



February 13, 2023

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. With HIDTA funding, resources, analytical support and training, the HIDTA program serves as a force-multiplier in statewide, interstate, and international narcotic interdiction operatives.

Prior to my appointment as the Executive Director of Hawaii HIDTA in 2014, I was Chief of Police for the Maui Police Department. I also served as the Chair for the Hawaii Law Enforcement Officer Independent Review Board, which examined all law enforcement deadly force incidents in Hawaii. In all, I have over 44 years of criminal justice experience.

The Office of National Drug Control Policy incorporates a National Marijuana Initiative (NMI)—led by experts on the environmental, economic, physiological, mental and societal impact of marijuana. I've asked the NMI to review and comment on Senate Bill 669. Here is the findings of the NMI:

Hawaii Senate Bill 669 Overview

Disclaimer: This document is intended to provide a broad overview of the issues and concerns of Senate Bill 669. We attempted to merge the comments and concerns of multiple reviewers into the original document, but this proved to be difficult and very confusing. In addition, none of the reviewers have direct knowledge of specific Hawaii regulations and statutes, and for this

reason our observations, and opinions are a result a viewing numerous state legislative bills and ballot referendums.

General overall observations:

It is obvious that Senate bill 669 was drafted by proponents of marijuana legalization with heavy input from the existing cannabis industry. SB 669 if enacted would prove to be difficult to implement, regulate and enforce. The introductory language would lead the reader to believe that this bill is grounded in science and research. The authors further state that it is a natural offshoot of the medicalization of marijuana that they also couch in science and research. Nothing could be further from the truth, as **none of the medical societies, to include the American Medical Association and all its umbrella entities have recognized crude marijuana either smoked or ingested as medicine and or a medical delivery device.** All reputable medical societies do advocate additional research into the potential medicinal value of cannabis, the emerging research tends to indicate that the advantages medicinally our suspect at best and that the full understanding of today's high potency marijuana is years away.

This is nothing more than an attempt to normalize and marginalized the significant impacts that we have seen from the legalization of marijuana for commercial adult use. SB 669 calls this responsible adult use and uses this term over 65 times in the language of the bill. As we have seen with the 21 other states that have legalized marijuana for commercial adult use there have been significant unintended consequences that impact both public health and public safety. None of these consequences have been examined and very little thought has been put into with respect to capturing data that will reflect the true consequences should Hawaii legalize for commercial adult use.

Tax Issues: General

SB 669 also uses as an example the tax benefits that were derived when Colorado legalized commercial adult use marijuana in 2012 and enacted the provision in 2014. They give revenue projections from Colorado which would lead the reader to believe that Hawaii will experience similar revenue projections. Colorado 2022 current population level is 5.7 million residents, while Hawaii 's current population level is just over 1.4 million residents. with Hawaii 's graduated taxing scheme that initially starts out at 5 percent and eventually plateaus in 2028 at 15 percent it is obvious that revenue projections based on population alone will be significantly lower than the bill alludes to. This does not consider the societal cost that will be inflicted with the legalization of commercial adult use marijuana. To date only one economic impact study has been attempted by Centennial university in Colorado.

While the methodology has been called into question the study points out that the cost benefit ratio is 4.5 to 1. In other words, if this is factually correct then for every tax dollar Hawaii will take in it will cost \$4.50 and overall societal cost. Leading addiction economist have informed us that we are 5 to 10 years away from having sound economic data to fully understand the societal cost with respect to revenue generated by legalizing adult commercial use marijuana.

We have a rich history of data concerning the 2 legal drugs that we currently tax and regulate, nicotine and alcohol. The societal cost for these 2 legal drugs has far exceeded the taxes that have been collected. For every \$1.00 we collect in alcohol taxes it cost our society \$10.50. For every \$1.00 we collect in tobacco taxes it cost our society \$15.00. Neither of these substances have been revenue generators throughout our country 's history when you factor in the overall societal cost. One could logically assume that as marijuana consumption in this country increases, as we now have over 50 thousand admitted past month marijuana users and as these numbers continue to climb we suspect that the societal cost of marijuana will be eerily like the societal cost associated with alcohol and tobacco use.

We also noted and this bill does not appear to have a fiscal note associated or provided by this piece of legislation. So, it is very difficult to assess the actual cost to implement, regulate and enforce SB 669.

Public Health/Safety issues: General

Hawaii 's cannabis authority board will be comprised of individuals that will lack objectivity due to the composition of this board. What we see in about every instance is the authority bestowed by statute in a governance board is dominated by members whose vested interest is the success of the program with little regard to the actual events that are occurring because of legalization of commercial adult use. This is reinforced throughout SB 669 as very little language is devoted to collecting data so that informed decisions can be made in the following areas public health and public safety.

There should be a mandate for rigorous data collection so that public health officials and public safety officials can assess the impacts of legalization. Some examples would be comparing past month drug use and all 3 age groups, 12- to 17-year-olds, 18-to-25-year old's and 26 and above. Hawaii in all 3 age categories exceeds the national average according to the latest SAMSHA Data. Emergency room admissions poison Control Center data and Treatment Episode Data Sets (TEDS) data should be examined and evaluated per statute.

Concerning public safety data, the most significant impact that we've seen today is the ever-increasing involvement in automobile crashes and fatalities concerning the THC impaired driver. Nothing in SB 669 deals directly with THC impaired drivers and the issues with enforcement and prosecution related to cannabis impaired driving.

It is interesting to note that it appears law enforcement and prosecutors do not have a seat on this governance board.

Little or no discussion concerning the possible levels of property crimes and crimes of violence associated with legalization. What will be the burden to LEA and how will data be collected to determine crime associations and legalization?

Social Equity Issues: General

SB 669 attempts to correct or at least incentivize disenfranchised community members who are actively seeking licenses to manufacture distribute or sell commercial adult use marijuana. However laudable this may seem; it seldom produces tangible results.

Historically what we have seen in the states that have legalize commercial adult use marijuana, initially disenfranchised community members enter the marketplace but if you have sustainable resources to survive and thrive, we have seen a consolidation of ownership and each instance with larger corporate entities that have the fiscal resources and the ability to price competition out of business. According to the recent Colorado business statistics approximately 70% of Colorado 's commercial adult use industry is controlled by 8 individuals/ entities. We continue to see a consolidation within the marketplace in the state of Illinois and most recently in the state of New Jersey.

SB 669 provides financial grants for disenfranchised community members, but the language is very vague as to where these funds will come from. it might be assumed that the fees generated at each stage of the licensing process or tax revenue generated from the sale and consumption of adult use marijuana maybe the source, but this is not implied in the language of the statute. Most likely scenario, will be that the tax structure proposed an SB 669 along with the fees collected will be insufficient to support the giveaways proposed in this bill and will only result in higher imposition of taxes, which will ultimately ensure that Hawaii 's black market will thrive.

Tracking and control issues: General

SB 669 mandates a seed to sale tracking system that closely resembles Colorado 's marijuana enforcement division seed to sale tracking system. For a detailed explanation of Colorado system, we refer you to the National Marijuana Initiatives (NMI) website: www.thenmi.org for a complete overview of this inventory tracking system.

The very name seed to sale is a misnomer, as no marijuana commercially grown comes from seed. These will all be cloned plants to ensure a consistent product line. we also refer you to the NMI website for an examination of the Rocky Mountain HIDTA's marijuana impact reports versions 1 through 8 that detail explicitly the diversion of commercially available marijuana from the state of Colorado to numerous other states despite the seed to sale tracking system. While we admit that some system must be utilized to assess production and distribution, it seems that the principal purpose of these tracking systems is simply a way to gauge taxing at the production distribution and points of sale. These are essentially inventory tracking systems that rely on 100% honesty 100% of the time.

With respect to quality control issues, and more importantly an examination of impurities that may exist within commercially available products, SB 669 attempts to set up laboratory testing and calls for standards for potency and impurity, however they do not imply, nor do they

indicate what these specific standards must be and equally important why. In other words, who is responsible for developing the standards for testing to ensure the safety of the products being sold. This is part and part of the problem, as we have no real criteria as to what are clinically safe impurities that may be contained within the cannabis plant. This is the classic example public health policy enactment that is void of sound science and research. The lack of clear, concise, and consistent standards just does not exist.

SB 669 stipulates that cannabis grow sites should not be visible and this will be accomplished essentially by warehouse grow operations. However, this will do little to alleviate the most common complaint received from residents living near grow house operations, and that is the pungent odor that cannabis emits. These grow house operations that are limited to 3000 plants will consume and inordinate amount of energy and tax local power grids. What we normally see in states that have legalized commercial adult use marijuana, are grow house operations being located and lower income communities because of low property values.

It is strongly suggested that the state of Hawaii examine the environmental impacts associated with large scale marijuana operations both in an open-air setting as well as warehouse grow operations. We again refer you to the NMI website for detailed articles on the environmental consequences a large scale grow operation.

Consumption and purchase issues: General

SB 669 allows for consumption within retail establishments, which essentially treats these establishments like alcohol consumption establishments. This essentially allows the consumer to get high before they reach their destination. This will significantly impact highway safety and most certainly increase the number of cannabis impaired drivers on your highways. Law enforcement will be ill equipped to deal with increase of cannabis impaired driving.

Consumption at the point of sale should be prohibited.

Purchases are limited to 4 ounces every 15 days. To put this in perspective, this is equivalent to possessing approximately 224 joints every 15 days and if the purchase is a concentrated product this would be the equivalent of approximately 5,000 to 6,000 potential dab hits every 15 days. The 4-ounce purchase limit exceeds just about every state cap by 2 ounces. These are extraordinarily high possession/purchase limits.

