to criminalize people around the plant.

Free the Plant and give it to the people.

Hawaii has a huge chance to invest in a program that can better our state and has substantial positive outcomes. Better schools, better roadways, help for homelessness, funding for other hard drugs. This program needs to be well thought out and this bill does not do that.

SB-3335

Submitted on: 2/12/2024 6:39:56 AM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Kyle Kettle	Individual	Oppose	Written Testimony Only

Comments:

I am opposed to this bill. This bill does not properly address and correct the historical overregulation of the cannabis plant and social injustice of prohibition on the community at large. The modeling of the regulation surrounding cannabis including hemp, medicinal, recreational needs to be one of any other agriculture crop. Create a white market all of the community can have access to equitable interests in. Delaying recreational use laws effective dates by 18 months is also unecessary and inappropriately structured to benefit existing license holders who have had a competitive advantage for years by operating in a market with minimal competition due to the state's cap on dispensary licenses and vertically integrated business models putting the control of the entire legal market in a select few individual business owners. Allowing all the residents of Hawaii to have access to the cannabis industry is key to having a successful social equity aspect when legalizing recreational cannabis. Additionally delaying implementation of recreational cannabis legalization hurts those who in our community who do not qualify for a medicinal cannabis card but wish to grow their own. Delaying recreational law implementation is benefiting black market operators and existing medical licensees only not the community at large.

MEMO REGARDING HAWAII'S HEMP REGULATION AND MANAGEMENT	
DATE	February 11, 2024
TO	Anne Lopez, Hawaii Attorney General Sharon Hurd, Chair of Hawaii Department of Agriculture (HDOA) Kenneth S. Fink, Director of Hawaii Department of Health (HDOH) Iris Ikeda, Hawaii Commissioner of Financial Institutions Gordon Ito, Hawaii Insurance Commissioner Nadine Ando, Hawaii Director of Commerce and Consumer Affairs Sen. Tim Richards, Assistant Majority Whip SB 3335 Sponsors, and Members of the Hawaii State Senate
FROM	Anne van Leynseele, regulatory lawyer and business advisor not exclusive to cannabis
RE	HB 2600 and SB 3335 (herein "MJ Bill")

QUESTIONS PRESENTED

Does retaining any regulation or implementation of Hawaii's hemp program under MJ Bill create catastrophic financial liability for Hawaii?

- I. Does MJ Bill's failure to meet the minimum requirements for a USDA approved state hemp program produce a conflict of laws?
- II. Has Hawaii engaged in sufficient due diligence on the identified problems that MJ Bill regulation and implementation will create?
- III. How does MJ Bill's conflict with federal standards and incomplete due diligence generate a catastrophic financial liability risk for Hawaii?

BRIEF ANSWERS

Yes, retaining any regulation or implementation of Hawaii's hemp program under MJ Bill creates a conflict of laws, written notice of foreseeable problems, and catastrophic financial liability for Hawaii.

- I. MJ Bill fails to meet the minimum requirements for a USDA approved state hemp program, thus will create an impermissible conflict of laws.
- II. Hawaii has been warned of multiple known problems which it has failed to research and persists in not altering its position on appropriate hemp regulation.
- III. MJ Bill creates financial liability risks by way of destroying high demand, value add agricultural products, lost revenues, higher cost of enforcement, secondary damage to the industrial hemp industry, and favoring imports over domestic products, which leads to concomitant litigation.

FACTS

In 2023, many stakeholders invested time and effort into writing and passing HB 1359 aka ACT 263 (for ease of differentiating herein "ACT 263") to modify hemp regulation in order to make the industry more viable in Hawaii after years of struggling under burdensome regulations. It offers a comprehensive system to support both Hawaii grown and made cannabinoid infused products and industrial products which make up Hawaii's burgeoning hemp industry.

Since passing, ACT 263 moved toward implementation. The HDOA fulfilled its duties to co-establish with HDOH a hemp task force, published a Request for Proposal to conduct a hemp economic study, and employed new personnel tasked with all HDOA's hemp activities. HDOA recognizes the value of supporting normalization of developing all hemp sectors, including food, fiber, fuel, cannabinoids, and novel products; examples include including rope, textiles, clothing, shoes, food, paper, bioplastics, insulation, building materials, and biofuel. Under the authority of ACT 263, HDOA is poised to meet the challenge to help build local success in this lucrative agricultural industry.

Conversely, Hawaii's Department of Health has failed to allocate appropriate personnel and department resources dedicated to hemp and implementing ACT 263. HDOH has not drafted the required regulations for hemp and hemp based products and has not responded to the growing public safety risks of imported high THC products. Recently the Director confirmed that HDOH and state law enforcement have the legal authority to enforce removal of hemp products that are currently illegal, namely gummies and smokeable products. Generally, while these products comply with the 0.3% THC by dry by weight, certain manufacturers are gaming the system by concentrating cannabinoids and THC in the end products. By these bad actors' intention illegal hemp products have upwards of 25,000 mg of THC in a package and will intoxicate consumers. HDOH prevailed in a challenge to this authority against a retail operation selling illegal products.

In 2023, MJ Bill was written to include hemp in the exponentially higher regulation demands of marijuana, a schedule 1 drug putting it in the same vein as illegal substances like heroin and fentanyl. MJ Bill failed to consider the precedent of many nuanced primary and secondary effects that have been seen since 2018 in other states.

Currently, MJ Bill's advocates continue to argue for the efficiency of the dual regulation and oversight, while failing to acknowledge that the already confusing enforcement of hemp plants and products is unresolved. Similarly, personnel needs, speed, and costs of implementation of the new recreational marijuana program will overshadow hemp for 3-5 years.

When pushed to address the myriad of problems with throwing out ACT 263 and adopting MT Bill, MJ Bill's advocates have consulted with jurisdictions that dwarf Hawaii's resources and had a medical marijuana program in place for years before the 2018 Farm Bill; Oregon since 2015 and Massachusetts since 2016.

MJ Bill advocates have not questioned information provided by CANNRA, which has yet to define itself as a lobbyist group but takes substantial money from the marijuana industry, MSOs, state regulators with struggling recreational marijuana markets and decimated hemp industries, states ignoring huge black market operations hidden within legal markets, and other tainted sources. Further, CANNRA denies several of the substantive references that Hawaii officials rely on and attribute to CANNRA.

DISCUSSION

I. Conflict of Laws

A. Federal Hemp Regulation

The 2014 farm bill re-established industrial hemp in the United States by defined hemp as *Cannabis sativa L.* with a delta-9 THC concentration not more than 0.3% on a dry weight basis, thereby legally separating it from marijuana and recognizing hemp as a useful crop.

What is colloquially known as CBD oil can be extracted from various parts of the hemp plant, but the most concentrated form is captured from unpollinated hemp flowers. This includes hemp cannabinoid derivatives; one example is CBD. Hemp can have high concentrations of cannabinoids without high concentration of delta-9 THC. Rough estimates suggest it takes 20 pounds of hemp flower to produce a pound of raw crude CBD oil.

The federal Agriculture Improvement Act, known as the 2018 Farm Bill, removed hemp from regulation by the Drug Enforcement Administration (DEA) under schedule 1 of the Controlled Substance Act (CSA).

CBD and THC are two of many cannabinoids present in the cannabis plant. The main difference between hemp and other cannabis plants is their amount of THC. Besides cannabidiol aka CBD and delta-9-tetrahydrocannabinol aka THC, researchers have identified more than 100 other cannabinoids that can influence the human body. Although CBD and THC have similar structures, they interact with different receptors. As such, only THC causes the high people associate with cannabis.

Cannabinoids refer to substances in the cannabis, or *Cannabis sativa* plant. Currently consumers are interested in cannabinoids because anecdotal evidence suggests that infused products help treat symptoms related to pain, nausea, cancer, appetite loss, eating disorders, epilepsy, spinal cord injury, glaucoma, multiple sclerosis, Tourette syndrome, anxiety, post-traumatic stress disorder, irritable bowel syndrome, and sleep problems.

B. FDA

Hemp products remain subject to regulation under the Federal Food Drug & Cosmetic Act, so the FDA has regulatory authority only over specific product types, including drugs, foods, dietary supplements, cosmetics, and tobacco products. The FDA excludes from its regulations marijuana, hemp plants under cultivation, hemp products for industrial uses, and hempseed food ingredients.

The FDA has and continues to exercise enforcement by issuing warning letters to firms marketing CBD products misrepresenting treatment for diseases or for other therapeutic uses for humans and/or animals, CBD products for food-producing animals, foods for humans and animals with added CBD, CBD products with concerning routes of administration such as nasal, ophthalmic, and inhalation, and all delta-8 THC infused products. Similar to delta-9, delta-8 THC has psychoactive and intoxicating effects. Delta-8 occurs only at minuscule levels in natural cannabis. High levels of delta-8 THC are produced artificially by chemically converting CBD or delta-9 THC through a process known as isomerization.

C. DEA

Hemp-derived cannabidiol that is naturally produced is no longer regulated by the United States Drug Enforcement Administration (DEA) as long as the preparations it is contained in have no more than 0.3 percent THC by dry weight. The DEA will soon be proposing new rules to clarify that synthetically manufactured cannabinoids like delta-8 THC are prohibited controlled substances. DEA is in the process of modifying its regulations based on recommendation from the U.S. Department of Health and Human Services.

However, the 0.3% THC limit is based on a 1970s research paper, and it has largely been used out of context and was never meant to guide regulation. Recent research has shown psychoactive effects of THC tend to kick in around 1%, but most recreational cannabis contains closer to 30%.

D. USDA

The 2018 Farm Bill removed hemp from the list of controlled substances and established hemp as an agricultural commodity, including the provision of crop insurance for hemp. While the two Farm Bills cleared federal hurdles for hemp, it is still up to each state to pass laws legalizing the crop and to

submit a plan to the USDA outlining the state regulations and laws guiding hemp production, testing, licensing, and transporting. In 2020, Hawaii chose not to establish a hemp plan for cultivation, which would have had to be approved by USDA, and instead it chose to have Hawaii hemp farmers to be directly regulated by the USDA.

The USDA Hemp Program includes provisions for maintaining information on the land where hemp is produced, sampling and testing the levels of delta-9 tetrahydrocannabinol, disposing of non-compliant plants, licensing requirements, information sharing, certification of resources, compliance with enforcement procedures including annual inspection of hemp producers, and license suspension protocols. USDA maintains a database that is accessible to law enforcement agencies throughout the U.S. This rich information allows Hawaii law enforcement to verify the legal disposition of all licensed hemp growers, including field location, the date it was planted, expected harvest dates, test results, and intended purpose of the crop.

E. OTHER

1. The Federal Aviation Administration (FAA) has problems with trafficking marijuana in federally regulated airspace. Federal law requires the Federal Aviation Administration to permanently revoke the certificates of pilots who knowingly transport controlled substances – including quantities of marijuana amounting to more than simple possession – on aircraft. Federal law also requires the FAA to revoke the registrations of aircraft used for that purpose for five years.

2. Transportation Safety Administration (TSA) officers are required to report any suspected violations of law to local, state, or federal authorities. TSA's screening procedures are focused on security and are designed to detect potential threats to aviation and passengers. Accordingly, TSA security officers do not search for marijuana or other illegal drugs, but if any illegal substance is discovered during security screening, TSA will refer the matter to a law enforcement officer.

3. The U.S. Coast Guard enforces possession of drugs on any boat, and it does not need to have a warrant or even reasonable suspicion to board and search. For example, in October 2023 in cooperation with the Departments of Defense, Justice, and Homeland Security the Coast Guard offloads nearly \$500 million in illegal narcotics at Port Everglades. The crew of U.S. Coast Guard Cutter James offloaded more than 33,200 pounds of cocaine and 12,400 pounds of marijuana worth approximately \$448 million in Port Everglades.

3. Any marijuana found within the United States Postal System (USPS) must be report to the federal Postmaster General within the state it was located. Although marijuana is considered legal in certain states across the United States, mailing a package containing drugs is a serious offense. If a person is caught mailing marijuana through USPS, it is deemed drug trafficking and a federal crime. Even sending packages via private mail carriers such as UPS or FedEx could lead to legal consequences; UPS will not ship a product if it is made in the same facility as marijuana products and FedEx only allows CBD derived from hemp plants.

II. Known Problems

A. ENFORCEMENT

Hawaii has an abysmal record on enforcement against high THC gummy and vape products prior to this new move to self-regulate hemp. Since 2016 illegal and tainted products manufactured outside Hawaii have been readily available, advertised on radio, print, and online. Meanwhile, local hemp farmers and producers were regulated into oblivion and have not been allowed to transport hemp or sell products until recently. This alone demonstrates how Hawaii companies comply with state laws, whereas Hawaii retail stores sell illegal imported products and either have no awareness of the dangers of the products they sell or do not care.

