DAVID Y. IGE





DEPARTMENT OF HEALTH

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Testimony COMMENTING on H.B. 2742 RELATING TO MEDICAL CANNABIS.

REPRESENTATIVE JOHN M. MIZUNO, CHAIR HOUSE COMMITTEE ON HEALTH & HUMAN SERVICES

Hearing Date: Wednesday, February 7, 2018 Room Number: 329

- **Fiscal Implications:** Estimated total cost \$2,777,836. Current combined budgeted expenditures 1
- 2 are \$1,552,270 for FY2018 and are projected to increase to \$1,616,359 for FY2019.
- Administrative infrastructure expenditures of approximately \$280,000 for 4 new positions 3
- (Program Manager, secretary, IT Specialist, and data analyst) and office furniture and equipment. 4
- 5 Operations and regulatory staff salary expenditures of approximately \$246,000 for 4 new
- positions (2 Registry Program Specialist and Epidemiologist and 2 Dispensary Licensing 6
- Surveyors). IT systems improvements and other one-time expenditures of approximately 7
- 8 \$635,477 to upgrade patient registry system and patient cards and system development for use in
- 9 enabling reciprocity.
- **Department Testimony:** Thank you for the opportunity to COMMENT on this measure. 10
- The Department supports the goal of H.B. 2742. The Department respectfully requests 11
- that this new Office of Medical Cannabis Control and Regulation be placed under the Deputy 12
- 13 Director of Health Resources Administration (DDHRA). HRA is the more appropriate
- 14 placement since HRA is operational in scope and this program will remain highly regulatory in
- order to maintain a robust regulatory system aimed at ensuring patient safety, product safety, and 15

public safety. Reporting to the DDHRA provides better access to subject matter experts at the

- 2 operational level.
- The new Office will be composed of the Patient Registry Program currently under the
- 4 Chronic Disease Public Health Nursing Division and the Medical Cannabis Dispensary
- 5 Licensing Program currently under the Office of Health Care Assurance. There are seven (7)
- 6 FTEs in the Patient Registry Program and five (5) FTEs in the Dispensary Licensing Program for
- 7 a total of twelve (12) staff.
- 8 Both programs also depend on other direct and indirect infrastructure resources from their
- 9 respective host programs such as managerial, IT, administrative and human resources support
- 10 normally associated with larger operational offices. Similar resources would need to be provided
- as part of the new Office of Cannabis Control and would require the approval of four (4)
- additional staff such as for an overall Program Manager, secretary, IT specialist, and data
- analyst. Each "sub-program" will also require two (2) positions in anticipation of greater
- 14 numbers of registered patients and the number of additional inspections as more dispensary
- production centers and retail sales locations open across the state. This will bring the total
- number of positions for a consolidated Office of Cannabis Control to twenty (20).
- The Office will need to embark on significant improvements in the patient registration
- process including an upgrade in patient registration cards and a better IT platform to support out-
- 19 of-state reciprocity and for generating reports to DBEDT and other executive branch departments
- and for the legislature. These improvements were anticipated prior to consolidating the
- 21 programs into a single Office, but this consolidation could prove timely for coordination and
- 22 procurement purposes.

1 A consolidated Cannabis Control Office with 20 FTEs and upgraded IT systems would 2 cost approximately \$2,777,836. Ongoing annual operating expenditures are estimated at \$2,142,359. Annual operating expenditures would be partially offset by patient registry and 3 dispensary licensing fees of approximately \$1,303,102, resulting in an unfunded balance of 4 5 \$839,257. 6 The Department supports extending interim rulemaking to July 1, 2025 and extending the exempt status of staff to June 30, 2025. The Department also supports permanent exempt status 7 8 for persons in exempt positions prior to the Act and who transfer into the consolidated Office as 9 a consequence of the Act. This is crucial for recruitment and retention because of the specialized 10 nature of those positions. 11 The Department respectfully requests the Legislature not require the Department to repay the initial appropriation which was necessary to launch the dispensary licensing program, nor to 12 require self-sustainability. 13

Thank you for the opportunity to testify on this bill.

14



<u>HB-2742</u> Submitted on: 2/6/2018 12:41:33 PM

Testimony for HHS on 2/7/2018 10:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Victor K. Ramos	Maui Police Department	Oppose	No



<u>HB-2742</u> Submitted on: 2/6/2018 12:25:17 PM

Testimony for HHS on 2/7/2018 10:30:00 AM

Submitted By	Organization	l estitier Position	Present at Hearing
DONNIE BECKER		Oppose	No

Submitted on: 2/6/2018 8:43:49 AM

Testimony for HHS on 2/7/2018 10:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Melodie Aduja	OCC Legislative Priorities	Support	No

Comments:

PRESENTATION OF THE

OAHU COUNTY COMMITTEE ON LEGISLATIVE PRIORITIES DEMOCRATIC PARTY OF HAWAII

TO THE COMMITTEE ON HEALTH & HUMAN

SERVICES

HOUSE OF REPRESENTATIVES

TWENTY-NINTH LEGISLATURE

REGULAR SESSION OF 2018

Wednesday, February 7, 2018

10:30 a.m.