SB 669 also allows for home grows, and according to this statute would permit anyone over 21 years of age to grow no more than 10 cannabis plants. We do not believe your legislators fully understand how cannabis cultivation in the past 10 years as significantly improved overall plant yield. And states like Oregon and Washington home grow operations have produced plants that have yielded 15 to 20 pounds a process salable flower.

The old DEA standard one pound per plant has long fallen by the wayside.

The home grow provision does nothing but exasperate the black-market issue and serves to undercut and undermine retail sales primarily because it is impossible for one individual to consume the amount of marijuana that 10 plants will produce. An example of an out-of-control state is the state of Oregon who in the past 2 years has spent over \$32 million dollars trying to control the illicit market within their borders. In the past 2 years they have eradicated 1.3 million illicit marijuana plants and confiscated over 490,000 pounds of processed marijuana. Home grows give the illicit cultivator the opportunity to hide in plain sight. Home grows are impossible to regulate and enforce.

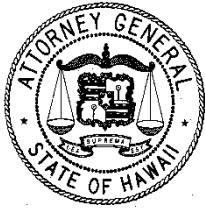
Public consumption is prohibited under SB 669 as it is in every state that is passed commercial adult use marijuana however it is occurring in every state that has pass commercial adult use marijuana. In other words, this isn't worth the paper it's written on. People will use in public and law enforcement will do nothing to stop it plain and simple. All you must do is walk down any street whether it be LA, Portland Oregon, Chicago Illinois, or Newark New Jersey and you will witness public consumption. This is wholly unenforceable!

There does not appear to be an opt out provision that will allow a local community or county to ban retail establishments.

Cannabis Tax law: general

There do not appear to be any fees listed in SB 669 with respect to licensing at production distribution and retail sale. Your state should have significant information to ensure that licensing fees at all 3 levels are sufficient to cover direct operational cost and it appears that very little thought has been put into this area.

SB 669 sets an initial 5% tax and eventually lands at 15 percent and 2028. As we stated earlier the glowing revenue projections were based on Colorado specific data with the clear understanding that commercial adult use marijuana has always been taxed at 30%. There is no way the state of Hawaii will generate the robust revenue projected at the beginning of this bill. Revenue estimates in every state have come in significantly lower than projections and we suspect the same will occur here. Again, absolutely no thought has been given to what this is going to cost the citizens of Hawaii in the long run. Hawaii will not gain revenue because of a commercial adult use legalization and in fact will end up spending more money attempting to regulate, enforce and deal with prevention and treatment issues concerning cannabis use disorder.



**TESTIMONY OF
THE DEPARTMENT OF THE ATTORNEY GENERAL
KA 'OIHANA O KA LOIO KUHINA
THIRTY-SECOND LEGISLATURE, 2023**

ON THE FOLLOWING MEASURE:
S.B. NO. 669, RELATING TO CANNABIS.

BEFORE THE:
SENATE COMMITTEE ON JUDICIARY

DATE: Tuesday, February 14, 2023 **TIME:** 9:40 a.m.

LOCATION: State Capitol, Room 016

TESTIFIER(S): Anne E. Lopez, Attorney General, or
Andrew Goff, Deputy Attorney General

Chair Rhoads and Members of the Committee:

The Department of the Attorney General (the Department) opposes this bill.

The purpose of this bill is to allow for the personal use of small amounts of cannabis, and establish regulations regarding the cultivation, sale, and use of cannabis. The Department has serious law enforcement concerns regarding preventing unlicensed activity, and notes that the bill has several provisions that could present confusion on what is intended to be permitted.

Conflict with Federal Laws

One stated purpose of the bill is to reduce unregulated and illicit sales of cannabis by unlicensed entities (page 4, lines 19-20). The Department notes that unregulated and illicit actions outside the scope of personal use will still need to be enforced by law enforcement agencies. However, the bill proposes to completely remove cannabis from the State Controlled Substances Act (CSA), chapter 329, Hawaii Revised Statutes (HRS), by deleting the term "marijuana" from schedule I of the State CSA (page 29, line 14). Removing cannabis completely from the State CSA would reduce the law enforcement authority for unregulated and illicit sales of cannabis. Additionally, completely removing cannabis would impact other laws, such as section 709-903.5, HRS, which protects minors from being exposed to controlled substances.

The possession and distribution of cannabis remains illegal under federal law as a Schedule I controlled substance under the Federal Controlled Substances Act, 21

U.S.C. §§ 801-904. Although this bill could legalize conduct prohibited under state law, federal laws regarding the nonmedical use of cannabis continue to apply to the conduct of persons in the state. We recommend keeping cannabis as a schedule I substance to keep the State CSA protections in place until the federal government changes the federal scheduling of cannabis.

Further Preparation is Needed to Develop Adequate Regulations

This bill creates a new regulatory body called the Hawaii Cannabis Regulatory Authority (HCRA) to oversee the regulation and licensing of cannabis in the State (page 13, lines 4-13). The HCRA has the power of the Department of Health (DOH) and appears to be comprised solely of DOH personnel. It does not appear to have criminal law enforcement authority or personnel. Challenges with unlicensed medical cannabis operators in Hawaii illustrate that regulating licensed entities without enforcing unauthorized actions is not enough to ensure a well-regulated program. Further, while the Act 169, Session Laws of Hawaii 2021, Dual Use of Cannabis Task Force submitted a report to the Legislature in December 2022, the report did not address the potential costs of adequately regulating an adult use market. The report focused on impacts to medical cannabis patients and did not identify or study issues relating to community safety, protection of minors, and enforcing laws against unlicensed cannabis operators. The Department respectfully requests that this bill be deferred to allow for further discussion of these issues.

Should this Committee be inclined to recommend passage of this legislation, the Department offers the following additional concerns.

A Tracking System is Essential

The bill does not provide a mechanism for tracking the cultivation, processing, or sale of cannabis or cannabis products. Tracking has been the cornerstone of well-regulated state cannabis programs and is necessary to ensure cannabis is not diverted to the black market or provided to underage individuals. It is also a way to track cannabis or cannabis products that may pose a serious health risk back to their source and ensure that defective or dangerous products are not sold to a consumer. We recommend requiring a tracking system for any licensed entities.

Specific Penalties are Needed

The bill gives broad authority to the HCRA to adopt rules that include "[c]ivil penalties for the failure to comply with the rules" (page 25, lines 1-3). The Department is concerned that this wording is vague and would make the civil penalties subject to challenge. We recommend including specific penalties in the rulemaking authority, such as the authority to levy fines, or suspend or revoke a license.

Clarity is Needed for Adequate Rulemaking

The rulemaking authority states that "[t]he rules shall not require a high investment of risk, money, time, or any other resource or asset that the operation of a cannabis establishment is not worthy of being carried out in practice by a reasonably prudent business person" (page 23, lines 7-10). The Department is concerned that this wording is vague and would make any rule subject to challenge based on what is a "high investment of risk, money, time, or any other resource" or what is acceptable to a "reasonably prudent business person" in the cannabis industry. We recommend substituting the wording on page 23, lines 7-10, with clear, objective limitations that the Legislature seeks to impose on the rules.

Dual-Use Dispensaries Require Rulemaking

The bill proposes a pilot period of at least two years where the current medical dispensaries operate as "dual-use" dispensaries (page 21, line 8, through page 23, line 4). The HCRA may "prescribe forms, procedures and requirements as necessary to facilitate the operation of medical cannabis dispensaries as dual use cannabis dispensaries" (page 22, lines 11-14). These forms, procedures, and requirements would need to be in rules, and go through the rulemaking process required by chapter 91, HRS. If the intent is to make these rules exempt from chapter 91, HRS, then that should be explicitly stated in the statute.

Conflict Between Anti-Smoking Laws and the Use of Cannabis

The bill states that "[n]otwithstanding any other law to the contrary, the personal use of cannabis shall be permitted" (page 8, lines 13-15). It is unclear whether this is intended to allow the smoking or vaping of cannabis in public places or in businesses. Currently chapter 328J, HRS, bans smoking or vaping anything, including cannabis, in

state buildings, areas enclosed or partially enclosed to the public, and sports arenas. If the intent is to allow cannabis use, but ban cannabis smoking and vaping in these areas, we recommend amending page 8, lines 13-15, to read "[n]otwithstanding any other law to the contrary, the personal use of cannabis shall be permitted, provided that smoking or vaping cannabis shall be regulated in accordance with chapter 328J." If the intention is to allow smoking lounges, we recommend those be regulated and included explicitly in the list of lawful cannabis establishments provided on page 10, line 7, through page 12, line 7.

Land Use and Property Rights Need Clarification

It is unclear whether land use laws or county ordinances can prohibit or regulate certain activities done by cannabis licensees. The bill permits "[l]easing or otherwise allowing the use of property owned, occupied, or controlled by any person, corporation, or other entity for any of the activities conducted lawfully in accordance with this section" (page 12, lines 4-7). While the bill specifies that this wording shall not interfere with private property rights to regulate or prohibit cannabis activity on their property (page 26, lines 15-21), there is no mention of public land use regulations. This could present an issue if a cultivation licensee wants to grow cannabis in a residential neighborhood, or if a licensee wants to process cannabis products using chemicals that would otherwise be prohibited by zoning ordinances. If the intent is to clarify that licensed activities cannot be prohibited by regulations or ordinances based solely on the fact that they relate to cannabis, the Department would be happy to work with the Legislature to draft provisions that would accomplish this.

