

Honolulu, Hawaii

FEB 19 2021

RE: S.B. No. 767  
S.D. 1

Honorable Ronald D. Kouchi  
President of the Senate  
Thirty-First State Legislature  
Regular Session of 2021  
State of Hawaii

Sir:

Your Committee on Public Safety, Intergovernmental, and Military Affairs, to which was referred S.B. No. 767 entitled:

"A BILL FOR AN ACT RELATING TO CANNABIS,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Legalize the personal use, possession, and sale of cannabis in a specified quantity;
- (2) Require licensing to operate cannabis establishments; and
- (3) Subject cannabis establishments to excise taxes and income taxes.

Your Committee received testimony in support of this measure from the Office of the Public Defender, Office of the Prosecuting Attorney of the County of Kaua'i, Young Progressives Demanding Action, Democratic Party of Hawai'i Education Caucus, National Organization for the Reform of Marijuana Laws, Imua Alliance, and twenty-two individuals. Your Committee received testimony in opposition to this measure from the Honolulu Police Department, Maui Police Department, Hawai'i Public Health Institute, Coalition for a Drug-Free Hawaii, Hawaii Family Forum, and Hawaii Hotel Visitor Industry Security Association. Your Committee received



comments on this measure from the Department of Taxation, Department of Public Safety, Tax Foundation of Hawaii, and Mothers Against Drunk Driving Hawaii.

Your Committee finds that fifteen states and the District of Columbia have legalized the recreational use of marijuana by adults, and that others are in the process of considering legalization. Your Committee further finds that legalization in these states has avoided the criminalization of thousands of people, reduced opioid overdose deaths and untreated opioid use disorders, and lowered the number of arrests for driving under the influence of alcohol and other drugs. Your Committee additionally finds that recent polling indicates broad public support in Hawaii for the legalization of marijuana. This measure legalizes cannabis for personal and recreational use.

Your Committee notes the concerns of the Department of Taxation and Hawaii Public Health Institute that the Department of Health, not Department of Taxation, should be the appropriate agency tasked with establishing rules and regulations. Your Committee also notes the Hawaii Public Health Institute's concern regarding the adoption of certain regulations, which should be addressed during the rulemaking process.

Your Committee has amended this measure by:

- (1) Specifying that consumption of flavored e-liquids and juices containing cannabis for vaporizing devices is prohibited;
- (2) Specifying that personal use of cannabis shall not occur on public highways, public sidewalks, or federal property;
- (3) Specifying that cannabis products are required to be contained in generic packaging that uses only black lettering and contain no colors, pictures, cartoons, or images that might appeal to children and youth;
- (4) Specifying that cannabis advertising is prohibited near youth-centered areas such as parks, schools, recreational facilities, public transit stations, and bus stops; and



- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental, and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 767, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 767, S.D. 1, and be referred to your Committees on Judiciary and Ways and Means.

Respectfully submitted on  
behalf of the members of the  
Committee on Public Safety,  
Intergovernmental, and Military  
Affairs,

  
\_\_\_\_\_  
CLARENCE K. NISHIHARA, Chair



The Senate  
Thirty-First Legislature  
State of Hawai'i

**Record of Votes**  
**Committee on Public Safety, Intergovernmental, and Military Affairs**  
**PSM**

Bill / Resolution No.:* <i>SB 767</i>	Committee Referral: <i>PSM, JDC/WAM</i>	Date: <i>Feb. 16, 2021</i>		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
NISHIHARA, Clarence K. (C)	/			
ENGLISH, J. Kalani (VC)	/			
BAKER, Rosalyn H.	/			
RIVIERE, Gil		/		
FEVELLA, Kurt			/	
<b>TOTAL</b>	<i>3</i>	<i>1</i>	<i>1</i>	<i>—</i>
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <div style="text-align:center;"><i>Clarence K. Nishihara</i></div>				
<b>Distribution:</b> Original                              Yellow                              Pink                              Goldenrod File with Committee Report            Clerk's Office                              Drafting Agency                              Committee File Copy				

\*Only one measure per Record of Votes