B. IMPORT PRODUCTS

ACT 263's embedded inclusion of HDOA, HDOH, USDA, and the prompt drafting and implementation of rules will provide Hawaii with a regulatory scheme that is distinct from its marijuana program. This will aid enforcement by the appropriate agency on imported products because ACT 263, coupled with SB3138/HB 2449 put forth by HDOH this session, gives HDOH the authority to introduce and regulate new hemp products, including careful control over intoxicating gummy and vape products.

Hawaii Revised Statutes 328 prohibits the manufacture, distribution and sale of food products and cosmetics made with cannabis, or products intended for consumption containing CBD or use of CBD as a food additive. This allows HDOH enforcement for all products imported or domestic, including problematic high THC gummy and vape products. By definition under ACT 263, all edible and smokeable hemp products are contraband and would be subject to seizure by police just as illegal marijuana has been in the past.

Hawaii must learn from other state's hemp program failures. For example, between 2018 and 2021 there was a 110% increase in hemp growers in North Carolina. By early 2020, the state had nearly 1,300 registered processors, according to data from the North Carolina Department of Agriculture & Consumer Services. However, now the number is unknown, and no one is tracking it. The North Carolina Industrial Hemp Pilot Program ended in 2022, which means the state no longer regulates production and processors do not have many rules to follow or threat of enforcement. Production and oversight switched to the USDA. It mostly monitors hemp before businesses process it into products, at that point it is up to the FDA to perform oversight.

C. BUSINESS SERVICES

There is ample evidence that after a state merges or initiates its hemp program under its marijuana regulatory agency, business support services get anxious and either stop accepting new customers from the hemp industry, discontinues servicing known hemp companies, or places the same application, reporting, and financial burdens as are required with marijuana, a schedule 1 drug. The net effect has decimated once thriving state hemp programs and had unintended negative impact on industrial hemp.

Insurance

On a federal level, the Clarifying Law Around Insurance of Marijuana Act or the CLAIM Act has been proposed since 2021 without success. Colorado, often touted as a top hemp state in the U.S., has similar banking barriers to entry for hemp farmers, removing small farms from viability on this cost prohibitive basis alone. Other insurance carriers offer policies riddled with numerous exemptions and exceptions.

Since the 2023 Maui fires, insurance is a problem in for both individuals and businesses in Hawaii. Farms that have no hemp or marijuana growing are forced to have separate policies for fire, hurricane, and GL with three separate carriers. Hawaii insurance brokers are struggling to puzzle together a comprehensive package and at elevated rates.

Hemp companies securing and maintaining a basic GL policy becomes more problematic if MJ Bill passes. When hemp companies are classified with marijuana companies, they face higher application standards, rates, and sub-par coverage. In 2023, a GL insurance policy quote for a raw crude, hemp only extraction company operating in Medford, Oregon was approximately \$42,000 per year.

Banking

The SAFE Banking Act, officially H.R. 1595, full title Secure and Fair Enforcement (SAFE) Act, and also referred to as the SAFE Banking Act of 2019, and as of 2023 the Secure and Fair Enforcement Regulation (SAFER) Banking Act, was proposed legislation regarding disposition of funds gained

through the cannabis industry in the United States. When hemp companies are classified with marijuana companies, they face higher application standards and rates.

The new SAFER Banking Act is the result of months of negotiation between senators over several provisions of the original SAFE Banking Act. Under the measure, federal regulators would be required to “develop uniform guidance and examination procedures – including legacy cannabis-related deposits” and “update guidance related to hemp-related businesses and service providers.”

This significant change of underscores recognition of problems faced by hemp business across the country regardless of the state’s hemp program administration.

For example, in Oregon MAPS credit union put a moratorium on opening new hemp business accounts and SALAL CU requires hemp companies to apply as if they are marijuana companies, pay a \$500 non-refundable application fee and, if accepted, a \$3,500 monthly fee for a checking account, and SALAL excludes all companies with any retail sales.

Testing

The USDA’s Hemp Program standard testing procedures is to determine whether the total THC concentration of the tested material is within the acceptable hemp THC level of 0.3% on a dry weight basis. Laboratories shall create an internal SOP specific to testing and retesting hemp and shall have the SOP available upon request for inspection. If sampling agents are employed, contracted, or utilized by a laboratory, the laboratory shall meet all training requirements under the USDA, State, or Tribal hemp production program.

After December 31, 2024, laboratories approved for THC testing must also be registered with DEA to handle controlled substances under the CSA. It is anticipated that this will reduce the number of labs and/or increase testing fees. Hawaii faces the additional challenge of interstate travel to access processing, which if the biomass is above the federal limit means that hemp farmer are trafficking.

Retail Accountability

Many farmers around the country calling for the 0.3% threshold to be increased to 1%. That amount is unlikely to get users high, as most recreational cannabis products have closer to 20% or 30% THC. The psychoactive ingredients, farmers point out, can also be refined out of final CBD products before they are sold. The problem is that few states have any testing requirements of products.

However, hemp products manufactured in Hawaii are required to be tested to some of the highest standards in the U.S. Hawaii’s testing standard ensures products are under the federal limit of 0.3% delta 9 (THC) as well as pesticides, microbial, yeast or mold, mycotoxins, residual solvents, and heavy metals. ACT 263 further requires additional consumer protections by requiring labeling that complies with Hawaii Administrative Code, Title 11 § 11-37-30. The intention is to allow for maximum transparency and for consumers to make informed decisions about the quality and safety of the cannabinoid product.

It was anticipated that the DEA would provide clarification on the intoxication standards for cannabinoid products in the 2023 Farm Bill to assist the FDA and states to better define non-intoxicating products. However, a June 2022 ruling by a federal appeals court in Washington DC sided with the DEA and ruled that hemp materials become illegal marijuana the moment they exceed the federal THC limit. That interpretation alarmed national CBD processors because common CBD extraction methods produce material with elevated THC amounts before the crude material is diluted into products or remediated to meet the legal limit. The DEA’s lawyers said in writing and in court they had no intention of overseeing the hemp industry beyond what Congress allowed in 2018. ACT 263 prohibits Hawaii hemp farmers and processors from selling undiluted hemp oil to consumers.

III. Liability Risks

If Hawaii adopts MJ Bill there are numerous avenues that farmers, processors, retail stores, farmers' market organizations, cottage businesses, individuals, visitors, associations, companies, and even other states could engage in litigation aimed at the foreseeable improper interference with the hemp industry.

A. VIOLATING FEDERAL LAW

States and Indian tribes may not prohibit the interstate transportation or shipment of hemp lawfully produced under a State or Tribal plan or under a license issued under the USDA plan or industrial hemp grown under the 2014 Farm Bill. Hawaii is allowing importation of products without verification of source.

B. ACTING ON BIAS ADVICE AND LACK OF DUE DILIGENCE

MJ Bill advocates have not vetted the sources of information openly relied upon and Hawaii has not engaged any consultants to do an independent survey of regulatory plans, financial projections, collateral damage to hemp productivity, and the relative successes and failures of other jurisdictions' mistakes.

C. HEMP SPECIFIC DAMAGE

MJ Bill would lead to quantifiable monetary losses to the aforementioned groups by way of primary and collateral damage.

- i. Destroying multiple high demand, value add agricultural CBD products;
- ii. Lost revenues;
- iii. Higher cost of implementation and enforcement;
- iv. Secondary damage to the industrial hemp industry; and
- v. Favoring imports over domestic products.

D. PUBLIC SAFETY

MJ Bill does not solve the current enforcement problems and does not change the mechanisms for enforcement. Moreover, by overburdening the new joint HDOA/HDOH Cannabis Task Force with simultaneously drafting, seeking public feedback, preparing applications, reviewing applications, inspecting, issuing license, and enforcement of recreational marijuana, the current position of Hawaii hemp will not change for 3-5 years.

For example, in Washington state the regulatory period lasted from January 1, 2012, through May 2014. After that the licensure process was the sole focus of the WSLCB until it stopped accepting marijuana retail license applications March 31, 2016, at 5:00 p.m. It was only after this time that the WSLCB began enforcement and that was a slow ramp up period with mixed results.ⁱ

Potential damage caused by tainted, untested, and intoxicating products sold to minors and problems based on inadequate or delayed regulation and implementation include:

- i. Lack of retail enforcement;
- ii. Import intoxicant products;
- iii. Minors' access to intoxicating products; and
- iv. General confusion by law enforcement.

IV. CONCLUSION

Nationally

Hemp plantings in the United States were nearly cut in half in 2022, with 28,400 acres dedicated to growing the plant; slightly more than the acreage set aside for Christmas trees. Last year's plantings represent a 48% decline in acreage from 2021, when U.S. farmers planted 54,500 acres of indoor and outdoor hemp. Hemp production has been declining because of a lack of clarity from the federal government on the regulation and use of hemp products, particularly those containing CBD and other hemp-derived cannabinoids. An analysis of U.S. Department of Agriculture hemp-planting data from

2022 also shows a shift north as Southern states below the 37th parallel have almost entirely abandoned the promising crop. With the shift north, farms are limited to a single harvest a year and supplies of U.S. CBD oil are dwindling. This forces producers to buy overseas oil with varying levels or quality and potentially, unknown, and dangerous contaminants.

Hawaii

Hawaii faces many challenges to diversify its GDP, regain its lost agricultural prowess, and increase its food security. MJ Bill is antithetical to many of Hawaii's current goals regarding expanding agriculture, supporting local and small farms, alternative strategies for increasing local food sources, nurturing technological advancements, buying local food and value add agricultural products, and location specific integrity of quality.

Hemp is a labor intensive crop and cannabinoid products are a high dollar value add way for industrial hemp farmers and food farmers to increase financial viability, modernize farm resources, and provide more consistent jobs for farm workers. Hawaii is also unique in the U.S. because it can produce five crops per year compared to mainland farms' single crop a year.

Hawaii recently made great strides in redefining its Kona coffee industry and demanding content and labeling integrity to bolster the waning international reputation and market price of Kona Coffee. Unfortunately, this took many years, included several delays to validate the worth of the effort, and a huge time and monetary commitment from a few dedicated farmers. The verdict is still out on whether Hawaii will enforce this hard fought victory for local farmers.

At this watershed moment, Hawaii must carefully consider MJ Bill a threat not worth the risk to the fledgling hemp industry and remove every reference of hemp from the MJ Bill. This leaves the pathway for ACT 263 to become a national standard for responsible, profitable, and effective regulation.

ⁱ Interesting aside, my protégée Christopher Lynch of Miller Nash co-authored a seminal article in the Cornell Law Review. See, "Members of Miller Nash's cannabis team have been published in the Cornell Journal of Law and Public Policy. The Turbulent History of Cannabis Regulatory Enforcement in Washington State is the first scholarly article of its kind to chronicle the regulatory and legislative evolution of Washington's cannabis industry, detailing the troubling history of the State's Liquor and Cannabis Board's (LCB) abuses of power and policy blunders in the early years of regulating Washington's cannabis industry." <https://www.millernash.com/firm-news/news/the-turbulent-history-of-cannabis-regulatory-enforcement-in-washington-state>

February 12, 2024

Submitting testimony in opposition to HB 2600 and SB 3335.

To all the legislators who wrote up these bills and who formed a group for this bill,

Many of you have not had children who tried marijuana and became very addicted to drugs. If you were to do any research, you would find many if not all those who are addicted to drugs started with marijuana. This type of bill failed in Oregon. Oregonians now wish they had not passed this type of bill. Why are we following other states? Is it to keep up with the Joneses? Please do not pass this bill. This bill will increase crime that is already rising in our state. Drug users become emboldened when they cannot satisfy their drugs desires. Stealing, killing for money to buy more drugs. Why would you want to put our citizens in danger? Please reconsider what you are doing.

Respectfully submitted,

Signe Godfrey

Citizen

SB-3335

Submitted on: 2/12/2024 3:25:21 PM

Testimony for HHS on 2/13/2024 9:00:00 AM



Submitted By	Organization	Testifier Position	Testify
Lois Crozer	Individual	Oppose	Written Testimony Only

Comments:

I oppose this bill because comingling the hemp industry with marijuana penalizes the farmers. Legalizing or not legalizing marijuana needs to be a separate issue.

SB-3335

Submitted on: 2/12/2024 3:17:03 PM
Testimony for HHS on 2/13/2024 9:00:00 AM



Submitted By	Organization	Testifier Position	Testify
Derek Leong	Individual	Oppose	Written Testimony Only

Comments:

This bill will turn Hawaii’s hemp industry into an import sector, wiping out Hawaii farmers and processors. Removing hemp from this bill will not stop the bill from creating a pathway for recreational cannabis if that’s what the legislature wants.