Confidentiality of Records Unclear

We note that the bill states "[t]he authority granted to the agency under this section shall not conflict with section 231-18 and shall not extend to the inspection of any documents not directly related to this chapter" (page 49, lines 18-21). It is unclear what the words "shall not conflict with section 231-18" are intended to do. If the intent is to preserve the confidentiality of tax records while permitting the agency limited access to a person's tax returns, we recommend amending the wording on page 49, lines 18-21, as follows:

The agency shall have the authority granted to a duly accredited tax official of the State pursuant to section 231-18 to inspect the tax returns of any taxpayer for the limited purposes set forth in this section, provided this authority shall not extend to the inspection of any documents not directly related to this chapter.

Similarly, proposed section B-12, at page 50, line 11, to page 51, line 2, entitled "Other provisions applicable," provides for the application of chapters 235 and 237, HRS, to this new section as long as not inconsistent with this new chapter, "except that returns, return information, or reports under this chapter and relating only to this chapter may be made known to the agency by the department of taxation, if not in conflict with section 231-18" (page 50, line 20, to page 51, line 2). As noted above, it is not clear what the words "if not in conflict with section 231-18" are intended to do. If the words on page 49, lines 18-21, are amended as requested above, the agency would be permitted to inspect any tax returns, including returns required to be filed pursuant to chapters 235 and 237, provided the inspection of the returns were limited to the purposes set forth in the bill. This would render the inclusion of a reference to section 231-18, HRS, on page 51, lines 1-2, unnecessary. Accordingly, to avoid confusion, the Department recommends that the wording on page 50, lines 20-21, starting with "except that returns, return information, or reports . . ." through page 51, lines 1-2, be deleted.

Possible Conflict with Tax Procedures

Section 231-7, HRS, currently provides procedures for the Director of Taxation to conduct audits, investigations, and hearings, and issue subpoenas, which may conflict with the proposed section B-13, on page 51, line 3, through page 52, line 20, of the bill. For clarity and consistency, the Department recommends amending section B-13 to track the current wording in section 231-7, HRS. Alternatively, the Committee may wish to amend section B-13 to read as follows:

§B-13 Investigations; contempt; fees. The director of taxation, and any representative of the director duly authorized by the director, has the authority to conduct any civil audit or criminal investigation, investigation, or hearing relating to the taxes in this section in the manner provided in section 231-7.

The Department opposes the passage of this bill for the law enforcement concerns stated above and respectfully requests that this bill be held.

STATE OF HAWAI‘I
OFFICE OF THE PUBLIC DEFENDER

**Testimony of the Office of the Public Defender,
State of Hawai‘i to the Senate Committee on Judiciary**

February 14, 2023

S.B. No. 669: RELATING TO CANNABIS

Chair Rhoads, Vice Chair Gabbard, and Members of the Committees:

The Office of the Public Defender supports S.B. No. 669, which would legalize, regulate, and tax cannabis and manufactured cannabis products for responsible, adult use.

The legalization of cannabis and manufactured cannabis products will not create or normalize the commercial marijuana market. Nor will legalization drive consumer demand. *The marijuana market already exists.* This market, however, remains underground, and those involved in it largely remains unaccountable. Unregulated sellers do not pay taxes; they do not check identification to ensure that buyers are 21 years old or older; and they do not test the purity of their product. Moreover, any disputes that arise in the illicit marketplace are not adjudicated in the courts of law.

By contrast, legalization and regulation will allow the State of Hawai‘i to establish legal parameters regarding where, when, and how the cannabis market may operate, similar to the rules and regulations established in the medical marijuana industry. Authorities will actually know who is selling marijuana, where it is being sold, when, and to whom. Cannabis will be produced and sold by legitimate, taxpaying businesses instead of drug cartels and criminals. These businesses will be required to test their products and adhere to strict labeling and packaging requirements that ensure cannabis is identifiable and consumers know what they are getting. Legalizing and regulating cannabis will disrupt the illegal marijuana market, end low-level marijuana citations and arrests, and create jobs and new revenue. It will further promote public health and safety by taking the marijuana trade away from unregulated operators and placing it in the hands of licensed businesses.

Recent data provided by the U.S. Centers for Disease Control and Prevention reports a decrease¹ in lifetime marijuana use by young people over the better part of the past

¹ See CDC, “Prescription Opioid Misuse and Use of Alcohol and Other Substances Among High School Students – Youth Risk Behavior Survey, United States, 2019,” August 21, 2020, <https://www.cdc.gov/mmwr/volumes/69/su/su6901a5.htm> (last visited, January 13, 2023).

decade. Scientists believe that cannabis regulation is partly responsible for spurring this decline. Specifically, a 2019 study² published in JAMA (Journal of American Medical Association) Pediatrics concluded: “[M]arijuana use among youth may actually decline after legalization for recreational purposes. This latter result is consistent ... with the argument that it is more difficult for teenagers to obtain marijuana as drug dealers are replaced by licensed dispensaries that require proof of age.”

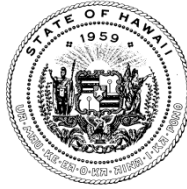
To be clear, the OPD does not support this bill out of a belief that marijuana is harmless. In fact, it is precisely because cannabis is not altogether harmless that reform advocates opine that it should be legalized and regulated accordingly -- with restrictions on who can purchase and consume it, when and where they can do so, and at what age.

Ultimately, the establishment of a regulatory framework allowing for the legal, licensed commercial production and retail sale of cannabis and manufactured cannabis products to adults best reduces the risks associated with the marijuana’s use or abuse and acknowledges the reality that consumers’ demand for marijuana is here to stay. By contrast, advocating for marijuana’s continued criminalization denies this reality and compounds the public safety risks posed by the unregulated market.

Finally, the Office of the Public Defender respectfully requests that this measure be amended to include the authorization of the expungement of records relating to the arrest, criminal charge, or conviction of a person for marijuana offenses similar to the language set forth in SECTION 12 of S.B. No. 375, Relating to Cannabis [see S.B. No. 375, page 66, line 10 to page 71, line 6].

Thank you for the opportunity to comment on this measure.

² See JAMA, “Association of Marijuana Laws with Teen Marijuana Use,” July 8, 2019, https://jamanetwork.com/journals/jamapediatrics/fullarticle/2737637?guestAccessKey=5e4e41eb-ec96-4641-86f9-b5c89cc7cc48&utm_source=For_The_Media&utm_medium=referral&utm_campaign=ftm_links&utm_content=tf1, (last visited, January 13, 2023).



TESTIMONY BY:
EDWIN H. SNIFFEN
DIRECTOR

Deputy Directors
DREANALEE K. KALILI
TAMMY L. LEE
ROBIN K. SHISHIDO
JAMES KUNANE TOKIOKA

**STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION
869 PUNCHBOWL STREET
HONOLULU, HAWAII 96813-5097**

February 14, 2023
9:40 A.M.
State Capitol, Teleconference

**S.B. 669
RELATING TO CANNABIS**

Senate Committee on Judiciary

The Department of Transportation (DOT) offers **comments** on S.B. 669, which establishes regulations for the cultivation, sale and personal use of small amounts of cannabis. This measure also decriminalizes and regulates small amounts of cannabis for personal use, as well as establishes taxes for cannabis sales.

DOT's top priority is keeping Hawaii's roadway users safe and reducing the number of serious injuries and fatalities on our roads. We have concerns regarding the legalization of marijuana for personal use as it could result in increases in impaired driving-related injuries and fatalities on our roadways.

Cannabis can impair a driver's cognitive function, affecting a driver's time/space perception, reaction time, ability to concentrate, etc. Contrary to popular belief, marijuana does not make someone a better, more careful driver. According to the "Drug Recognition Expert (DRE) Examination Characteristics of Cannabis Impairment" study published in the July 2016 Accident Analysis & Prevention Journal, an evaluation of 302 toxicologically-confirmed cannabis-only DRE cases saw that in 72.3 percent of cases, one or more moving violations were listed as reasons for the traffic stop. Speeding was the number one violation (27.7 percent), followed by weaving (19.0 percent). Similarly, in a two-year study of THC in drivers in Orange County, California, published in the August 2016 Journal of Forensic Science, the top five moving violations were speeding (24 percent), unable to maintain lane position (23.2 percent), ran red light or stop sign (13.0 percent), unsafe lane change (8.7 percent) and involved in a collision (8.3 percent).

In Hawaii, a local study on motor vehicle crash fatalities and undercompensated care associated with legalization on medical marijuana finds that "THC positivity among driver fatalities increased since legalization, with a threefold increase from 1993-2000 to 2001-2015. THC positivity among all injured patients tested at our highest level trauma center increased from 11% before to 20% after legalization. From 2011 to 2015, THC positive patients were significantly less likely to wear a seatbelt or helmet (33% vs

56%).” The study was published in the Journal of Trauma and Acute Care Surgery in May 2018.

In passing any legislation to legalize marijuana, Hawaii should closely observe the impacts decriminalization and legalization has had in other states. “According to an October 2018 report from the Insurance Institute for Highway Safety (IIHS), an examination of police-reported crashes of all severities showed that “the legalization of retail sales in Colorado, Washington and Oregon was associated with a 5.2% higher rate of police-reported crashes compared with neighboring states that did not legalize retail sales.” Furthermore, the Colorado Department of Transportation and the National Highway Traffic Safety Administration reported that the rate of traffic fatalities involving drivers who tested positive for marijuana in Colorado rose from 55 in 2013 to 138 people killed in 2017, and over one-fifth of all traffic fatalities in 2017 included a driver testing positive for marijuana.