Hawaii State Capitol, Conference Room 329

RE: Testimony in Support of HB 2742, RELATING TO MEDICAL CANNABIS

To the Honorable John M. Mizuno, Chair; the Honorable Bertrand Kobayashi, Vice-Chair, and Members of the Committee on Health & Human Services:

Good morning. My name is Melodie Aduja. I serve as Chair of the Oahu County Committee ("OCC") Legislative Priorities Committee of the Democratic Party of Hawaii. Thank you for the opportunity to provide written testimony on House Bill No.2742 regarding the Office of Medical Cannabis Control and Regulation.

The OCC Legislative Priorities Committee is in favor of House Bill No. 2742 and support its passage.

House Bill No.2742 is in accord with the Platform of the Democratic Party of Hawai'i ("DPH"), 2016, as it establishes the Office of Medical Cannabis Control and Regulation in the Department of Health to administer cannabis patient registration and dispensary licensing and regulation.

Specifically, the DPH Platform provides that we "support fair and equitable access to medical marijuana to be administered by the State of Hawaii's Department of Health." (Platform of the DPH, P. 7, Lines 386-387 (2016)).

Given that House Bill No, 2742 establishes the Office of Medical Cannabis Control and Regulation, it is the position of the OCC Legislative Priorities Committee to support this measure.

Thank you very much for your kind consideration.

Sincerely yours,

/s/ Melodie Aduja

Melodie Aduja, Chair, OCC Legislative Priorities Committee

Email: legislativeprorities@gmail.com, Tel.: (808) 258-8889



Submitted on: 2/6/2018 10:44:27 AM

Testimony for HHS on 2/7/2018 10:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Tulsi Greenlee		Oppose	No

Comments:

Please oppose this bill. Thank you Tulsi

Submitted on: 2/6/2018 6:40:30 AM

Testimony for HHS on 2/7/2018 10:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Debra Koonohiokala Norenberg		Comments	No

Comments:

Aloha,

This bill should include within it's terms certain provisions and oversight for the use of recreational marijuana as well as medical marijuana. I propose we be realistic about the use of recreational marijuana and accept the fact that the recreational use of marijuana by responsible, non violent, law abiding persons prevails in this state and always will, *with or without permission from the state. So, I propose we monitor and accomodate the use of recreational marijuana as well as medical marijuana and collect all the relevant taxes due to the state resulting from it's sale.

Aloha

<u>HB-2742</u> Submitted on: 2/5/2018 8:24:43 PM

Testimony for HHS on 2/7/2018 10:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Kat Culina		Oppose	No

Submitted on: 2/5/2018 8:26:21 PM

Testimony for HHS on 2/7/2018 10:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Mary Whispering Wind	Patients Without Time	Oppose	No

Comments:

I OPPOSE HB2742;

because I SUPPORT LEGALIZATION OF CANNABIS!

The illegal cannabis prohibition is based on racial prejudice, discrimination, and corporate greed. This unjust bill is blatantly prejudice against seriously ill and disabled cannabis patients, and continues to deny the rights of cannabis consumers, patients, and entrepreneurs.

The hypocrisy of the cannabis prohibition is obvious, when alcohol and cigarettes are both legal;

According to the CDC, alcohol kills 88,000 American every year, and cigarettes cause 400,000 premature deaths every year, while cannabis kills zero citizens, providing scientific medical research that consuming alcohol or cigarettes is far more dangerous than consuming cannabis. Therefore, legalize cannabis to SAVE LIVES!

Hawaii is experiencing a housing crisis, and we desperately need to raise revenue. Cannabis has proven to be a very safe and successful way to raise revenue, while increasing jobs and businesses, and ending the tragic incarceration of good citizens for consuming natural herbal cannabis products.

Please, amend this bill to LEGALIZE CANNABIS.

<u>HB-2742</u> Submitted on: 2/5/2018 11:48:43 PM

Testimony for HHS on 2/7/2018 10:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Carl Bergquist	Drug Policy Forum of Hawaii	Support	No

Submitted on: 2/5/2018 9:02:58 PM

Testimony for HHS on 2/7/2018 10:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Tamara Paltin		Oppose	No

Comments:

Aloha Representatives,

I oppose this bill because it continues to support the injustice of cannabis prohibition.

The hypocrisy of the cannabis prohibition is obvious when alcohol and cigarettes are both legal.

Hawaii is experiencing a housing crisis and we desperately need to raise revenue. annabis has proven to be a safe and successful way to raise revenue, while increasing jobs and businesses, and ending the tragic incarceration of good citizens for consuming natural herbal cannabis products.

Please amend this bill to legalize cannabis.

Tamara Paltin

808-870-0052

Submitted on: 2/6/2018 5:46:01 AM

Testimony for HHS on 2/7/2018 10:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Barbara Barry		Oppose	No

Comments:

Aloha,

I oppose HB2742. I do support legalization of Cannabis for adults in Hawaii.

Please amend this Bill to Legalize the use of Cannabis for adults over 21. Regulate like alcohol and cigarettes.

Mahalo,

Ms. Barbara Barry

Ha'iku, HI