The Hawaii hemp industry has an agricultural mission that is moving Hawaii towards greater sustainability, producing a variety of value-added products in addition to hemp cannabinoids: food, building materials (some of which are being trialed in affordable housing pilot projects), plastics pilots to replace plastic cutlery, textiles, fuel, etc. Furthermore, the Hawaii hemp cannabinoid sector is focused on producing high quality health products, mirroring the success of noni, lion's mane, olena (turmeric), etc. and Hawaii CBD products are tested to the highest standards in the U.S. for hemp products ensuring they are free of herbicide, pesticides, metals, mycotoxins, etc. and all hemp product manufacturers in Hawaii are expected to follow good manufacturing practices.

SB-3335

Submitted on: 2/12/2024 3:17:16 PM

Testimony for HHS on 2/13/2024 9:00:00 AM



Submitted By	Organization	Testifier Position	Testify
Jennifer Noelani Ahia	Individual	Oppose	Written Testimony Only

Comments:

I oppose this bill until hemp is removed

SB-3335

Submitted on: 2/12/2024 3:19:26 PM
Testimony for HHS on 2/13/2024 9:00:00 AM



Submitted By	Organization	Testifier Position	Testify
David C Pollmiller	Individual	Oppose	Written Testimony Only

Comments:

As a landscape business owner, nursery owner, board member of the Hawaii Farmer's Union. I recognize that hemp is a hugely beneficial plant. Please remove all hemp elements from SB 3335.

Sincerely,

David Pollmiller

SB-3335

Submitted on: 2/12/2024 3:23:38 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

LATE

Submitted By	Organization	Testifier Position	Testify
Donna Brooks	Individual	Oppose	Written Testimony Only

Comments:

Opposed

SB-3335

Submitted on: 2/12/2024 3:24:13 PM

Testimony for HHS on 2/13/2024 9:00:00 AM



Submitted By	Organization	Testifier Position	Testify
susan walczak-pol	Individual	Oppose	Written Testimony Only

Comments:

I am submitting testimony in opposition to proposed bill

This bill will turn Hawaii’s hemp industry into an import sector, wiping out Hawaii farmers and processors. Removing hemp from this bill will not stop the bill from creating a pathway for recreational cannabis if that’s what the legislature wants.

The Hawaii hemp industry has an agricultural mission that is moving Hawaii towards greater sustainability, producing a variety of value-added products in addition to hemp cannabinoids: food, building materials (some of which are being trialed in affordable housing pilot projects), plastics pilots to replace plastic cutlery, textiles, fuel, etc. Furthermore, the Hawaii hemp cannabinoid sector is focused on producing high quality health products, mirroring the success of noni, lion's mane, olena (turmeric), etc. and Hawaii CBD products are tested to the highest standards in the U.S. for hemp products ensuring they are free of herbicide, pesticides, metals, mycotoxins, etc. and all hemp product manufacturers in Hawaii are expected to follow good manufacturing practices.

The Legislature is exploring regulating hemp with marijuana because the state has not enforced on imported hemp products that are not legal in Hawaii and not made by Hawaii farmers, high THC hemp gummies and smokeable products. The recreational marijuana bills will not fix this enforcement issue or touch the imports, but this bill will penalize Hawaii hemp farmers and put their business services at risk, banking, insurance, etc. The hemp industry has proposed three regulatory pathways that will address this problem without threatening the greater Hawaii hemp industry.

LATE

SB-3335

Submitted on: 2/12/2024 3:31:15 PM
Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Kristine L Brodie	Individual	Oppose	Written Testimony Only

Comments:

I oppose the limits for this bill! Please immediately remove ALL hemp elements from SB 3335 relating to medical and recreational cannabis that is a pathway for recreational marijuana.

SB-3335

Submitted on: 2/12/2024 5:24:39 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Barbara Barry	Individual	Oppose	Written Testimony Only

Comments:

Aloha Chair, Vice Chair and Committee members,

I oppose this bill as it is currently written.

The Hawaii hemp industry has an agricultural mission that is moving Hawaii towards greater sustainability, producing a variety of value-added products in addition to hemp cannabinoids: food, building materials (some of which are being trialed in affordable housing pilot projects), plastics pilots to replace plastic cutlery, textiles, fuel, etc. Furthermore, the Hawaii hemp cannabinoid sector is focused on producing high quality health products, mirroring the success of noni, lion's mane, olena (turmeric), etc. and Hawaii CBD products are tested to the highest standards in the U.S. for hemp products ensuring they are free of herbicide, pesticides, metals, mycotoxins, etc. and all hemp product manufacturers in Hawaii are expected to follow good manufacturing practices.

The Legislature is exploring regulating hemp with marijuana because the state has not enforced on imported hemp products that are not legal in Hawaii and not made by Hawaii farmers, high THC hemp gummies and smokeable products. The recreational marijuana bills will not fix this enforcement issue or touch the imports, but this bill will penalize Hawaii hemp farmers and put their business services at risk, banking, insurance, etc. The hemp industry has proposed three regulatory pathways that will address this problem without threatening the greater Hawaii hemp industry.

Please chose a better path forward to clearly separate hemp growing from medicinal or recreational cannabis growing.

Let's get this right this time please,

Mahalo for the chance to testify in opposition of this bill.

SB-3335

Submitted on: 2/12/2024 5:09:40 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Dennis F Lokmer	Individual	Oppose	Written Testimony Only

Comments:

I strongly oppose any changes to HB1359, Act 263, proposed by this bill. Remove all hemp references from SB3335 that relate to medical and recreational cannabis use.

Passage of SB3335 would result in allowing only imported cannabis, wiping out Hawaii farmers growing hemp crops with all its various uses.

Separate Hawaii from federal marijuana references and retain Hawaii statute found in HB 1359, Act 263 intact.

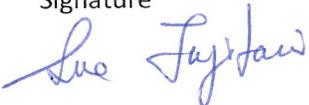
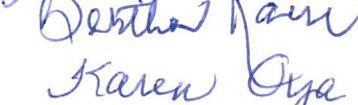
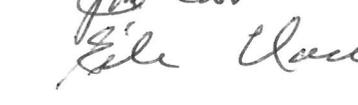
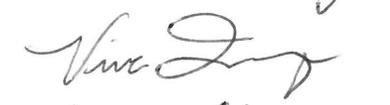
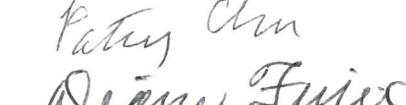
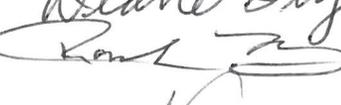
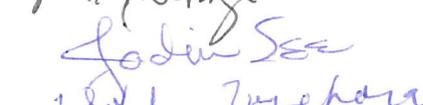
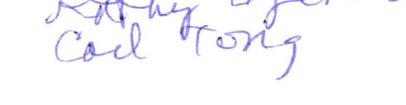
SB 3335

PETITION TO BE SUBMITTED TO THE 2024 HAWAII STATE LEGISLATURE AND GOVERNOR JOSHUA GREEN

Dear Governor Green and Hawaii State Legislators:

We, the undersigned, ask for your favorable consideration of NOT legalizing the recreational use of marijuana in the State of Hawaii.

Thank you for your time and attention to this matter.

Printed Name	Signature	Zip Code of My Residence
Sue Fujitani		96813
Jill K. Kent		96734
Bertha Kani		96819
Karen Oya		96817
Roy Matsuo		96819
ROBERT TAKUSHI		96782
Jane Choi		96817
Eileen Clark		96814
Charlene Vaughn		96782
Viva Inouye		96819
Patsy Chu		96814
Diane Fujio		96813
Rosa Brown		96813
Woyee Wong		96821
MARIS SHIBUYA		96701
Jadine Lee		96816
Kathy Uyehara		96824
Carl Tong		

medical use only!

PETITION TO BE SUBMITTED TO THE 2024 HAWAII STATE LEGISLATURE AND GOVERNOR JOSHUA GREEN

Dear Governor Green and Hawaii State Legislators:

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Thank you for your time and attention to this matter.

Printed Name

Signature

Zip Code of My Residence

Jane Noe
Kathleen Hikida
Mary T. Chun

Jane Noe
Kathleen Hikida
Mary T. Chun

96817
96822
96821

Beth Mignuel
PEARL LEE

Beth Mignuel
Pearl Lee

96819
96826

Mona Chock
Cynthia Osorio
Patsy Chu

Mona Chock
Cynthia Osorio
Patsy Chu

96813
96701
96814

Beverly Dean
Dorothy Man

Beverly Dean
Dorothy Man

96814
96816

Vicky Tang
Eddy Jone

Vicky Tang

96797

Pauline J. Baba

Pauline J. Baba

96817

CHOY EINOX

CHOY EINOX

96815

CHOY CITOW FOOK

CHOY CITOW FOOK

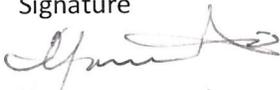
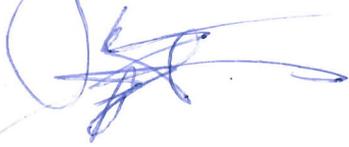
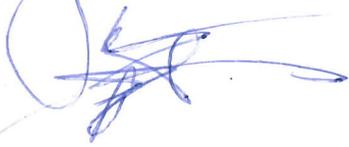
96815

PETITION TO BE SUBMITTED TO THE 2024 HAWAII STATE LEGISLATURE AND GOVERNOR JOSHUA GREEN

Dear Governor Green and Hawaii State Legislators:

We, the undersigned, ask for your favorable consideration of NOT legalizing the recreational use of marijuana in the State of Hawaii.

Thank you for your time and attention to this matter.

Printed Name	Signature	Zip Code of My Residence
TERESA YAMAMOTO		96782
Mary Castillo		96817
DAVID YONEDA		96817
Raymond Moyashiro		96819
Francisco J. Fidi		96795
EVELYN Ambrocio		96818
Estrella Pablo		96818
Leonie Ramirez		96817
Mimis Vargas		96819
Bradley Lau		96789
DIANA SANTONIO		96819
Richard Manuel		96817
Yoi Endo		96818
Geu Sui		96817
Val C. Wang		96813
Richard Wang		96777
Jpo Remo		96813

PETITION TO BE SUBMITTED TO THE 2024 HAWAII STATE LEGISLATURE AND GOVERNOR JOSHUA GREEN

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Thank you for your time and attention to this matter.

Printed Name	Signature	Zip Code of My Residence
Willa Donnelly		96817
Lillian Tanaka		96818
Charlene Hosotane		96817
DORIS DOUGHTY		96817
ARLENE J. GRAY		96817
Thomas Duabla		96817
Joyce Wong		96825
Iris Takushi		96817 96821
WALTER MIYASHIRO		96817
Carole S. Suzuki		96813
Evelyn Iha		96819
Violet Kondo		96817
Aileen Wong		96813
Ju Soong		
MERRY TAIRA		96817
Eileen KASIOKA		96817
Sharon Hata		96815
Teresa Sasaki		96814
GUORRORO P		96817

PETITION TO BE SUBMITTED TO THE 2024 HAWAII STATE LEGISLATURE AND GOVERNOR JOSHUA GREEN

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Thank you for your time and attention to this matter.

Printed Name	Signature	Zip Code of My Residence
Suzanne chun Oakland	Suzanne chun Oakland	96817
Randall D. MAU	Randall D. Mau	96818
LILLIAN INATSUKA	Lillian S. Inatsuka	96817
ALICIA NAKAMURA	Alicia Nakamura	96826
Pauline J. Baba	Pauline J. Baba	96817
Joyce R. Nakamura	Joyce R. Nakamura	96818
Arlene Lee Yamamoto	Arlene Lee Yamamoto	96813
LUNDA CHUI	Linda Chui	96701
Margorie Yoshida	Margorie Yoshida	96819
Yukit Oyadomari	Yukit Oyadomari	96817
Blossom Man	Blossom Man	96822
Baine Lee	Baine Lee	96816
Mildred L. Kanja	Mildred L. Kanja	96813
Eric S. Kanja	Eric S. Kanja	96813
Gaule Mizukami	Gaule Mizukami	96815
Elsie Marano	Elsie Marano	96819
Eileen Clark	Eileen Clark	96814
JEANNE DAVIDSON	Jeanne Davidson	96816
MARYANN PADILLA	Maryann Padilla	96701

PETITION TO BE SUBMITTED TO THE 2024 HAWAII STATE LEGISLATURE AND GOVERNOR JOSHUA GREEN

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We, the undersigned, ask for your favorable consideration of NOT legalizing the recreational use of marijuana in the State of Hawaii.

Thank you for your time and attention to this matter.