The following recommendations could mitigate impacts to traffic safety:

- An approximate \$4.5 million should be allocated towards resources and services to ensure public safety, including DRE-related trainings for law enforcement; establishment and maintenance of an in-state forensic toxicology testing laboratory; public education; community outreach; substance misuse treatment services; etc. A 2018 study conducted by the Centennial Institute found that in Colorado, for every dollar gained in tax revenue, taxpayers spent approximately \$4.50 to mitigate the effects of legalization.
- As stated in the Chicago High Intensity Drug Trafficking Areas 2022 Marijuana Legalization Illinois Impact Report, “a study conducted by the University of Southern California-Leonard D. Schaffer Center of Health Policy and Economics supports the idea that taxes based on potency, rather than price or weight, do a better job of incentivizing moderate THC consumption.”
- The National Transportation Safety Board’s recently released report, “Alcohol, Other Drug, and Multiple Drug Use Among Drivers,” includes a recommendation to “require a warning label on cannabis products advising users to not drive after cannabis use due to its impairing effects.”
- In Section 2 of the bill, §A-2 Personal use of cannabis, subsection (i) should include “roadways” and not just “highways.”

DOT is primarily concerned about improving highway safety and protecting the lives of our community members and visitors. DOT coordinates specialized training and certifies law enforcement officers to recognize impairment in drivers under the influence of drugs through its DRE program to combat this issue.

Thank you for the opportunity to provide testimony.

JOSH GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LIEUTENANT GOVERNOR



STATE OF HAWAII
DEPARTMENT OF TAXATION

Ka 'Oihana 'Auhau

P.O. BOX 259
HONOLULU, HAWAII 96809
PHONE NO: (808) 587-1540
FAX NO: (808) 587-1560

GARY S. SUGANUMA
DIRECTOR

KRISTEN M. R. SAKAMOTO
DEPUTY DIRECTOR

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

TESTIMONY ON THE FOLLOWING MEASURE:

S.B. No. 669, Relating to Cannabis

BEFORE THE:

Senate Committee on Judiciary

DATE: Tuesday, February 14, 2023

TIME: 9:40 a.m.

LOCATION: State Capitol, Room 016

Chair Rhoads, Vice-Chair Gabbard, and Members of the Committee:

The Department of Taxation ("Department" or DOTAX) offers the following comments regarding S.B. 669 for your consideration.

S.B. 669 adds new chapters to the Hawaii Revised Statutes, (HRS), establishing regulations for the cultivation, sale, and personal use of small amounts of cannabis, decriminalizing and regulating small amounts of cannabis for personal use, and establishing taxes for cannabis sales, all in an effort to reduce unregulated and illicit sales of cannabis by unlicensed entities.

Part II of the bill creates a new chapter A, HRS, entitled "Legalization of Cannabis for Personal Use," and establishes the Hawaii Cannabis Regulatory Authority ("Agency"), which will provide regulations and oversight of the newly-legalized cannabis industry and the duties associated with entity licensing.

Part III of the bill amends various sections in the HRS, including section 235-2.4, HRS, (see section 4 of the bill on pages 27 and 28), to exclude activity permitted under chapter A, HRS, from conformity with section 280E of the Internal Revenue Code (IRC). IRC section 280E disallows deductions and credits for amounts paid or incurred in a trade or business consisting of trafficking in controlled substances prohibited by federal or State law.

Part IV of the bill, beginning on page 39, creates a new chapter B, HRS, entitled “Cannabis Tax Law.” Under section B-2 of the Cannabis Tax Law, retail cannabis stores and dual use cannabis dispensaries are required to obtain a permit from DOTAX for the sale of cannabis to consumers for personal use. Section B-4 imposes a tax at the rate of 10 percent on the sales price of cannabis sold in the State. The tax shall be paid only once upon the same cannabis and shall not apply to cannabis sold by one licensee to another licensee and cannabis sold for medical use by a medical cannabis dispensary under chapter 329D, HRS.

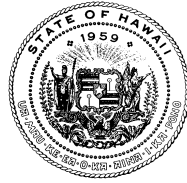
The tax will be due on or before the twentieth day of each month, on a return showing all sales of cannabis by dollar volume and taxed during the preceding month. All provisions applicable to the administration of a tax have been included in the language for the new chapter. All moneys collected pursuant to this chapter shall be paid into the state treasury as state realizations.

The bill takes effect upon its approval.

The Department notes that the \$2.50 permit fee (on page 42 line 9 to 10), the \$2.50 renewal fee (on page 43 lines 4 to 5), and \$0.50 fee for printing duplicate permits (on page 43, line 6 to 8), will not cover the administrative costs of processing these applications. The Department requests that the fees be amended to \$25 each for permitting and renewal and \$5 for printing duplicate permits.

Further, the Department notes that implementation of an initiative of this size will require resources and ample time to define the requirements, forms, and processes. Accordingly, the Department requests that the effective date of the measure be amended to January 1, 2025.

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



STATE OF HAWAII
DEPARTMENT OF HEALTH
KA 'OIHANA OLAKINO
P. O. Box 3378
Honolulu, HI 96801-3378
doh.testimony@doh.hawaii.gov

**Testimony COMMENTING on SB669
RELATING TO CANNABIS**

SENATOR KARL RHOADS, CHAIR
SENATE COMMITTEE ON JUDICIARY

Hearing Date: Tues., Feb. 14, 2023

Room Number: 016

1 **Fiscal Implications:** This measure will impact the priorities identified in the Governor's
2 Executive Budget Request for the Department of Health's appropriations and personnel
3 priorities.

4 **Department Testimony:** The Department of Health (DOH) provides comments on S.B. 669
5 which proposes to: (1) establish regulations for the cultivation, sale, and personal use of small
6 amounts of cannabis; (2) decriminalize and regulate small amounts of cannabis for personal use;
7 (3) establish taxes for cannabis sales; and (4) reduce unregulated and illicit sales of cannabis by
8 unlicensed entities.

9 Among the goals of the department are to promote health and well-being, prevent injury, and
10 promote healthy lifestyles. As such, the department appreciates the S.B. 669 prohibition against
11 "flavored e-liquids and juices containing cannabis for vaporizing devices," [pg. 9, lines 19-20].
12 While many flavorings and additives may be safe for oral ingestion, few, if any have been
13 demonstrated as safe for inhalation. This was highlighted by the outbreak of e-cigarette, or
14 vaping, product use-associated lung injury (EVALI), which caused 2,807 hospitalized cases
15 among all 50 states, the District of Columbia, and two U.S. territories and 68 confirmed deaths.¹
16 EVALI cases rapidly declined after vitamin E acetate, a common dietary supplement was
17 removed from products.

1 The department also greatly appreciates the requirement for “generic packaging that uses only
2 black lettering and contains no colors, pictures, cartoons, or images that may appeal to children
3 and youth” in the requirements [pg. 12, lines 8-11], along with the prohibitions on where
4 advertising may occur [pg. 12, lines 15-21], and mandatory testing requirements [pg. 20, lines
5 11-15]. And, the department appreciates the broad authority vested in the “Hawaii Cannabis
6 Regulatory Authority” under section A-8 [pp. 23-25].

7 However, the department maintains that a strong regulatory structure alone will not adequately
8 protect the health and safety of the public and must be accompanied by robust and ongoing
9 educational messaging. The department remains highly concerned about increased health
10 impacts arising from the increased accessibility of cannabis that legalized adult use will bring.
11 As reported by the Act 169 Dual Use of Cannabis Task Force, Public Health and Safety Working
12 Group, there are a wide range of public health and safety concerns associated with cannabis use
13 and exposure.² Many of these impacts will require targeted and appropriate health messaging in
14 addition to regulatory controls to ensure that individuals have the information they need to make
15 informed decisions.

16 For example, although the proposed legalized adult use will be restricted to those aged 21 and
17 older, the human brain continues to develop into the mid-20s and remains vulnerable to the
18 effects of addictive substances.^{3,4} Protecting young adults who are legally allowed to use
19 cannabis but still very vulnerable to its detrimental effects will not work with age restrictions
20 alone. Also, although the use of child-resistant packaging reduces unintentional pediatric
21 poisonings from a wide range of products,^{5,6,7} these still rely on the user to properly employ and
22 maintain the packaging. A recent retrospective analysis of National Poison Data System data for
23 pediatric exposures to edible cannabis products in children younger than age 6 years found an
24 increase of 1,375% from 2017-2021 with a significant increase in both ICU and non-ICU
25 admissions.⁸ There is substantial evidence that more unintentional exposures for children occur
26 in states with increased legal access to cannabis and these exposures can lead to significant
27 clinical effects requiring medical attention.^{9,10,11,12,13,14,15,16,17,18}

1 Mental health, substance use, and youth suicide have been identified as high priorities this
2 legislative session. There is substantial evidence that adolescents and young adults who use
3 cannabis daily or near-daily are more likely than non-users to develop future psychotic disorders
4 such as schizophrenia and for daily or near-daily adult users to be diagnosed with a psychotic
5 disorder such as schizophrenia.^{19,20,21,22,23,24,25,26,27,28,29,30} There is also substantial evidence that
6 adolescent and young adult cannabis users are more likely than non-users to increase their use
7 and to develop cannabis use disorder and that increases in cannabis use frequency is generally
8 associated with progression to developing cannabis use disorder.^{31,32,33,34,35,36,37,38,39}
9 Additionally, there is moderate evidence that adolescents and young adults who use cannabis are
10 more likely than non-users to have suicidal thoughts or attempt suicide, and have an increased
11 incidence of suicide completion.^{40,41,42,43,44,45,46,47,48,49,50,51,52,53,54,55,56}

12 Fetus and newborn exposure to cannabis is also a growing concern. National estimates show that
13 between 3-7% of pregnant women report using cannabis while pregnant.^{57,58} Biological evidence
14 shows that tetrahydrocannabinol (THC), the primary intoxicating compound in cannabis is
15 passed through the placenta of women who use cannabis during pregnancy and that the fetus
16 absorbs and metabolizes the THC.^{59,60,61,62,63} Despite this, cannabis use among pregnant women
17 has continued to increase amidst the perceived lack of risk from the increasing acceptance and
18 accessibility of cannabis.^{64,65,66,67,68,69,70,71,72,73} Biological evidence also shows that THC is
19 present in the breast milk of women who use cannabis and that infants who drink breast milk
20 containing THC absorb and metabolize the THC.^{74,75,76,77,78} There is substantial evidence of
21 association between maternal cannabis smoking and lower birth weight of offspring^{79,80} and
22 moderate evidence that maternal use of cannabis during pregnancy is associated with decreased
23 academic ability, attention problems, reduced cognitive function, and decreased IQ scores in
24 exposed offspring.^{81,82,83,84,85,86,87,88,89,90,91,92,93,94}

25 In addition, the department is concerned that, as written, S.B. 669 does not prohibit personal use
26 of cannabis where smoking is prohibited. There is substantial evidence that cannabis smoke
27 contains many of the same cancer-causing chemicals as tobacco smoke.^{95,96,97,98,99} Smoked

1 forms of cannabis should be prohibited in any location where smoking is prohibited to prevent
2 public exposure to secondhand cannabis smoke and the renormalization of smoking.

3 Finally, the department comments that the 30 day time frame from receipt of an application to
4 issuing a license proposed in section A-8 [pg. 23, lines 14-16] may be challenging to achieve.
5 Although the department was able to review and select eight licensees among 64 applicants
6 within the prescribed six-week period in 2016, that process did not require the type of vetting
7 that will be required to ensure that there is no common “interest” among applicants as required in
8 section A-6 [pg. 20, lines 2-10]. Correspondence with other states through the Cannabis
9 Regulators Association have confirmed time frames that range up to 150 days with the most
10 common being 90-120 days from receipt of application. At least one state reported that they
11 received over 2,000 applications in a two-week time period.

12 Thank you for the opportunity to testify.

13 **Offered Amendments:**

14 The department respectfully requests the following amendments:

- 15 • Page 10, lines 4-6, amend the language to read: “(i) Personal use of cannabis shall be
16 prohibited on public highways, public sidewalks, federal property, and any location where
17 the consumption of alcohol and smoking is prohibited.”

¹ Centers for Disease Control and Prevention. Outbreak of Lung Injury Associated with the Use of e-Cigarette, or Vaping, Products. https://www.cdc.gov/tobacco/basic_information/e-cigarettes/severe-lung-disease.html.

² 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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TAX FOUNDATION OF HAWAII

126 Queen Street, Suite 305

Honolulu, Hawaii 96813 Tel. 536-4587

SUBJECT: MISCELLANEOUS, Legalization and Taxation of Marijuana for Personal Use

BILL NUMBER: SB 669

INTRODUCED BY: SAN BUENAVENTURA, CHANG, KEOHOKALO, MCKELVEY

EXECUTIVE SUMMARY: Establishes regulations for the cultivation, sale, and personal use of small amounts of cannabis. Decriminalizes and regulates small amounts of cannabis for personal use. Establishes taxes for cannabis sales.

SYNOPSIS: Adds a new chapter to the HRS legalizing cannabis for personal use.

Makes amendments to several sections in chapter 712, HRS, to decriminalize use in conformity with the new chapter added.

Adds a new chapter to the HRS imposing a 10% tax on the retail sale of cannabis. This tax is in addition to any other tax that would apply. The tax would not apply to: (1) Cannabis sold by one licensee (under the new chapter added by this bill) to another licensee; and (2) Cannabis sold for medical use by a medical cannabis dispensary under chapter 329D, HRS.

EFFECTIVE DATE: Upon Approval.

STAFF COMMENTS: The question that should be asked is the purpose of this new tax. If the goal is to make people stop using cannabis by making it cost-prohibitive, then why are we legalizing it?

Certainly, the same can be said of other “sin taxes” that we impose on tobacco, liquor, and fossil fuel use.

As the Foundation’s previous President, Lowell Kalapa, wrote in the Tax Foundation of Hawaii’s weekly commentary on October 28, 2012:

Lawmakers seem to have a simplistic reaction to solving problems the solution to which plagues their constituents – tax it.

Probably the best example is what people like to call sin taxes, those excise taxes that are levied on tobacco and alcohol products. After all, smoking causes cancer and alcohol causes all sorts of problems including driving under the influence. Lawmakers and community advocates shake their heads and push for higher tax rates, arguing that making these products more expensive will deter folks from using these products.

The problem is that lawmakers also like the revenues that are generated from the sales of these products and, in some cases, they have tried to link the use and sale of these products with noble causes such as the funding of the Cancer Research Center that is

currently being built. Again, the argument is that smokers should pay for programs and projects which seek to cure the related ill which in this case is cancer caused by smoking.

The irony is that arguments to increase the tax on tobacco and, more specifically, cigarettes, is a goal of getting smokers to quit while depending on the revenues from tobacco and cigarette taxes to fund an ongoing program, in this case the Cancer Research Center. So, which is it folks, stop smokers from smoking and if successful, there won't be any revenues to fund the Cancer Research Center?

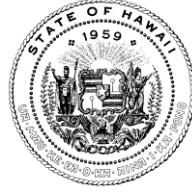
he fact of the matter is that it appears that both locally and nationally, higher taxes on cigarettes are influencing smokers as tax collections on the sale of cigarettes have fallen. Certainly some of the decline is due to smokers actually quitting, but to some degree one has to suspect that some purchases were made via mail order from exempt Indian reservation outlets while others may be what is called gray market purchases, that is from sources outside the country.

What should come as a surprise is that most of the folks who have quit are of some means as they are more likely to recognize the health hazard caused by use of this product. That means most of those who are still smoking are among the lower-income members of our community. Thus, the tax is regressive, generating less and less collections from middle and higher-income individuals.

Kalapa, "Finding the Blame for What Ails You," at <https://www.tfhawaii.org/wordpress/blog/-2012/10/finding-the-blame-for-what-ails-you/> (Oct. 28, 2012).

If the policy choice is to legalize the activity, then it should be sufficient to tax it like any other business. If we add an extra tax to discourage the activity, isn't it being hypocritical? If we add an extra tax to pay for societal damage this activity causes, why aren't we accepting that we are causing the damage by allowing the activity?

Digested: 2/3/2023



STATE OF HAWAII | KA MOKU'ĀINA 'O HAWAI'I
OFFICE OF THE DIRECTOR
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS

NADINE Y. ANDO
DIRECTOR | KA LUNA HO'OKELE

JOSH GREEN, M.D.
GOVERNOR | KE KIA'ĀINA

SYLVIA LUKE
LIEUTENANT GOVERNOR | KA HOPE KIA'ĀINA

DEAN I HAZAMA
DEPUTY DIRECTOR | KA HOPE LUNA HO'OKELE

KA 'OIHANA PILI KĀLEPA
335 MERCHANT STREET, ROOM 310
P.O. BOX 541
HONOLULU, HAWAII 96809
Phone Number: (808) 586-2850
Fax Number: (808) 586-2856
cca.hawaii.gov

Testimony of the Department of Commerce and Consumer Affairs

**Before the
Senate Committee on Judiciary
Tuesday, February 14, 2023
9:40 a.m.
Conference Room 016**

**On the following measure:
S.B. 669, RELATING TO CANNABIS**

Chair Rhoads and Members of the Committee:

My name is Iris Ikeda, and I am the Commissioner of Financial Institutions, Department of Commerce and Consumer Affairs (Department), Division of Financial Institutions (DFI). The Department is providing comments on this bill.

The purpose of this bill is to establish regulations for the cultivation, sale, and personal use of small amounts of cannabis. Decriminalizes and regulates small amounts of cannabis for personal use. Establishes taxes for cannabis sales. The Department defers to the Department of Health as it has oversight over the cannabis industry. The Department does not take a position on whether cannabis should be allowed for adult use, but is providing comments on access to banking products and services for businesses and consumers should Hawaii move toward legalized adult-use of cannabis.

Since the medical cannabis law was enacted in 2016, we have been in discussion with banks and credit unions about how to offer banking services to cannabis

related businesses. In 2016, banks were closing or threatening to close accounts for related service providers. We worked with banks individually to request they monitor consumer accounts for federal illegal activity. To mitigate some of the inflow of cash, Governor Ige offered a suggested mobile phone app for safe use by consumers and medical cannabis companies. This phone app is still used by some consumers.

For DFI, if the services provided for the medical cannabis business is just ONE of the many business clients, banks have allowed the continued banking relationship to these service providers. Today, banking services are available for related cannabis service providers like accountants, construction, plumbers, electricians, lawyers, etc. There is no banking services available for the medical dispensaries. All of the medical dispensaries have banking services provided by an out-of-state financial institution.

The reason banks in Hawaii have not provided banking services is because several federal laws prohibit banks from engaging in activity with businesses deemed illegal by federal banking laws such as the Bank Secrecy Act / Anti Money Laundering Act, and the Controlled Substances Act. In the banking industry the laws using the federal payment system for illegal activity, prohibits banking services for illegal activity and provides for personal liability and incarceration.