Printed Name	Signature	Zip Code of My Residence
Linda Mabaldo	<i>Linda Mabaldo</i>	96701
DIANA ANTONIO	<i>Diana Antonio</i>	96819
MICHAEL NAKAMOTO	<i>Michael Nakamoto</i>	96819
Patricia Ashira	<i>Patricia Ashira</i>	96817
WALTER MIYASHIRO	<i>Walter Miyashiro</i>	96817
Joyce Wong	<i>Joyce Wong</i>	96821
Beth Miguel	<i>Beth Miguel</i>	96819
J.W. DAVIDSON	<i>J.W. Davidson</i>	96822
Aileen Wong	<i>Aileen Wong</i>	96813
IGE, JAVICE	<i>Javice Ige</i>	96819-2812
Paul Moriarty	<i>Paul Moriarty</i>	96818
Hiroshi Kato	<i>Hiroshi Kato</i>	96744
Patsy Chu	<i>Patsy Chu</i>	96814

PETITION TO BE SUBMITTED TO THE 2024 HAWAII STATE LEGISLATURE AND GOVERNOR JOSHUA GREEN

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Thank you for your time and attention to this matter.

Printed Name	Signature	Zip Code of My Residence
WAYNE HIKIDA	Wayne Hida	96822
Beth Miquel	Beth Miquel	96819
Joy Shimizu	Joy Shimizu	96819
Lily Gao	Lily Gao	96813
Sandy Feng	Sandy Feng	96822
Yu Long Ke	Y L K	96817
Xu Ming Wang	Xu Ming Wang	96797
Melissa Zhang	M I	3481
Liz Feng Jiao	Liz Feng Jiao	96807
Manietta Fujio	Manietta Fujio	96816
Jadine Lee	Jadine Lee	96816

LATE

SB-3335

Submitted on: 2/12/2024 6:10:34 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Pernille Ottosen	Individual	Oppose	Written Testimony Only

Comments:

I oppose

LATE

SB-3335

Submitted on: 2/12/2024 6:26:26 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Joy Chinen	Individual	Oppose	In Person

Comments:

I am testifying that I strongly oppose this bill because I do not want my grandchildren to have to be exposed to having marijuana gummies or brownies around them. I don't want them to accidentally ingest these things, given to them by friends at school. This is not a hypothetical scenario. It has happened to a student here in Hawaii. We do not need this here in Hawaii. If you are thinking that this will generate money for our State, the money that it will take to care for teens, kids or young adults will cost you more. It will also cost the breakdown of families and family relationships. It will cost children their education. It will cost them their health and safety. NO to SB 3335.

LATE

SB-3335

Submitted on: 2/12/2024 7:15:21 PM
Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
james wallace	Individual	Oppose	Written Testimony Only

Comments:

I oppose bill SB3335. There's no positive outcome in legalizing pakalolo. That's only going to make more people Lolo. Or maybe it's by design to dumb down the people in Hawaii.

LATE

SB-3335

Submitted on: 2/12/2024 7:51:56 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Dural Duenas	Individual	Oppose	Written Testimony Only

Comments:

I oppose SB3335

LATE

SB-3335

Submitted on: 2/12/2024 8:07:26 PM
Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Stephen T Hazam	Individual	Oppose	Written Testimony Only

Comments:

Please OPPOSE SB 3335.

I support the use of cannabis under the supervision of a doctor. I am opposed to the personal or recreational use of cannabis. This substance is mind altering. Especially in today's climate of increasing violence we should not add fuel to the fire. Additionally this will predictably lead to increased motor vehicle DUIs.

Please OPPOSE SB 3335.

LATE

SB-3335

Submitted on: 2/12/2024 8:51:45 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Josiah	Individual	Oppose	Written Testimony Only

Comments:

Honorable members of the legislature,

As we gather here today to discuss the legalization of marijuana in Hawaii, I stand in strong support of this crucial step towards responsible cannabis regulation. However, I cannot ignore the troubling aspects of the proposed bill that threaten to undermine its overall goals and impact.

While I fully endorse the legalization of marijuana, I must express my deep concern regarding the inclusion of an unscientific DUI law in this legislation. By criminalizing individuals based on arbitrary THC levels, we run the risk of unjustly penalizing responsible users and perpetuating harmful stereotypes about cannabis consumption.

Furthermore, the harsh penalties outlined in this bill, such as up to 30 days in jail for minor infractions like possessing an open cannabis package or a pipe in a vehicle, are disproportionate and counterproductive. Instead of promoting public safety, these penalties only serve to perpetuate cycles of incarceration and marginalization.

Additionally, the prohibition on consuming cannabis in any public place or vehicle is overly restrictive and fails to acknowledge the realities of cannabis use. Such measures not only infringe upon personal liberties but also hinder efforts to establish a responsible and regulated cannabis market.

As we move forward with the legalization of marijuana in Hawaii, I urge you to reconsider these harmful provisions and focus on implementing evidence-based policies that prioritize public health, safety, and justice for all.

Thank you for your attention to this matter.

SB-3335

Submitted on: 2/12/2024 9:06:46 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

LATE

Submitted By	Organization	Testifier Position	Testify
Soo Sun Choe	Individual	Oppose	Written Testimony Only

Comments:

I am opposed to this bill as it opens Hawaii up to the import non Hawaii grown hemp. This is an industry that we should be supporting, not destroying before it even gets off the ground.

Mahalo for your attention.

LATE

SB-3335

Submitted on: 2/12/2024 9:15:46 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Jana Teschler	Individual	Oppose	Written Testimony Only

Comments:

Aloha Senate Committee,

My name is Jana Teschler and I am writing this testimony to let you know I am against the legalization of recreational marijuana use in the state of Hawai'i. My husband and I grew up in Colorado and enjoyed raising our three daughters there until we moved in 2016. Our business and family were still there and so we travel back often. And each time we travel back to Colorado, we are increasingly thankful we do not live there anymore! The culture has completely changed and is nothing like the wholesome environment we were so accustomed to. The violence and crime, homelessness and mental health issues are apparent on almost every street corner, and we no longer can roll up to many traffic lights without having someone rush to our car to ask to clean our windows for money or just panhandle.

The schools are growing more violent and suicide rates among the youth are at an all time high since legalizing marijuana. And the traffic! Colorado has become so busy and is now like driving in LA with traffic deaths more than doubling since 2013, where drivers tested positive for marijuana usage.

We moved to the beautiful island of Maui mostly because of the simple way of life here and the true spirit of Aloha. We have seen first hand what legalizing marijuana does to the culture and community, and are sickened to think that this same change will likely happen here if this bill is passed. There is so much evidence showing that tax dollars gained by the legalization of marijuana does not cover the costs to mitigate its effects. In Colorado, approximately \$4. 50 is spent to mitigate the effects of legalization compared to every \$1 gained in tax revenue.

Please do not allow this bill to jeopardize the safety and well being of our children and our community. This bill is not wanted and we hope that you will give ear to the community before you allow this to destroy our beautiful island.

With much Aloha,

Jana Teschler

LATE

SB-3335

Submitted on: 2/12/2024 9:23:48 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Jacqueline Fitzgerald	Individual	Oppose	Written Testimony Only

Comments:

I oppose sb3335

LATE

SB-3335

Submitted on: 2/12/2024 9:24:06 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
CALVIN T CHINEN	Individual	Oppose	In Person

Comments:

Dear Senate Committee on Health & Human Services and the Senate Committee on Judiciary,

Please oppose SB3335.

There are so many medical, historical, and sociological reasons why the legalization of recreational marijuana sales and usage is not good that I'm sure that you have heard them all. Therefore, I will not go over what you have heard time and again. I just want to share a few reasons here.

First, for years there have been and continue to be efforts to control the importation, sales, and usage of ILLEGAL FIREWORKS AND AERIALS in Hawai'i. At one point, many years ago, all of these were legal. Nonetheless, today it is out of control.

If we apply the same premises as SB335 to Illegal Fireworks and Aerials, then we should simply legalize all fireworks and charge them a 10% sales tax.

If we did that, would it stop or curtail illegal fireworks? Perhaps. But probably not. This would be especially true since the Black Market would sell fireworks at a much lower price than the legal outlets.

Moreover, if we legalized fireworks, then there would be even more users of fireworks of all ages - whether permitted or not. If it is out of control now, how much more would it be out of control by legalizing it?

If this is true for fireworks, how much more would it apply to Marijuana? Except for Marijuana the impact upon Hawai'i will be far more devastating.

Secondly, I want to appeal to you on behalf of our young people. This bill will make marijuana even more available and socially acceptable to more young people than ever before. We currently have laws against the sale of alcohol to minors but we also know that many minors are able to obtain alcohol either illegally or through older friends, work mates, or family members. Even though I will be 70 years old in a few weeks, I had my first alcohol as a 15 year old in this manner. I am sure that this is also true for many members of this committee.

This is but a picture of what is going to happen to marijuana usage among our young people. The only problem is that the effects of today's potent marijuana upon young people is far more devastating.

And lastly, I grew up in Kaneohe, raised our children here, and have most of our grandchildren here in Kaneohe. I love Kaneohe. Nonetheless, to see the emergence of more bars, more vaping shops, more homelessness, and more crime has been disheartening. If the experience of other places that have legalized recreational marijuana holds true, then we will see the emergence of a number of Marijuana shops open up in Kaneohe town. My grandson will go past them everyday as he goes to King Intermediate. My other grandchildren will be exposed to marijuana usage by their friends and family members who will be openly using marijuana. They will see many of their friends go beyond marijuana to harder drugs. They will see the demise of their friend's families as normative. And most frightening and sobering of all, it could happen to one or more of my grandchildren.

I beg you, please do not pass SB3335. It may very well affect my keiki and their futures. It could even affect your keiki and their futures.

Mahalo for taking the time to read!

Calvin T. Chinen

LATE

SB-3335

Submitted on: 2/12/2024 10:21:07 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Terry Huth	Individual	Oppose	Written Testimony Only

Comments:

To the Honorable Chairperson and Committee Memembers,

I ask that you oppose SB3335, and further amend this bill to remove all references to agricultural and industrial hemp.

It is long over due to recognize that agricultural hemp is a completely different issues and crop from recreational cannabis and they should be each handled on their own. These two crops have fundamentally different uses and require different regulation to manage them.

I fully support both types of cannabis and they should both be legal. But they should be handled separately. Removing hemp from this bill will not stop the bill from creating a pathway for recreational cannabis.

Please oppose this bill and fix it so Hawaiians can grow both of these useful crops but as two separate crops.

Thank you, Terry Huth, Maui resident

LATE

SB-3335

Submitted on: 2/12/2024 9:24:37 PM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Shanna Maikui	Individual	Oppose	Written Testimony Only

Comments:

Senator Joy A. San Buenaventura, Chair

Senator Henry J.C. Aquino, Vice Chair

Committee on Health and Human Services

Senator Karl Rhoads, Chair

Senator Mike Gabbard, Vice Chair

Committee on Judiciary

Shanna Maikui

In opposition of SB 3335, Proposed SD1

Tuesday, February 13, 2024

9:00 AM, Conference Room 016, State Capitol

I am testifying against SB 3335, Proposed SD1 because there is no current instrument to provide an immediate response on whether how much a person smoked, ingested, or consumed marijuana. A breathalyzer is an instrument which provides an immediate response of how much alcohol a person breathes. Driving under the influence is against the law and there is no way to test a person driving under the influence of marijuana.

The bill is also unclear of how much a person can transport in a sealed container. The bill states within a person's private residence the possession allowed in a private residence. The bill needs to clarify how much a person is able to transport in a sealed container.

In closing, I am testifying against SB 3335, Proposed SD1 because there is not current instrument or tool to determine if a person is currently driving under the influence of marijuana.

LATE

SB-3335

Submitted on: 2/13/2024 1:09:44 AM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Robin C Clark	Individual	Oppose	Written Testimony Only

Comments:

To the Senate Committee concerning SB3335

I strongly oppose this bill for these reasons:

- 1) The devastating impact on our quality of life, productivity, culture, civility, safety & wholesomeness, will be lowered. Hawai'i will never be the same again. Our warm, unique culture will be converted to a diminished one.
- 2) Advancement, health, academics, creativity, business, innovation will **not** remain in a state full of potheads, drug dealers, & crime accelerated. Thus, an exit of the best and brightness of Hawai'i.
- 3) This means, everyone, everywhere, can be smoking pot in public and we have **no control** over it? For example: Parents at soccer games, in shopping malls, banks, hospitals, kupuna at a bus stop, schools, auditoriums, public restrooms, restaurants, hotel lobbies... **EVERYWHERE!** It's legal.
- 4) This opens the door for drug cartels & drug dealers to set up shop in Hawai'i, because, **they can**. That thought alone is chilling and we are limited on law enforcement to protect & keep order.
- 5) While our police and DEA are battling drug use to **keep the law**, our law makers are **encouraging** drug use and creating more opportunities for people to **break the law**. This makes no sense.
- 6) Travelers would not choose Hawai'i as a family, friendly vacation spot when it's filled with drug activity and the police can't stop it.