Although we were able to work with other states to have a federal budget bill proviso that does not allow federal money to be allocated to prevent any state from implementing its own medical marijuana law, this proviso must be included with every federal budget act. It's impermanency does not provide banks the needed reliance to provide banking services.

Other alternatives have been explored. A State bank charter was explored; however, it is difficult to get a state bank charter for two main reasons. First, Hawaii laws require FDIC insurance before a bank can get chartered. Second, the bank also needs a master account / certificate to use the federal payment system for debit cards, ACH, and deposits into an account. Two companies have applied to get a bank charter for cannabis related businesses, but no financial institution has been granted a master account by the federal reserve and the FDIC has not granted insurance to the companies.

The digital currency option was explored to facilitate payments. A couple of states allow digital currency payments for cannabis. However, digital currency's inherent volatility and high transaction costs make it a poor substitute for cash. Converting the digital currency units to fiat may expose the cannabis business to capital-gains tax or lose value when it comes time to "cash in" to pay rent or other expenses. As we have recently seen, digital currency companies have shut down suddenly.

In conclusion, without banking services in Hawaii for cannabis companies, the use of cash will be more prolific. Banking services are available for service providers and consumers. Banks and financial institutions are waiting for action by Congress to allow banking services for cannabis related businesses.

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



SB 669, RELATING TO CANNABIS

FEBRUARY 14, 2023 · SENATE JUDICIARY
COMMITTEE · CHAIR SEN. KARL RHOADS

POSITION: Comments with amendments.

RATIONALE: Imua Alliance supports the intent and suggests amendments for SB 669, relating to cannabis, which establishes regulations for the cultivation, sale, and personal use of small amounts of cannabis; decriminalizes and regulates small amounts of cannabis for personal use; and establishes taxes for cannabis sales.

It is high time that Hawai'i stopped criminalizing people for smoking small amounts of a plant. 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 more stark 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?

Furthermore, legalizing recreational cannabis usage is an issue of restorative justice. As the visitor industry reaps record profits and supports expansion of 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. Therefore, passage this measure is a step toward reforming and preventing more people from becoming victims of our unjust and racially coded prison system.

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 in January and would produce substantial additional criminal justice savings that could be spent delivering a quality education to our keiki, building basic infrastructure, expanding access to healthcare, and constructing truly affordable housing. Even the more conservative \$50 million revenue estimate produced by the Hawai'i Department of Taxation last year is enough to "stand up" a local cannabis industry. Many states have established well-regulated recreational cannabis industries that include restorative justice components for less than \$5 million.

Yet, we have deep concerns about the inadequacy of this measure as it currently stands. **To begin, this measure does not include any provisions regarding social equity.** 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. **Yet, again, SB 669 lacks any reference to social equity or expungement, which would only exacerbate the harm endured by those who have been prosecuted for cannabis and their families.**

Accordingly, we urge your committee to institute language found in SB 375 regarding social equity and expungement. We also encourage you to look at the fee and tax structure that is proposed in SB 375, which would guarantee that everyone pays their fair share to participate in the cannabis marketplace, including current medical dispensaries. Finally, we invite you to consider inserting additional protections for local cannabis operations into the bill that would prevent multistate corporations—the so-called “Walmarts of cannabis”—from controlling our islands' cannabis industry, including the adoption of language that would allow a Hawai'i Cannabis Authority to set fees for non-local operators that far exceed those charged to local businesses (which should cost no more than a contractors' license), and provisions that would give people of Native Hawaiian ancestry preference in obtaining licenses to participate in the recreational cannabis industry.

Kris Coffield · Executive Director, Imua Alliance · (808) 679-7454 · kris@imuaalliance.org



Mothers Against Drunk Driving HAWAII
745 Fort Street, Suite 303
Honolulu, HI 96813
Phone (808) 532-6232
Fax (808) 532-6004
hi.state@madd.org

February 14, 2023

To: Senator Karl Rhoads, Chair, Senate Committee on Judiciary; Senator Mike Gabbard, Vice Chair; and members of the Committee

From: Arkie Koehl, Public Policy Committee - MADD Hawaii

Re: Senate Bill 669 – Relating to Cannabis

I am Arkie Koehl, representing the members of MADD Hawaii, submitting our comments on Senate Bill 669.

The members of Mothers Against Driving Hawaii are alarmed by any increase in the availability of substances known to cause impairment in drivers. Although we don't take a position on the legalization of recreational cannabis, we urge the Committees to carefully consider its implications for highway safety.



Malie Cannabis Clinic
1050 Queen St. #200
Honolulu, Hawaii 96814

Aloha chair Rhoads and Vice-chair Gabbard and members of the Committee,

Thank you for hearing testimony on this important bill. This bill will legalize the personal use of cannabis by allowing patients to possess 30 grams or less, grow six plants, create a regulatory authority, and define the types of licenses.

I live in Honolulu and am in your district, senator Rhoads. I am writing this in strong **opposition** for the following reasons.

I do support the decriminalization of cannabis, and I agree with having retail locations where adults can purchase cannabis.

I do not support the framework that this bill presents.

I am starting with the creation of the Hawaii Cannabis Regulatory Authority. This body is given immense power, and very little oversight from the community is dangerous and will lead to corruption.

I instead recommend the language from Senator Lee's bill. This revision will prevent cronyism. One Person from the public health sector is to be appointed by the DOH, The director of consumer affairs will appoint one Person from the cannabis industry, and One Person to be appointed by the chairperson of the civil rights commission.

One Person to be appointed by the chairperson of the commission on the status of women; One Person to be appointed by the chairperson of the board of trustees of the office of Hawaiian affairs; One Person from a nonprofit advocacy organization that focuses on cannabis decriminalization or correctional justice reform to be appointed by the governor. One Person from the public appointed by the governor; and

Two persons from the public, one each to be appointed by the speaker of the house of representatives and president of the senate.

The member representing the public health sector or the public, or the member's immediate family, may not have a financial interest in the cannabis industry or liquor industry.

The bill proposes four types of commercial licenses for cannabis Cultivation, retail, testing, and dual use. I think consideration for consumption, tourism, and delivery should also be considered.

Chapter A-7 Pilot period

This gives our eight dispensary license holders an indefinite hold on our cannabis market. The current license holders have had the market to themselves for long enough. And according to their data, only 25% of patients purchase cannabis from them. Why grant them exclusive control



Malie Cannabis Clinic
1050 Queen St. #200
Honolulu, Hawaii 96814

over a market? Instead, open it up immediately, allowing people to apply and create more diversity.

Section 9

The fact that you can get a charge for promoting a detrimental drug in the first degree for selling, bartering, or trading an ounce of cannabis is a crime in itself. **Why** is that state criminalizing one group of people for cannabis while rewarding another? It doesn't make sense and is honestly horrific to me.

Taxes, 10% tax to be levied on the consumer and the dispensaries paying no taxes on a product they sell to each other is a double standard.

Thank you,

Me Fuimaono-Poe Family Nurse Practitioner



Testimony
Committee on Judiciary
Tuesday, February 14, 2023, 9:40 am
SB669, RELATING TO CANNABIS

To: Sen. Karl Rhoads, Chair
Sen. Mike Gabbard, Vice Chair
Members of the Committee on Judiciary

From: Jaclyn Moore, Pharm.D., CEO Big Island Grown Dispensaries

Re: In STRONG SUPPORT of SB669, RELATING TO CANNABIS

Aloha Chair Rhoads, Vice-Chair Gabbard, and Members of the Committee:

Big Island Grown Dispensaries is one of eight medical cannabis dispensary licensees in the State. We operate a production facility and 3 retail locations on the Big Island of Hawaii. In addition, our medical cannabis operation currently employs and contracts with over 80 Big Island residents.

Mahalo for the opportunity to provide testimony in **SUPPORT of SB669**. This important measure would establish a regulatory framework for the legalization of adult cannabis use in the islands.

Recently, the Hawaii Cannabis Industry Association (HICIA) released the results of a public opinion poll that showed *86% of Hawaii residents support legalizing cannabis*. Even with this popularity, however, most residents are clear that regulations must be established to ensure both users and the public are safeguarded and that the State fiscally benefits from legalization.

SB669 would achieve these policy objectives of ensuring safety and maximizing fiscal impacts to the State.

Transition Period to Maximize Safety, Enable Thoughtful Regulations and Reduce Black Market Risk

SB669 provides for a "transition period" before issuance of new licenses to ensure the State can study and analyze the marketplace to develop thoughtful regulations. Additionally, the measure would discourage the proliferation of illicit activities by allowing initial legal sales to begin through highly regulated medical dispensaries.

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



Reducing State's Cost for Administration and Oversight

SB669 would establish a cannabis "Authority" that would utilize the existing expertise, resources and staff of the Department of Health's Office of Cannabis Control and Regulation. By doing so, SB669 eliminates the need for the State to appropriate funding to establish a new agency at the outset of legalization. Moreover, given the tax revenue projections, this State program can expand as the industry grows and would be financially sustainable from the start.

Legal Market Opportunities and Licenses

SB669 would establish three license types – Cultivation, Retail, and Dual Use. These license types would create market opportunities for varied operations to participate in the cannabis industry and help to grow our local economy.