Why waste time on this bill? Instead, spend the time focusing on solutions for the root of the problem, to lower drug use. Strengthen the family unit, create mentoring programs, reconciliation for broken families, foster a stronger community instead of a declining one.

LATE

SB-3335

Submitted on: 2/13/2024 4:26:03 AM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Bristol Dunlap	Individual	Oppose	Written Testimony Only

Comments:

This bill has us heading in the wrong direction with recreational cannabis or thc medicine use. I foresee heightened paranoia for unnecessary reasons. We need to have tactics for creating safer environments for our people to empower their medicinal choices not instigate them to rebel and increase "crime" rates. This bill is absurd to me.

kind regards,

Bristol Dunlap

LATE

SB-3335

Submitted on: 2/13/2024 5:18:10 AM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Maribeth Gante Toledo-Cabuslay	Individual	Oppose	Written Testimony Only

Comments:

I have lived here in Hawaii all my life and I'm now raising my own family, I wouldn't want to see cannabis legalized. I am a nurse and see the bad side effects of it more often. It is considered the stepping stone drug for people, so people will eventually move on to other drugs. I have seen Hawaii change and not for the better. Drugs causes misjudgement for people. Homeless has increased some due to drug induced mental illness and polysubstance abuse. I would like to have my kids raised in a Hawaii that does not have drugs available legally.

LATE

SB-3335

Submitted on: 2/13/2024 7:11:25 AM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Debra Brigley	Individual	Oppose	Written Testimony Only

Comments:

I'm in opposition of this bill.



February 11, 2024

RE: Opposed to SB 3335 until ALL hemp elements are removed

Aloha, Honorable Senators,

For reasons that have been shared in letters, emails, and a zoom meeting with members of the legislature, the Hawaii Hemp Farmers Association remains opposed to SB 3335 until all hemp elements are removed from SB 3335 or it is amended per below to mitigate impacts to nonintoxicating hemp sectors and products. We have provided data and analysis from cannabis and hemp experts as well as members of the Hawaii hemp industry, confirming the disastrous effects this recreational marijuana bill will have on all hemp sectors (food, fiber, fuel, etc.) because 1.) it signals to investors that Hawaii's hemp industry will continually be in regulatory flux and behind national trends, which is unnecessary risk for investors; 2.) the co-mingling the regulatory frameworks for a USDA approved crop, hemp, with a federally illicit scheduled drug, marijuana, puts business services for all hemp sectors in Hawaii in jeopardy of being lost or too costly too afford; and 3.) the additional requirements of SB 3335 makes Hawaii hemp farmers non-competitive when we already have the highest farming costs in the U.S.

The solution is simple: enforce on illegal and intoxicating gummy and vape products and fully implement Act 263, relating to hemp, and make non-intoxicating gummies legal. The Director of the Department of Health (DOH) has recently publicly confirmed that the state has the authority to enforce on these products and the state has prevailed in court when challenged on their authority. The DOH is seeking the ability to add products by rule in SB 3133, which will allow for non-intoxicating gummies.

The three regulatory pathways the Hawaii Hemp industry is putting forward are below, with details in the following pages. These options are less expensive than regulating hemp under a cannabis authority as outlined in SB 3335:

- I. Amend and Enforce Act 263,
- II. Establish Independent Hemp Commission (parallel but separate from a Cannabis Authority),
or
- III. Regulate Intoxicating Hemp Only under Proposed Cannabis Authority and Establish Fund to Offset Impacts to Non-intoxicating Hemp Industry due to Co-mingling of Hemp and Marijuana Regulatory Structure.

Respectfully,

<i>Gail Byrne Baber</i>	<i>Grant Overton</i>	<i>Brittany Neal</i>
Gail Byrne Baber	Grant Overton	Brittany Neal
President	Vice President	Vice President

HEMP REGULATORY OPTIONS

The Hawaii hemp Industry is offering the following three complimentary regulatory structures to achieve the following goals:

- Protect consumers *AND* farmers, who are also usually hemp processors and manufacturers to survive financially – farmers must participate in the value chain.
- Ensure state has the support for regulating and enforcing regulations for intoxicating cannabinoid products.
- Support legalization of non-intoxicating gummy products by September 1, 2024, with 2.0 mg THC or less per serving and no more than 15 servings per package.
- Ensure business support services are not withdrawn or become unaffordable for Hawaii hemp industry members that do not participate in the processing or manufacturing intoxicating hemp products. See previous memos regarding the same 1.) *Answers to Questions Hemp Impacts from Rec Cannabis Bills 240124 signed.pdf* and 2.) *Why_Hemp_Farmers_opposing_rec_cannabis-bill-240104.pdf*.
- Marijuana support services are not feasible for hemp farmers with bank fees between \$1,500 to \$5,000, insurance between five and ten times what dispensaries pay, etc.
- Provide a pathway for other non-intoxicating hemp edible products and beverages such as microgreens, hemp leaf juice, and chocolate bars.
- No tradeoffs – hemp is not impacted if the Legislature chooses to allow recreational marijuana.

Enforcement of hemp rules is key. Legalizing intoxicating hemp cannabinoid products as the recreational bills call for or keeping them illegal as they currently are meaningless to public health and safety until there is enforcement. Without enforcement, Hawaii hemp farmers will continue to be burdened with additional scrutiny and regulations that are trying to solve an import problem. All of the regulatory pathway options below include enforcement to ensure public safety and that gates are put in place to prevent minors from consuming intoxicating edible hemp products.

STRUCTURE OPTIONS

IV. Amend and Enforce Act 263

Fully implement Act 263 and amend SB 3138, SB 3133, and HB 70 to support enforcement and creation of non-intoxicating cannabinoid categories for Hawaii farmers, while defining intoxicating cannabinoid products and funding and directing DOH to enforce on intoxicating cannabinoids are imports. Cultivation and transportation of hemp regulations remains with the Department of Agriculture. Regulation of cannabinoid hemp products remains with DOH. SB 3133 AND 3138 close gaps identified by DOH. See map of current regulations in Appendix B. The only current gap of significance is enforcement on intoxicating hemp products.

- A. *Amend SB3138/HB 2449*– DOH bill, amend to allow non-intoxicating gummy products and regulate intoxicating and enforce on intoxicating hemp products.

- B. *Amend HB 1782/SB 3133* – DOH bill that allows DOH to require background check of hemp processors who don't already possess a USDA hemp license. Closes gap identified by DOH.
- C. *Amend HB 70* – bill 70 to ensure no hemp cannabinoids are sold at marijuana dispensaries to ensure no co-mingling of hemp and marijuana regulations.

Edits to above bills to clean up and support enforcement of Act 273 are in Appendix A.

V. **Establish Independent Hemp Commission**

Use SB 3335/ HB 2600 to establish an independent Hemp Commission under the Department of Commerce and Consumer Affairs in parallel to the Cannabis Commission, while maintaining all elements of Act 263. This provides a modicum of separation between hemp and marijuana, which will help to preserve feasible business services for all hemp sectors as well as address public safety concerns regarding intoxicating hemp products. The Hemp commission shall informally begin coordination with the Cannabis Authority governing marijuana. The Hemp Commission could be merged with the Cannabis Authority in future after USDA and the FDA offer guidance and new rules with respect to cannabinoid products. This guidance is expected in 2024. Use existing DOA and DOH funding for hemp staff and include additional funds for enforcement.

Edits to SB 3335/HB 2600 to establish Hemp Commission are in Appendix A.

VI. **Regulate Intoxicating Hemp Only under Proposed Cannabis Authority and Establish Fund to Offset Impacts to Non-intoxicating Hemp Industry due to Co-mingling of Hemp and Marijuana Regulatory Structure**

Keep the processing and manufacturing of intoxicating hemp products in SB 3335/HB 2600 (recreational marijuana bills) *AND* remove all non-intoxicating cannabinoid elements from these bills. Establish a bond fund and/or tax of intoxicating hemp cannabinoid products to offset expenses to the rest of the hemp industry for any losses of business services or increases in costs, banking, insurance, marketing, etc. as a result of co-mingling regulatory structures of hemp and marijuana. The processing and manufacturing and sales of intoxicating hemp are included in the bill, while all nonintoxicating hemp elements are removed.

Edits to SB 3335/HB 2600 to remove all non-intoxicating cannabinoid hemp while leaving intoxicating cannabinoid hemp are in Appendix A.

APPENDIX A

Amendments and Edits to Current Senate and House Bills for above Three Hemp Structures

I. Clean up and Enforce Act 263

Amend SB3138/HB 2449 to allow DOH to add products by rules not by statute as is now the case per HB 1350/Act 263. Black font underscored sentences are DOH proposed changes to the definition of Manufactured Hemp Product. Blue font, underscored sentences are the hemp industries proposed amendments to the DOH bill to regulate gummies and set THC and other cannabinoid limits, as well as age gates, as well as designate funding to DOH for rulemaking and enforcement.

Page 2, beginning line 7:

C) Non-intoxicating gummy products with no more than 2.0 mg THC per serving and no more than 15 mg THC per package. DOH shall clearly define the allowable general ingredient categories of a non-intoxicating gummy product by September, 2024.

D) Intoxicating hemp edible products and beverages that have limits on THC and other cannabinoids as deemed by DOH by June 30, 2025. Intoxicating products may not be sold to minors and retailers that sell intoxicating hemp cannabinoid products must check a valid government issued ID, such as a driver's license, residency card, or passport before each sale. DOH shall determine which forms of ID are acceptable.

E) Any other product specified in rules by the department pursuant to section 328G-4 provided non-intoxicating gummy products are allowed no later than September 30, 2024; and

Page 2, beginning line 13,

SECTION 3. There is appropriated out of the general revenues of the State of Hawaii the sum of \$120,000 or so much thereof as may be necessary for fiscal year 2024 - 2026 for the hiring of staff or a third-party consultant to assist with developing rules for hemp products and enforcing and assisting with coordination of enforcement of rules pertaining to non-intoxicating hemp products.

Amend HB 70 – ensures no co-mingling of hemp and marijuana laws and regulations.

Page 1, paragraph 2:

(2) That contains cannabinoids created through isomerization, including Delta 6 cis or trans tetrahydrocannabinol, and their optical isomers (other names: Delta 8 cis or trans tetrahydrocannabinol, and their optical isomers); provided that this paragraph shall not be construed to prohibit a medical cannabis dispensary licensed pursuant to chapter 329D from selling or holding, offering, or distributing for sale cannabis or manufactured cannabis products that contain naturally-occurring Delta 8 tetrahydrocannabinol if the source of cannabinoids is marijuana, not hemp."

Description:

Prohibits the sale or holding, offering, and distribution of hemp products that contain cannabinoids created through

isomerization. Exempts medical cannabis dispensaries from the prohibition if the source of cannabinoids is marijuana, not hemp. Inserts the alternative name for Delta 6 cis or trans tetrahydrocannabinol, and their optical isomers into the list of schedule I controlled substances. Effective 6/30/3000. (HD2)

II. Establish Independent Hemp Commission

Edits to SB 3335 include,

1. Establish Hawaii hemp commission in SB 3335 preamble, purposes, definitions, and specific provisions to be established under the Department of Commerce and Consumer Affairs in parallel to the Cannabis Commission,
2. Legalize non-intoxicating gummies legal by September 1, 2024 and defined as less than 2.0 mg THC per serving and less than 15 mg total THC per package,
3. Ensure no duplication of USDA cultivation regulations for hemp,
4. Remove all requirements for additional business permits or licensing for non-intoxicating cannabinoid hemp and all other industrial hemp applications,
5. Remove all advertising prohibitions for non-intoxicating hemp products,
6. Add Act 263 origin labeling requirements,
7. Add all provisions of Act 263 with DOH clarifications re background checks for hemp processors for those processor applications that don't also have a USDA hemp license, which requires a FBI background check with fingerprints,
8. Keep smokeable and vape cannabinoid products illegal,
9. Clarify with addition in brackets "food product was commercially manufactured specifically for use by the cannabis processor or [intoxicating] hemp processor to infuse with cannabis or hemp." It is impossible to buy food ingredients specifically manufactured for hemp cannabinoids but if we remove all non-intoxicating hemp from the bills, it applies only to intoxicating hemp products who must find a way to comply.

Marked up copies of SB 3335 with exact edits can be provided by Friday, February 16.