New Cannabis Tax

SB669 would establish a new 10% cannabis tax that is expected to help generate over \$81 million in taxes for the state when combined with GET, wholesale, corporate and income taxes (see HICIA adult use cannabis report - <https://drive.google.com/file/d/15s9bMBI72yvxxXRwksjEJ-U-NFAF4uLb/view>). This would create a substantial revenue stream to support a number of State programs and projects in addition to the administration of the program to regulate the industry.

For the reasons above, we respectfully urge the Committee to pass SB669 to fulfill the desires of the community for cannabis legalization and generate revenue for the state while ensuring safety in the industry.

Thank you for the opportunity to testify.

Jaclyn L. Moore, Pharm.D.
CEO
Big Island Grown Dispensaries



OAHU CANNABIS FARMS ALLIANCE

February 13th, 2023
Committee on Judiciary

Jason Hanley, Member of the Oahu Cannabis Farms Alliance

SB 669 (OPPOSING)

Honorable Members of the Committee on Judiciary,

My name is Jason Hanley, I am an Army veteran, 20 year retired U.S. Fish and Wildlife Biologist working in the Hawaii and Pacific Islands National Wildlife Refuge Complex, and a cannabis advocate for over 1000 medical patients in Hawaii. I am also the owner of Care Waialua, the largest caregiver farm in Hawaii. As a member of the Oahu Cannabis Farms Alliance, with 500 members, I am testifying today regarding SB 669 on the need to first prioritize decriminalization of this plant, stop police harassment of cannabis users, free cannabis prisoners, and undo the harm that prohibition has unjustly done to many of our fellow Hawaiians, something that SB 669 takes a step towards though we would like to see it go much further. Secondly, I'd like to comment on the need to reform and improve our medical program that takes care of so many struggling Hawaiians and that currently supports a growing number of small farmers connected to the land growing real plant medicine. I firmly believe that we can pass legislation this year that does support decriminalization no matter the prospects of legalizing commercial businesses in adult use.

I am also here to argue for a more fair and accessible path to adult use cannabis in Hawai'i that doesn't represent only the commercial interests of the existing dispensary licensees and doesn't doom our state to unresponsive and entrenched monopolies in cannabis. We think there are some elements of SB 669 that could move us in this direction, but as the language is currently written, this bill will sadly lead to yet another captured market, artificially high prices for customers, no competition in the marketplace and therefore low diversification and quality of products, and a continued high rate of participation in the 'legacy' market for both farmers and consumers who will simply seek their products elsewhere. I'm afraid that passage of the business regulation parts of this bill could be worse than the status quo as it would create truly entrenched companies with a two-year lead on every other hardworking Hawaiian and a guarantee that literally all businesses in the Adult Use market flow through their licenses.

WHAT WE SUPPORT

-Immediate decriminalization in Part II Section A 2 and Part III. We would also like to see expungements and clearing of cannabis convictions be a part of this to ensure the damage we have already unjustly done to many innocent cannabis users doesn't continue to harm them. The Last Prisoner Project produced an excellent and thoughtful guide on how to achieve this

that we would be happy to share with all interested. Another bill before the legislature includes some of this language, SB 1043, which has some provisions we support.

WHAT WE OPPOSE

-Part II Section 6 & 7, which would represent a massive payout to only the nine existing dispensary owners and create an unworkable program that they completely control. A two-year window to exclusively profiteer is an inexcusable injustice to the many talented and hardworking cannabis entrepreneurs who could create a local, sustainable economy but would be locked out simply to feed these companies' profits. There can be no justifying a carveout like this for companies who already control so much of the state medical cannabis marketplace, and who enjoy explicit state favoritism that I and others can personally attest to in the enforcement actions of the police and Department of Health.

We believe that from the start the application and licensing process should be open to anyone who can meet reasonable standards of preparedness and who is willing to take on the risk and challenge of starting a business in this field. How else are we going to defeat the legacy market, whose participants won't stop growing cannabis simply because they're told they can't play in the legal sandbox? How else can we easily monitor and analyze the scope of cannabis usage in Hawai'i if we don't let folks who know how to grow and provide these products participate in the market? How could someone new compete with a licensee who not only has two years to build brand and customers and real estate but that they also have to distribute all of their products through and have to rely on for manufacturing services? That is completely messed up and unacceptable to believers in free markets and in the greater good. Why wouldn't we want a larger number of small, hyper-local businesses whose earnings and jobs will stay right here at home no matter what happens in the future? Let's build that local and sustainable economy together.

Overall, we're glad that a few pieces of the commercial regulation proposed here do not make these licenses totally inaccessible—albeit three years down the road when it will be a futile exercise—but this model is broken before it even launches, and we can't support it without first seeing serious decriminalization and major competitive reforms in the medical program to provide a legal path for our small entrepreneurs.



SB669 Decriminalize and Tax (Legal language) Cannabis

COMMITTEE ON JUDICIARY

Senator Karl Rhoads, Chair

Senator Mike Gabbard, Vice Chair

Tuesday, Feb 14 2023: 9:40 : Room 016 Videoconference

Hawaii Substance Abuse Coalition Opposes SB375 Until

- **Prevention funding is increased to help kids and**
- **Media Campaign to inform kids is required,**
- **Add Funding for treatment cannabis use disorder.**

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 and prevention agencies and recovery services.

Opposition - Recommendation

We **strongly urge that significant prevention funds** be added to this bill because a growing number of youth are having problems with cannabis as well as significant data indicates cannabis is harmful to youth's developing brain

Moreover, we **strongly urge Hawaii to follow other states who developed a short-term media campaign** to inform kids about the dangers of using before adulthood.

As cannabis use increases, so will the **need for treatment for cannabis use disorders**. Please include funding for much needed treatment.

Data

In Hawaii, substance use disorder treatment agencies report that 63.5% of kids presenting for treatment do so because of problems stemming from overuse of cannabis. (Department of Health: Alcohol and Drug Abuse Division 2015)

In 2019, 37% of US high school students reported lifetime use of marijuana and 22% reported use in the past 30 days.¹

¹ Jones CM, Clayton HB, Deputy NP, Roehler DR, Ko JY, Esser MB, Brookmeyer KA, Hertz MF. Prescription Opioid Misuse and Use of Alcohol and Other Substances Among High School Students – Youth Risk Behavior Survey, United States, 2019. MMWR Suppl. 2020 Aug 21;69(1):38-46.

The **teen brain is actively developing** and continues to develop until around age 25. Marijuana use during adolescence and young adulthood may harm the developing brain.²

Negative effects of teen marijuana use include³:

- Difficulty thinking and problem-solving,
- Problems with memory and learning,
- Reduced coordination.
- Difficulty maintaining attention,
- Problems with school and social life.

How marijuana can impact a teen's life:

- **Increased risk of mental health issues.** Marijuana use has been linked to a range of mental health problems, such as depression and social anxiety. People who use marijuana 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 marijuana and schizophrenia is stronger in people who start using marijuana at an earlier age and use marijuana more frequently.
- **Impaired driving.** Driving while impaired by any substance, including marijuana, is dangerous and illegal. Marijuana negatively affects several skills required for safe driving, such as reaction time, coordination, and concentration.
- **Potential for addiction.** Approximately 3 in 10 people who use marijuana have marijuana use disorder.⁷ Some signs and symptoms of marijuana use disorder include trying but failing to quit using marijuana or giving up important activities with friends and family in favor of using marijuana. The risk of developing marijuana use disorder is stronger in people who start using marijuana during youth or adolescence and who use marijuana more frequently.

While adults experience short term effects, youth can also experience long term effects:³

Long-Term Effects

Marijuana also affects brain development. When people begin using marijuana as **teenagers**, the drug **may impair thinking, memory, and learning functions and affect how the brain builds connections** between the areas necessary for these functions. Researchers are still studying how long marijuana's effects last and whether some changes may be permanent.

A study by researchers at Duke University showed that people who started smoking marijuana heavily in their **teens** and had an ongoing marijuana use disorder **lost an average of 8 IQ points** between ages 13 and 38. The lost mental abilities didn't fully

² Centers for Disease Control and Prevention (CDC) Marijuana and Public Health <https://www.cdc.gov/marijuana/health-effects/teens.html>

³ NIDA. 2019, December 24. Cannabis (Marijuana) DrugFacts. Retrieved from <https://nida.nih.gov/publications/drugfacts/cannabis-marijuana> on 2023, February 11

return in those who quit marijuana as adults. Those who started smoking marijuana as adults didn't show notable IQ declines.⁴

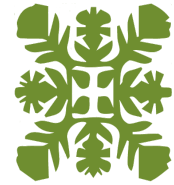
We recommend the bill identifies significant resources for prevention funding as well as funding for treatment and clearly describes the state's role and responsibilities for a communication/media campaign to inform youth.

We appreciate the opportunity to provide testimony and are available for questions.

⁴ Meier MH, Caspi A, Ambler A, et al. Persistent cannabis users show neuropsychological decline from childhood to midlife. *Proc Natl Acad Sci U S A*. 2012;109(40):E2657-E2664. doi:10.1073/pnas.1206820109.



ROMAN CATHOLIC CHURCH IN THE STATE OF HAWAII
DIOCESE OF HONOLULU
Witness to Jesus



Online Submittal: February 13, 2023

HEARING: February 15, 2023

TO: Senate Committee on Judiciary
Sen. Karl Rhoads, Chair
Sen. Mike Gabbard, Vice-Chair

FROM: Eva Andrade, Executive Director, Hawaii Catholic Conference

POSITION: Opposition to SB 669 Relating to Cannabis

Honorable members of the Senate Health & Human Services and Consumer Protection Committees, I am Eva Andrade, representing the Hawaii Catholic Conference, the public policy voice for the Roman Catholic Church in the State of Hawaii. Thank you for the opportunity to provide testimony in opposition to SB 669.