III. Regulate Intoxicating Hemp Only under Proposed Cannabis Authority and Establish Fund to Offset Impacts to Non-intoxicating Hemp Industry due to Co-mingling of Hemp and Marijuana Regulatory Structure

Edits include to SB 3335 include,

1. Remove all non-intoxicating hemp elements from the bill. The only hemp product(s), hemp processing, and hemp manufacturing that will be regulated by SB 3335 is intoxicating hemp product(s).
2. Establish a special fund to offset impacts to non-intoxicating hemp sectors (including non-intoxicating hemp cannabinoid products) due to co-mingling of hemp and marijuana regulatory structure. Add special offset fund to preamble, purposes, definitions, and specific provisions for use. A tax on adult-use intoxicating hemp products and/or special bond can support this fund.

3. Legalize non-intoxicating gummies legal by September 1, 2024 and defined as less than 2.0 mg THC per serving and less than 15 mg total THC per package,
2. Ensure no duplication of USDA cultivation regulations for hemp,
3. Remove all requirements for additional business permits or licensing for non-intoxicating cannabinoid hemp and all other industrial hemp applications,
4. Remove all advertising prohibitions for non-intoxicating hemp products,
5. Add Act 263 origin labeling requirements,
6. Add all provisions of Act 263 with DOH clarifications re background checks for hemp processors for those processor applications that don't also have a USDA hemp license, which requires a FBI background check with fingerprints,
7. Keep smokeable and vape cannabinoid products illegal,
8. Clarify with addition in brackets "food product was commercially manufactured specifically for use by the cannabis processor or [intoxicating] hemp processor to infuse with cannabis or hemp." It is impossible to buy food ingredients specifically manufactured for hemp cannabinoids but if we remove all non-intoxicating hemp from the bills, it applies only to intoxicating hemp products who must find a way to comply.

Marked up copies of SB 3335 with exact edits can be provided by Friday, February 16.

APPENDIX B
SUMMARY OF EXISTING HEMP REGULATIONS IN HAWAII
Cultivation, Processing, Manufacturing

1. CURRENT CULTIVATION REGULATIONS

USDA

- Must pass FBI background check and fingerprinting for a license to cultivate,
- Every planting is entered into USDA database and the designated purpose of the planting, e.g. food, cannabinoid, hempcrete, etc.
- Every harvest requires inspection and testing by USDA approved laboratory,
- Every harvest must pass USDA inspection and lab test or crop is destroyed,
- Each hemp variety or planting area requires a separate test,
- All lab tests must be entered into USDA database,
- Law enforcement has 24/7 access to USDA database and can see where all hemp plants are in real time as well as designated use of plants after harvest.

HI DOA

- requires USDA license,
- Act 263, 2023: 300 ft buffers from public spaces such as parks and schools and 100 ft of dwellings not owned or controlled by the hemp licensee, except for farms that were part of the initial hemp pilot project,
- law enforcement may enter at any time if there is sufficient concern marijuana is being grown illegally,

2. CURRENT TRANSPORTATION REGULATIONS

HI DOA

- Transport of harvested hemp can only be between USDA licensed farms or a licensed processor,
- All hemp transportation must be reported to the State DOA,
- All transport must include a copy of the farmers USDA license and lab test,

3. CURRENT PROCESSING REGULATIONS (applies to cannabinoids only) –

HI DOH

- Must apply to DOH for a processing license,
- Must pass background check or have USDA hemp license with passed FBI background check
- Requirements and restrictions for a processing license,
- Act 263 (no rules yet) - Hemp farmers may process in non-permitted agricultural buildings and Food Hubs if the farmers are using non-volatile compounds or compressed gases, e.g. extracting hemp oil using ice, water, or coconut oil. Buildings must be enclosed structures such as steel retrofitted shipping containers.
- Must comply with good manufacturing processes,
- Concentrated hemp extract may not be sold to consumers.

4. CURRENT MANUFACTURING REGULATIONS (applies to cannabinoids only)

For using hemp cannabinoids as an ingredient in a hemp cannabinoid product:

- Only legal hemp cannabinoid products are tinctures and external products such as lotions, salves, soaps, etc.
- Manufacturing should follow good manufacturing processes,
- All final products sold to consumers must be tested to the highest requirements for any hemp CBD products of any state in the U.S.,

- Lab reports (certificate of analysis) must be posted on company websites for every batch of CBD products manufactured so the public can see for themselves the products are compliant with THC levels, accurate regarding compounds advertised, and free of pollutants (metals, mycotoxins, etc.)
- Act 263 (HB 1359): Labels must disclose where (the origin) of where the hemp was grown for all hemp products, including CBD, and must state, if the origin is not Hawaii where the hemp was grown and percentages if it is a mixture of origins.
- Manufacturing location must be on label.
- Act 263 (HB 1359) gave DOH the authority to introduce new products and set THC dose limits. For instance, gummies and flower products are not currently legal. Act 263 allows DOH to set non-intoxicating limits for THC in new products, such as gummies.

Appendix C

Communications with Legislature Regarding Why Including Hemp in Recreational Marijuana Bills is Disastrous to all Sectors (Food, Fiber, Fuel, etc.) of the Hawaii Hemp Industry

1. Zoom Information Session on Impacts to Hemp with leading hemp and cannabis economist Mr. Beau Whitney and cannabis attorney with 13 year's experience in the new field, Anne van Leynseele.

<https://youtu.be/HehmZ3ntLCE?si=-OvxpWMv78wW19f1>

2. Memo on why the Hawaii hemp industry is opposed to the including any hemp in the recreational marijuana bills.
3. Letter to members of the legislature answering questions posted during zoom session above.

Hawaii Hemp Industry Opposed to Including Hemp Cannabinoids in Rec Cannabis Bills

Pull all hemp, *including* cannabinoid hemp, out of the recreational marijuana bills, HB 2600 and SB 3335 for the following reasons:

1. The USDA and FDA will be addressing the cannabinoid hemp issues this year, changing and establishing new regulations. It makes no sense to establish a new regulatory structure in Hawaii for hemp at this point, especially since the problem gummy and vape products, which are imports, are not legal and the authority for the state to enforce on these products in Hawaii has been established and confirmed by federal court, according to DOH. The problem is an enforcement issue.
2. Data from experts shows that co-mingling regulatory programs, legislation, or rules for marijuana (a federally illegal schedule 1 drug) with hemp (a federally legal crop) can result in the loss of essential business services such as banking and insurance to all hemp sectors (building, fiber, food, CBD).
3. If Hawaii hemp farmers, processors, and manufacturers lose their hemp business services such as banking, nutrition, they can't afford the services offered to marijuana businesses. Monthly banking fees for marijuana businesses average \$2,500 per month (range \$1,500 to \$5,000).
4. It is more costly for the state to include in the cannabis commission regulatory framework.
5. The American Banking Association does not want the risk of providing financial services to any hemp business because of the co-mingling of hemp and high THC cannabis policy and regulations in several states.
6. Despite what the director of the Oregon Liquor and Cannabis Commission may have stated about the hemp industry in Oregon last week, we have confirmed that hemp farmers and hemp processors and manufacturers have been impacted in Oregon by the regulatory structure has impacted business services. Ken Iverson of Iverson Farms - <https://www.iversonfamilyfarms.com> - one of Oregon's largest hemp farms and farmers has been told by his bank and insurance company that he will lose both services if he grows hemp this year. Ken does not grow for intoxicating products. The OLCC must not be aware of this situation.
7. 2023, Whitney Economics testified before the Oregon Legislature confirming that hemp farmers and processors have lost \$75 million to \$100 million due to the change in cannabis regulatory policy in Oregon that placed cannabinoids under the OLCC.
8. There are no functional regulatory gaps regarding hemp in Hawaii. There *is an enforcement gap* on illegal products such as high THC gummies and vaping, which are

imports. It is easy to identify illegal products and sweep them off the shelves. See regulatory structure on next page.

9. Hawaii is a unique agricultural state, especially given our islands and geographic spread. Often what works on the mainland for agriculture (farming methods, cultural and regulatory structures) does not work here. Hawaii's hemp industry (what is grown and made here – not imports) is different from the mainland with much smaller farm sizes, restraints for processing due to being an island state, no multi-state operations (MSOs), no legal gummy or food or beverage products, and Hawaii hemp farmers are still rebounding from onerous rules that prevented farmers from moving hemp off their farms for years, etc. The Legislature can't guarantee that Hawaii hemp farmers and businesses will not lose their banking, insurance, or other hemp business services as a result of this proposed cannabis regulatory framework. No hemp farmer, processor, or manufacturer should be put out of business because the state legalizes recreational marijuana.



www.hawaiihempfarmersassociation.org

January 24, 2024

RE: Answer to Questions Posed During Hemp Discussion with Subject Matter Experts Regarding HB 2600 and SB 3335: Impacts to Hawaii's Hemp Industry

Alpha,

Thank you for attending the discussion on hemp and the impacts of the proposed recreational cannabis bills (HB 2600 and SB 3335) on the Hawaii hemp industry and discussion with subject matter experts, economist Beau Whitney and attorney Anne van Leynseele. Below are answers to questions that were posted in the Zoom chat and discussed but not directly answered in the chat.

The questions seek to understand why combining hemp and recreational cannabis under one bill and one regulatory structure/commission will negatively impact hemp. **Why would all hemp sectors lose the support services of banking, insurance, marketing platforms etc. because of the proposed recreational cannabis bill, and why would this recreational cannabis bill impact all hemp sectors (food, fiber, fuel, etc.), not just cannabinoids?** Answer number three on page two is nuanced but very important.

The below answers are based on the outcomes and data from 17 states that combined hemp and recreational and/or medical marijuana legislation with hemp. Mr. Whitney predicted the economic impact of similar cannabis legislation in one state would result in a 0.3% increase in unemployment across the state. Post implementation data showed his prediction to be dead on at 0.3%. Both Mr. Whitney and Ms. van Leynseele have extensive experience in numerous states with respect to on-the-ground hemp and rec cannabis and medical marijuana regulations and policy. Each has and still does consult with state and federal government agencies on how to "fix" recreational cannabis, medical marijuana and hemp programs and Mr. Whitney consults internationally. We are hopeful that the Hawaii Legislature will heed these experts' advice: pull all hemp elements out of the proposed recreational cannabis bill(s) and focus on implementing HB 1359/Act 263.

The answers to the above questions center on three primary facts:

- 1.) Hemp is a legal crop at the Federal level and marijuana and recreational cannabis aren't legal at the Federal level. Under the Controlled Substances Act, marijuana is still a Schedule 1 drug along with heroin, lysergic acid diethylamide (LSD), 3,4 methylenedioxy-methamphetamine (ecstasy), methaqualone, and peyote.
- 2.) The impacts to non-cannabinoid hemp sectors (food, fiber, fuel, etc.) due to regulatory uncertainty and changes in the regulatory landscape is significant. In 2022, there was a \$20 billion loss of investment and economic impact nationally to the food and fiber hemp.

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sectors due to regulatory uncertainty and changing regulatory landscape according to Mr. Whitney's work. It is estimated that Oregon lost \$100,000,000 during this same time due to shifting regulatory frameworks. Most Hawaii hemp farmers can enumerate how Hawaii hemp regulations, which have been the most onerous in the U.S., have scared off investment in hemp operations in Hawaii in the last five years. The proposed recreational cannabis bill is a shockwave to the hemp regulatory landscape for Hawaii and will have consequences to all hemp sectors if hemp is not removed.

- 3.) Vital business service companies don't want the risk of co-regulation, co-mingling. Once a state declares that the hemp industry is regulated under the same legislation, rules, and/or programmatic framework such as a cannabis commission or board as the agency that regulates marijuana and rec cannabis, hemp support companies (banking, insurance, marketing, etc.) don't want to be responsible for differentiating between legal hemp and medical marijuana and recreational cannabis.

The banking industry is a good example of lost services to hemp businesses while marijuana businesses are not impacted. This vital business service refuses to risk responsibility for differentiating between marijuana and hemp sources of funds when states blur the lines through co-regulation and co-mingling of oversight, and force the marijuana standard on the legal hemp products. For example, banks and credit unions that allow business accounts for licensed marijuana have compliance teams that review all revenue that enters the account and compare it with published data on sales figures for each license. Banks and credit unions charge from \$2,500 to \$5,600 dollars per month to marijuana companies for the added work of the compliance team. Hemp companies are being denied an account in states that have co-mingles regulatory frameworks because the data for hemp sales are not tracked by states combing the regulation of marijuana and hemp. Hemp companies under the marijuana regulatory requirement cannot afford these monthly fees and in most states co-regulating, banks and credit unions have refused to open accounts since early 2021. So hemp companies have no business account or are forced to lie and open accounts under obscure names. Many have received 30-day closure notices from banks and credit unions, and cannot find another place to bank.

If regulators don't *clearly* differentiate between hemp derived cannabinoid products and marijuana products with separated programs, legislation, and rules, the hemp support companies/businesses don't want the risk of responsibility of potentially accidentally supporting a scheduled drug and having to sort through the differences once co-mingled. It is costly, complex and confusing for the hemp support business services (hence the below questions from the Zoom meeting) and as a result hemp companies, not rec cannabis companies are denied services or can no longer afford them if they are still offered.

The impact of co-mingling regulatory frameworks in other states has already impacted hemp business in Hawaii and if this proposed recreational cannabis bill moves forward with any hemp elements, the impact will be costly and devastating to all Hawaii hemp sectors.

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When the hemp regulations and hemp programs are clearly separated, it provides the risk mitigation that these hemp support businesses require and they will continue to support the hemp industry, all sectors.

Why are all hemp sectors impacted by the AG recreational cannabis bill?

- 1.) The continually shifting hemp regulatory landscape has impacted all hemp sectors as outlined in number two above, creating significant losses to the food and fiber industry. The intent of the farmers that helped found the Hawaii hemp industry was to use the value added products of hemp to subsidize food production.
- 2.) The hemp support businesses do not differentiate between hemp sectors for several reasons. (1) it is impossible for support business to know whether the funds deposited are from hempcrete for housing or from hemp cannabinoid products; (2) it is impossible for support business to determine if deposited funds are from federally legal hemp cannabinoid products or not (FDA allowed list: resin may be used in oils, lotions, cleansers, bath or other pharmaceutical (tinctures) or topical products); and (3) despite the U.S. Treasury's Financial Crimes Networks (FinCEN's) 2020 policy guidance, banks and credits unions are following state's lead and lumping all hemp companies together. Please see attached FinCEN_Hemp_Guidance_508_FINAL. The proposed Hawaii recreational cannabis bill(s) jeopardize hemp support services for all hemp sectors (food, fiber, etc.) and without these services hemp sectors that include affordable housing can't function or receive investment.

Problem Summary

The 2024 proposed Hawaii recreational cannabis bill(s) does not provide clear separation between hemp and medical marijuana and recreational cannabis as it combines an illegal Schedule 1 drug in one piece of legislation and under one regulatory commission (and shared rules) with a Federally approved crop, hemp. The proposed rec cannabis legislation itself, by including cannabinoid hemp, muddies the water for hemp business service companies, putting all Hawaii hemp businesses (including food and housing materials for affordable housing projects) at risk of losing vital business services and investment.

Solution

Keep hemp separated from medical marijuana and recreational cannabis. Don't combine them in legislation, regulations, rules, or programmatic frameworks. Implement Act 263, which provides DOH with the authority to 1.) authorize new hemp products if DOH so chooses (if it wants to make gummies legal) and 2.) set limits on THC for new hemp products (gummies).

As attorney Anne van Leynseele (specializing in hemp and cannabis law for 11 years) shared

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yesterday, enforcing on gummies now is easy because all gummy and vape products are illegal in Hawaii, so there is no requirement to differentiate between intoxicating and non-intoxicating gummies (less than 5 mg THC per serving). If DOH decides it wants to legalize non-intoxicating gummies, it has the authority to do so. If funding restricts field enforcement for non-compliant hemp products, a DOH hotline can help target administrative enforcement. But the key is to keep hemp and medical marijuana and recreational cannabis distinct in the state with respect to legislation, rules, and programmatic framework.

Unintended Consequences

1. According to subject matter expert, Anne van Leynseele (hemp and cannabis law for 11 years), based on her experience, sweeping in cannabinoid hemp into the regulatory framework of rec cannabis will make rulemaking and changing or updating regulations very difficult as multiple sectors have to agree to the proposed changes. The proposed Hawaii rec cannabis bill with hemp is exactly the type of bill that is too big and slows down rulemaking and makes functional, efficient changes (as is required with any emerging industry) very difficult and costly to businesses and the State.
2. The costs to set up a recreational program that includes hemp cannabinoids will increase the costs to the State, local hemp farmers, and local processors and manufacturers.
3. This bill would further force Hawaii consumers to purchase unreliable internet hemp cannabinoid products *imported* from overseas and the U.S. mainland and, potentially unwittingly, break federal and Hawaii laws by importing gummies and other infused food and beverages and vapes.

Online Sales

Forty percent (40%) of CBD sales are online. Hawaii gummies and vape products are mostly imports, even those products with Hawaii branding are manufactured on the mainland or import cannabinoids from China or the mainland because it is so much less expensive than using Hawaii produced cannabinoid oil. It is not feasible for a Hawaii farmer to sell cannabinoid oil to someone else to make value-added products because a Hawaii farmer has to charge much more than a mainland or overseas supplier because our farming costs are so high. Hawaii farmers typically get 20% less than mainland farmers. The only place a Hawaii hemp farmer makes money (and many food farmers) is by selling a value-added product directly to the consumer.

Answers to Specific Questions from the Zoom Chat

Q 1. How would having a cannabis agency regulate both cannabis and hemp be different from having the office of medical cannabis regulate both cannabis and hemp?

The Department of Health is *not* a cannabis agency. Even though hemp was unilaterally moved under the Office of Medical Cannabis Control and Regulation of the Department of Health, our

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legislation (Act 263 and previous Acts) and our rules remain separate from medical marijuana and rec cannabis acts and rules and there is no Cannabis Board of Commission now which lumps hemp with rec cannabis or medical marijuana. *Functionally, legislatively, programmatically, and with respect to rulemaking and regulations, the Hawaii hemp industry is currently clearly separated from medical marijuana and recreational cannabis.* The proposed recreational cannabis bill erases these divisions, setting the stage for wiping out the hemp industry through loss of business support services and investment per above and adding additional business requirements that farmers and the industry can't afford. Mr. Whitney confirmed that the economic burden of the proposed Hawaii rec cannabis bills is a business killer for the Hawaii hemp industry.

Without consulting the hemp industry, the hemp rulemaking for processing and product manufacturing per Act 263 and previous acts was moved under the DOH Office of Medical Cannabis Control and Regulation program. We understand the dispensaries opposed this move and no one in the hemp industry was consulted. The timing of the move, July of 2023, is aligned with the Attorney General's timeline for beginning the work on a rec cannabis bill. The Hawaii hemp industry found out about the move after the fact. If DOH prefers hemp remains under the Office of Medical Cannabis, so be it, but do not blur the lines anymore between recreational cannabis, medical marijuana, and hemp or, as has been shown in other states, the hemp industry will be severely impacted, likely decimated.

Q.2. Have you seen any banking impacts currently because hemp is regulated by the office of medical cannabis?

There are already impacts from the co-mingling of regulatory frameworks in other states to Hawaii hemp farmers with regard to insurance. One of our member's farm insurance was cancelled without notice 18 months ago by Lloyds of London. When our farmer pursued an answer to why their insurance was canceled the reason given was because the farm grows hemp. The farmer didn't give it too much thought and moved on to securing insurance but has been unsuccessful to-date. Today, we learned from the expert cannabis attorney that joined us on the Zoom meeting, Anne van Leynseele, that Lloyd's of London quit insuring hemp businesses, like our Hawaii hemp farmer's farm, because of the co-mingling of regulatory frameworks at the U.S. state level - combining hemp and marijuana under a regulatory framework. Given the experience of 17 other states, the proposed rec cannabis bill would only multiply this problem across Hawaii in a short amount of time. There are a number of national hemp organizations that monitor hemp legislation across the U.S. and hemp business support services will quickly become aware of the proposed co-mingling of hemp and medical marijuana and rec cannabis under one legislative act and regulatory framework of a cannabis commission or board.

Q.3. How does regulating the intoxicating cannabinoids under Act 263 differ from regulating the intoxicating cannabinoids under the Adult Use bill?

Act 263 is only about hemp; no rec cannabis or medical marijuana is mentioned or part of Act 263. There is a very clear line of separation. The rec cannabis bill/adult use bill co-mingles hemp and rec cannabis and medical marijuana legislatively, creates a combined regulatory framework with related rulemaking and programmatic functions (hemp regulated under a future Cannabis Board

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that also oversees medical marijuana and recreational cannabis).

Further, hemp products that are the issue (intoxicating gummies and vaping) are not legal under Act 263. There are no current legal products (tinctures, salves, lotions, etc.) that are the issue. Act 263 does give DOH the authority to legalize these currently illegal products (gummies) and set limits to ensure any new hemp cannabinoid product is *not* intoxicating (less than 5 mg THC per serving of edibles or whatever DOH decides). It is not difficult to enforce on gummies – no label or testing is required because they are just not legal currently.

Regulating any hemp cannabinoid under the Adult Use bill/proposed recreational cannabis bill will jeopardize all hemp sectors as outlined in previous sections (loss of support services, additional economic burdens and loss of investment).

Q.4. And how does regulating intoxicating hemp cannabinoids under Act 263 not affect the farmers creating non intoxicating hemp products (hempcrete, ropes, fibers...) but the regulating of intoxicating hemp cannabinoids will affect the farmers growing non intoxicating hemp?

Regulating cannabinoid hemp products under Act 263 will not impact the rest of the hemp sectors because of the clear division of legislation, rules, and programmatic framework. The *imported* gummies and vaping which are not legal under Act 263 and not made here are the problem. Act 263 provides the pathway for DOH to ensure that the *ONLY* hemp cannabinoid products sold in Hawaii are non-intoxicating and if DOH adds gummies to the list of allowed products in Hawaii, DOH has the authority to set non-intoxicating limits for gummies. Functionally, a great deal of the cannabinoids used in the imported gummies and vape products is grown on yeast in China. That is why Mr. Whitney and Ms. van Lynseele made a joke about the need to regulate yeast during the Zoom call. Per the above sections, if hemp is kept under Act 263, then there is no co-mingling of hemp with medical marijuana and recreational cannabis, and the hemp support businesses (banking, insurance, marketing, etc.) have the confidence to continue to provide services to all hemp sectors, including hempcrete, fiber, food, etc.

Thank you for your interest in hemp and we are happy to answer or ask Mr. Whitney or Ms. van Lyensee to answer your questions.

Respectfully,

<i>Gail Byrne Baber</i>	<i>Grant Overton</i>	<i>Brittany Neal</i>
Gail Byrne Baber	Grant Overton	Brittany Neal
President	Vice President	Vice President

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Written Testimony on SB3335

Hawaii State Senate

February 13, 2024

Kevin Sabet, Ph.D.

President & CEO, Smart Approaches to Marijuana (SAM)

Former Obama Administration Drug Policy Advisor

<http://www.learnaboutsam.org>

This testimony is based on my own expertise and that of over a dozen top scientists who serve on the Advisory Board of Smart Approaches to Marijuana (SAM). In 2013, after serving in the White House Office of National Drug Control Policy (ONDCP) during the Clinton, Bush, and Obama Administrations, I co-founded Smart Approaches to Marijuana (SAM) with U.S. Representative Patrick Kennedy (D-RI). SAM is the leading non-partisan, non-profit national organization offering a science-based approach to marijuana policy. We work with local Hawaiians to raise awareness about the harms of today's highly potent marijuana.

SB3335 is bad public policy and should be opposed. The bill presents major public health and safety problems for Hawaii and will result in many other negative consequences, for at least six main reasons:

1. SB3335 will hurt the environment and could harm Hawaii's environment and could worsen wildfires.

Marijuana legalization has detrimental effects on the environment. As described in a Congressional [letter](#) to the Department of Interior, legalization has led to an increase in harmful cultivation practices. Approximately 80% of marijuana is cultivated indoors, an energy-intensive method. In fact, indoor marijuana cultivation consumes 709 kBtu/sq ft, (a typical office building consumes 40-50 kBtu/sq ft).

Over [1.4 million pounds](#) of fertilizers and toxicants are used annually at outdoor marijuana grows sites in California. Marijuana cultivation accounts for [10%](#) of industrial electricity consumption statewide in Massachusetts. In Colorado, [emissions](#) from marijuana cultivation

are similar to the state’s emissions from trash collection and coal mining. Additionally, research estimates that the electricity demand for marijuana grows will increase over the next ten years by [65%](#).

According to a [report](#) from the National Conference of State Legislatures: “An indoor facility can have lighting intensities similar to hospital operating rooms, which are 500 times greater than recommended reading light levels. These facilities can also have 30 hourly temperature or fan speed air changes, which is 60 times the rate in a normal home. Put another way, a four-plant lighting module uses as much electricity as 29 refrigerators.”

In 2023, Hawaii experienced tragic wildfires that killed at least 100 people. In California, marijuana grows have negatively impacted the state’s wildfire problems. According to a 2022 [study](#) conducted by Berkley researchers, “cannabis farming was located more often in high and very high FHSZs [fire hazard severity zones] and closer to wildfire perimeters than any other agricultural type.”

In many states, legalization has led to an expansion of the illicit market and illicit cultivation, which increases the risks for wildfires as illicit marijuana cultivation has been known to cause wildfires. According to an [NBC report](#), “[marijuana] grow operations in California have rerouted millions of gallons of water, caused a 125,000-acre wildfire in Big Sur and helped add at least one species to the endangered list.”

Marijuana-related wildfires will not only pose a threat to Hawaii’s land, but its economy. A 2023 [study](#) by the Berkley Cannabis Research Center concluded, “cannabis farms experienced wildfire-related crop losses across all cannabis growing regions in 2020. Northern regions experienced particularly high crop loss across all four study years. Potential economic losses in 2020 and 2021 were estimated at \$1.44 billion and \$970.04 million, respectively.”

Marijuana legalization would be irresponsible at a time when all measures should be taken to prevent the proliferation of wildfires.

2. SB3335 will increase youth marijuana use and negatively impact public health.

SB3335 has no explicit THC potency cap. High-potency THC products are proven to be more addictive and detrimental to public health; their risks are exacerbated in young people with still-developing brains. Between 1995 and 2021, the average potency of marijuana flower increased from 3.96% in 1995 to 15.34% in 2021. Vapes and other concentrates are often above 90% THC. Users of [high-potency marijuana](#) are four times more likely than users of low-potency products to become addicted. Daily users of marijuana above 10% THC are nearly five times

more likely to develop [psychosis](#) than non-users. The National Institute on Drug Abuse warned, “The risks of physical dependence and addiction increase with exposure to [high concentrations of THC](#), and higher doses of THC are more likely to produce anxiety, agitation, paranoia, and psychosis.”

Many states, particularly those without THC caps, have experienced other negative effects of legalization. Several rigorous academic studies compare youth marijuana use within legal marijuana (LM) before and after the policy is adopted and/or compare the trajectory of youth marijuana use in LM states to youth marijuana use in non-LM states. Many recent studies suggest that youth marijuana use has increased in states that legalized recreational marijuana.

For example, [Cerdá et al.](#) found that the prevalence of teen cannabis use disorder increased 25% after recreational marijuana legalization enactment compared to states that did not enact such laws. [Paschall et al.](#) found that California’s recreational marijuana law was associated with 18% and 23% increases in the likelihood of lifetime and past 30-day marijuana use among middle and high school students, respectively. [Lee et al.](#) found that, relative to Hawaii, the likelihood of high school lifetime and current marijuana use increased 29% and 34% after recreational marijuana was legalized in Alaska. [Bailey and colleagues](#) found nonmedical marijuana legalization among a large cohort of youth in Seattle, Washington, predicted a more than 6 times likelihood of self-reported past year marijuana and a more than 3 times likelihood for alcohol use among youth when controlling birth cohort, sex, race, and parent education.

The addictive nature and negative health effects of marijuana are numerous. There is evidence that associates adolescent marijuana use with long-term negative health and social outcomes. A [study](#) of 45,570 Swedish men who were drafted into the military found that men who tried marijuana by age 18 were 2.4 times more likely to be diagnosed with schizophrenia over the next 15 years than those who had not. In the same Swedish study, chronic marijuana users had a significantly higher risk of unemployment and the need for welfare assistance by middle age.

A 2017 [report](#) by National Academy of Sciences (NAS) written by top scientists, entitled *The Health Effects of Cannabis and Cannabinoids: Current State of Evidence and Recommendations for Research*, concluded after a review of over 10,000 peer-reviewed academic articles, that marijuana use is connected to a number of problems, including:

- respiratory problems;
- mental health issues (like psychosis, social anxiety, and thoughts of suicide);
- increased risk of car accidents;
- progression to and dependence on tobacco, alcohol, and other drugs;
- learning, memory, and attention loss (possibly permanent in some cases);

- and low birth weight.

The marijuana industry has always been inundated with influence and financing from big tobacco, another industry that has already proven itself to target minorities and ignore public health costs in their push for profit. Tobacco behemoth Altria funds the [Coalition for Cannabis Policy, Education and Regulation \(CPEAR\)](#), a group that lobbies for marijuana legalization at the federal level. This activity follows Altria’s massive [\\$1.8 billion dollar investment](#) in Canadian cannabis company Cronos Group in 2018.

This is just one example of Big Tobacco’s push for legalization. In July 2019, less than one year after the legalization of marijuana in Canada, British Tobacco company Imperial Brands paid [£75m \(\\$93.5m USD\)](#) for a 19.9% stake in Canadian company Auxly Cannabis Group. In June 2019, San Francisco-based, PAX Labs, the developer of the Juul vaping device, [partnered](#) with four Canadian pot stocks to serve as the supplier for “cannabis extracts, resins, and distillates” for its PAX Era pen-and-pod vape system with the goal of being the go-to vaping device in Canada.

Big Tobacco has been lining their pockets by marketing to kids for decades. There is no doubt they will use the same playbook to get the next generation hooked on high-potency marijuana.

3. SB3335 will be a strain on Hawaii’s budget.

When costs are counted, legalized recreational marijuana will not bring in revenue for Hawaii. The social costs associated with marijuana far outweigh any revenue that it brings in. A [study](#) SAM undertook in New York found that upfront budgetary costs to law enforcement and emergency services could range from \$190.3 to \$235.2 million.

Ongoing annual estimated costs range from \$157.5 to \$192.2 million. Car crashes would cost another \$44 million between 2018 and 2028. Second, car crashes have a broader negative societal impact in terms of increased hospitalizations (paid for in part by public health agencies), emergency departments, and deaths.

Overall societal costs between 2018 and 2028 would mean \$388 million in hospitalization charges—of which \$34.5 million will be paid for by public funded sources such as Medicaid and Medicare—\$253 million in emergency department visits, and \$4.3 billion in the value of lost lives.

While advocates are quick to tout tax revenue as a counterbalance to this arrangement, like with the lottery, the additional funds are not nearly enough to fix budget shortfalls. Every year, there will always be claims of a silver bullet for the budget. [US Census data](#) shows that marijuana legalization has not been this silver bullet in any state with a legal program. In 2023 Q3, marijuana excise sales tax revenue did not account for more than 1.45% of any state's total tax revenue. Only three states with recreational legalization had marijuana excise sales tax revenues that amounted to more than 1% of the total tax revenue.

Marijuana legalization would also result in a variety of currently unquantifiable costs, including:

- Increases in alcohol use and misuse;
- Increases in tobacco use;
- More opioid misuse;
- Increases in short-term/long-term recovery for marijuana use disorders;
- Greater marijuana use among underage students;
- Property and other economic damage from marijuana extraction lab explosions;
- Controlling an expanded black market, sales to minors, and public intoxication;
- Other administrative burdens of most state legalization programs, such as:
 - money for drugged driving awareness campaigns;
 - drug prevention programs; and
 - pesticide control and other agricultural oversight mechanisms.

In Colorado, the first state to legalize recreational marijuana, one [estimate](#) found that every \$1 in tax revenue is associated with \$4.50 in costs. In some cases, the false promise of budget windfalls from marijuana taxes has negatively impacted communities directly. In 2023, the Salvation Army [warned](#) that a homeless shelter in Aurora, Colorado would have to close if marijuana tax revenues weren't boosted. The homeless shelter, which heavily relies on marijuana tax money, received only \$180,000 of the \$1,000,000 in marijuana tax revenue they needed after significant shortfalls.

4. SB3335 will reinforce, not diminish, the illicit market for marijuana.

Supporters of legalization assured the general public that this policy experiment would result in the displacement of the illicit market—consumers would purchase from dispensaries, not dealers on the corner, they argued. However, as we have seen in states across the country, the opposite has occurred. The expansion of the illicit market has coincided with the legalization of marijuana, to the detriment of public health and safety.

According to a September 2022 [report](#) from Leafly, a pro-marijuana publication, 80% of marijuana sales in New Jersey continue to occur in the illicit market. In Michigan, they estimated that 60% of sales occur in the illicit market. And in Illinois, it is 55%. According to the LA Times, the illicit market controls [75%](#) of the marijuana market in California. As we have recently seen in New York, particularly in New York City, legalization has given illicit operators cover to open unregistered, unlicensed dispensaries—[1,400 illicit shops](#) have popped up in New York City alone. Evidently, legalization has failed to eliminate the black market and has actually exacerbated it.

5. SB3335 will aggravate impaired driving.

Marijuana-impaired driving is rising while the perception of its negative consequences is simultaneously decreasing. A 2020 [study](#) authored by researchers at New York Medical College and Harvard University found marijuana commercialization was associated with an increase of 2.1 traffic fatalities per billion vehicle miles traveled (BVMT). Meaning, if marijuana were legalized nationwide, it would be associated with 6,800 excess roadway deaths each year.

In Colorado, marijuana is involved in more than [one in four road deaths](#), and that number is rising. Traffic deaths involving drivers who tested positive for marijuana more than doubled from 2013 to 2019. Furthermore, [47%](#) of Colorado drivers who tested positive for marijuana at a level of 5.0+ THC, also had a BAC of 0.08 or higher.

6. SB3335 could negatively impact tourism in Hawaii.

In 2019, Japanese tourists spent [\\$2.19 billion](#) in Hawaii. [According to Ted Kubo](#), president and CEO of the tourism agency JTB Hawaii, marijuana legalization will stop Japanese tourists from coming to Hawaii. “Possession and use of marijuana is not accepted at all in Japanese society,” Kubo says. “Associating Hawaii with recreational marijuana is very risky and concerning.”

In conclusion, SB3335 will harm Hawaii. Marijuana legalization is a failed experiment that negatively impacts communities and families. Legalization in Hawaii could damage the state’s land, hurt its kids, put a strain on its budget, grow its illicit marijuana market, and make its roads less safe. I urge the legislature to oppose SB3335.

LATE

SB-3335

Submitted on: 2/13/2024 10:22:56 AM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Erika Kuhr	Individual	Oppose	Written Testimony Only

Comments:

Please remove ALL hemp elements from SB 3335 relating to medical and recreational cannabis that is a pathway for recreational marijuana. HEMP industry should not be regulated as recreational cannabis because the hemp industry is moving Hawaii towards greater sustainability, producing a variety of value-added products in addition to hemp cannabinoids: food, building materials (some of which are being trialed in affordable housing pilot projects), plastics pilots to replace plastic cutlery, textiles, fuel, etc.

SB-3335

Submitted on: 2/13/2024 8:32:28 AM

Testimony for HHS on 2/13/2024 9:00:00 AM

LATE

Submitted By	Organization	Testifier Position	Testify
Maaza Christos Mekuria	Individual	Oppose	Written Testimony Only

Comments:

As a citizen of USA and a resident of hawaii, I oppose the legalization of Cannabis in any of its forms and that it should not be accessible to anyone not under a doctor's observation. Cannabis is know to increase aggression and make even the mildest mannered person into a monster. This was studied in a controlled environment and was deemed by the researchers who wrote extensively on how cannabis affects the mind and changes the wiring of the brain to make kind and gentle people into aggressive individuals. I have seen it in my own daughter whose mind was captured by the seemingly numbing and beneficial leaf to become a young person of a very unstable mind with wil mood swings. I saw the effect of this "calming" turning into a rage when the effect wears off. So unless our government wants to keep everyone medicated and under control please put a stop this expansion of the harm done to innocent persons today!

I am also a professional in the transportation industry, and one of the greatest threats on the road today happens to be rging impaired drivers and one ot the causes of this rage is the silent use of Cannabis that is most prevalent among all youth and adults. One can also examine also the record and effect that legalization of Cannabis had in Colorado and California! It is all a slippery slope and never will bring the Aloha that we are promising to the visitors to Hawaii. It will change the character of the society. Don't let this happen to Hawaii and multiply the harm done to the people by robbing them of their mind! Highway crashes will definitely be going up as we let persons impaired with Cannabis drive and their unpredictable reaction and erratic and slow response will be another cause of severe injury and death to the people of this gentle and generous people.

Please vote No and Save Hawaii from Cannabis control!

SB-3335

Submitted on: 2/13/2024 9:43:21 AM

Testimony for HHS on 2/13/2024 9:00:00 AM

LATE

Submitted By	Organization	Testifier Position	Testify
Jacob Chung	Individual	Oppose	In Person

Comments:

I oppose SB3335!

LATE

SB-3335

Submitted on: 2/13/2024 8:49:04 AM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Daryl Yamada	Individual	Oppose	Written Testimony Only

Comments:

I strongly oppose the legalization of recreational marijuana. It will hurt our economy and the keiki of our islands.

LATE

SB-3335

Submitted on: 2/13/2024 10:51:36 AM

Testimony for HHS on 2/13/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Kala Fisher	Individual	Support	Written Testimony Only

Comments:

I support SB3335. I am originally from Colorado, where taxes from the marijuana industry have been beneficial in healthcare, education, and even go back to law enforcement. The decriminalization of marijuana offenses is an important positive coming from this bill. With effective oversight and increased the people on the board as proposed in this bill, cannabis can be a profitable avenue for the state.