While the Catholic Church does not teach that the use of marijuana specifically is inherently sinful, paragraph 2291 of the Catechism describes the use of drugs in general, describing it as a “grave offense” when used apart from strictly therapeutic reasons. It also states in paragraph 2211 that the political community has a duty to protect the security and health of families, especially with respect to drugs.

Legalizing marijuana for recreational usage will adversely affect families, communities, workers, and health outcomes. In fact, the American Medical Association (AMA) believes that cannabis is a “dangerous drug and...is a serious public health concern” and that the sale of cannabis for adult recreational use should not be legalized.ⁱ

Once you go this route, you will ultimately send a message to children that drug use is socially and morally acceptable. We have witnessed the rise of vaping among our youth, and thereby we remain strongly concerned that this attempt to raise revenue will ultimately come at a social cost that will permanently harm our community. As people of faith, we must speak out against this effort and the damaging effects its passage would have on children and families.

Please do not pass this bill. Mahalo for the opportunity to submit written testimony in opposition.

ⁱ <https://www.ama-assn.org/system/files/2019-05/a19-yps-resolution-05.pdf> (accessed 02/10/23)

HAWAII CATHOLIC CONFERENCE

(The public policy voice for the Roman Catholic Church in the State of Hawaii)

SB-669

Submitted on: 2/13/2023 7:37:33 AM

Testimony for JDC on 2/14/2023 9:40:00 AM

Submitted By	Organization	Testifier Position	Testify
TY Cheng	Testifying for Aloha Green Holdings Inc.	Support	In Person

Comments:

To: Senator Karl Rhoads, Chair

Senator Mike Gabbard, Vice-Chair

Members of the Committee on Judiciary

Fr: TY Cheng, President of Aloha Green Holdings Inc.

RE: Testimony in SUPPORT of Senate Bill (SB) 669

RELATING TO CANNABIS.

Establishes regulations for the cultivation, sale, and personal use of small amounts of cannabis. Decriminalizes and regulates small amounts of cannabis for personal use. Establishes taxes for cannabis sales. Dear Chairs, Vice-Chairs and Members of the Joint Committee:

Aloha Green Apothecary is a state licensed medical cannabis dispensary licensee operating on Oahu since 2016. Aloha Green Apothecary SUPPORTS SB669's intent to establish a program to allow for the responsible adult-use of cannabis. We look forward to the day when adults 21 years and older can use cannabis without stigma and persecution. We hope this day comes as soon as possible and urge the Committee to consider the fastest and lowest cost path to a successful adult-use program made in Hawaii for Hawaii.

SB669 establishes a system where adult-use is merely the 329 cannabis program without the requirement for a 329 medical cannabis card. Same strict standards with experienced regulator oversight.

Aloha Green Apothecary submits that SB669 presents the most cost-effective administration and oversight by building upon the experience gained from the highly regulated medical 329 cannabis dispensary program. Further, a governor-appointed cannabis manager or “cannabis czar” provides greater flexibility through rule making powers and program transparency through timely reporting. The existing regulatory office will be nimble and respond to law or rule changes effectively. Strictly enforced regulations ensure safeguards for the community and the continued benefit to the State. The proposed 10% excise tax rate plus GET would generate over \$81 million new tax revenue based on an estimated \$423 million annual adult-use cannabis sales. State liquor and tobacco taxes generated a combined \$67 million in 2022. Cannabis taxes will be more than enough to support regulation efforts with excess for fund education, mental health and other State initiatives.

Finally, the transition pilot period provides for a phased and balanced approach which allows legislators and regulators to generate tax revenue quickly with a highly regulated program while allowing flexibility to make future program changes tailored for Hawaii. The medical dispensaries have shown they can operate in the highly regulated Hawaiian market and should be afforded the opportunity to lead the industry through this transition to adult-use sales.

Thank you for the opportunity to testify. I am available for any questions.



February 14, 2023

Chair, Sen. Karl Rhoads
Vice Chair, Sen. Mike Gabbard
Senate Judiciary Committee

TESTIMONY IN SUPPORT OF SB 669 – RELATING TO CANNABIS

Dear Chair Rhoads, Vice Chair Gabbard, and members of the Judiciary Committee:

Aloha, my name is DeVaughn Ward and I am the senior legislative counsel at the Marijuana Policy Project ("MPP") — the largest marijuana policy reform organization in the United States. As you may know, MPP has been working to improve marijuana policy for more than 25 years.

I am here today to testify in support of **SB 669 – Relating to Cannabis**. However, MPP has significant concerns on SB 669 which is why we're urging you to amend and then pass it.

I. Cannabis legalization and regulation is far better approach than prohibition

More than eight decades of marijuana prohibition has not worked. Instead, it has derailed lives, torn families apart, wasted vast sums of taxpayer dollars, and put consumers and those selling cannabis at risk of arrest and violence.

Only legalization allows for regulation and control. Potency testing and labeling, child-resistant packaging, consumer education, and rules to prohibit hazardous pesticides and contaminants are only possible in a legal, regulated market. Environmental and worker protections are only possible in a legal, regulated industry.

II. MPP has several recommendations for amendments to SB 669

While MPP supports the core purpose of SB 669, we have several recommendations — including to prioritize patients during the transition, to create an equitable industry, to include reparative justice such as expungement and release, and to clarify several provisions.

First, the definition of "personal use" does not include an equivalency for cannabis concentrates and cannabis-infused products. Without specific possession limits for these cannabis preparations in SB 669, adults and law enforcement will not know how much cannabis products are legal to possess. We suggest amending the language to use a defined term for possession and purchase limits and to define it as: *"Personal use amount" means: (1) one ounce of cannabis plant material; (A) 10 grams of cannabis concentrate; and (B) any other cannabis products with up to eight hundred milligrams of THC."*

P.12, L15-20 of the bill prohibits cannabis related advertising "near" youth-centered areas. The word near is vague and subjective. We strongly suggest amending this language to add a specific distance so cannabis companies and regulatory enforcement officials will have clear guidelines on permissible and impermissible advertising. We suggest amending the language to state: *"Cannabis advertising shall be prohibited within one thousand feet of a youth-centered area..."*

P.18, L7-18 of the bill does not allow for cultivation licensees to transport cannabis products. We suggest giving cultivation licensees the ability to transport their products to other cannabis businesses.

The bill allows regulators to create additional license types but does not start with a separate license for product manufacturers, unlike most cannabis legalization states. As is the case in most industries, those who grow cannabis will often not want to also make infused products or extractions — which require expensive equipment — and vice versa. There is also no strong policy reason to limit the number of product manufacturers. Having a single license for both types of cannabis businesses may require costly regulatory requirements of farmers who only want to grow. Separating these two businesses — but allowing dual licenses— will allow for more success in different aspects this new industry.

P.20, L1-6 of the bill prohibits an individual from having an interest in more than one license type. We believe this limit is overly restrictive. Moreover, this restriction is not required of the current medical cannabis licensees in Hawaii's medical cannabis or if the current medical licensees converted to dual use cannabis dispensaries as envisioned in SB 669. Some of Hawaii medical cannabis licenses have up to three cannabis cultivation/production centers and as many as three cannabis retail dispensaries under one license. We suggest amending this language to state: *"No person shall be granted or have any interest in a license as a cannabis testing facility license that also has a license as another type of cannabis business." It could also cap the number of retailers any one facility could have a controlling interest in, to prevent excessive market concentration.*

Section A-7 of the bill would allow Hawaii's eight current medical cannabis businesses to sell cannabis products to adults 21 and over when the bill takes effect. Missing are proper safeguards to ensure medical cannabis patients will have adequate access when the eight medical businesses convert to also sell to adults over 21. In New Jersey and Connecticut, medical licensees were required to inform regulators of medical patient preservation plans or meet production thresholds to ensure the licensees had adequate supply before they could start adult use sales. We strongly recommend adding the following language to ensure medical cannabis patients' access is not adversely affected by a dual use cannabis model. For example, it could provide, *"The license conversion application shall, at minimum, require a medical cannabis dispensary to submit to, and obtain approval from the department for a detailed medical preservation plan for how it will prioritize sales and access to medical marijuana products for qualifying patients, and to avoid price increases, including, but not limited to, managing customer traffic flow, preventing supply shortages and price increases on patients, and ensuring appropriate staffing levels."*

Notably, Section A-7 of the bill does not include a licensing fee for the eight current medical licenses to exclusively serve the adult-use market access for least two years, perhaps more depending on when final rules are adopted. There should be a significant licensing fee that would be used to set up regulatory infrastructure and to support training and technical assistance for new market entrants — including those hardest hit by prohibition.

Several other states, including Connecticut and Illinois, take this approach to foster equitable licensing. In Connecticut, medical licensees paid fees between \$750,000 and \$1 million dollars for the ability to convert to hybrid or dual use cannabis establishments and service consumers over the age of 21. In Illinois, medical cannabis businesses paid a fee of approximately \$750,000 to convert to dual use or hybrid cannabis businesses. We strongly recommend amending the language as follows: *"(a) The license conversion fee for a medical cannabis dispensary to become a dual use cannabis dispensary shall be two hundred fifty thousand dollars for medical cannabis dispensaries that owns and operates three or more retail dispensing locations. (b) The license conversion fee for a medical cannabis dispensary to become a dual use cannabis dispensary shall be one hundred fifty thousand dollars for a medical cannabis dispensary that owns and operates two or fewer retail dispensing location."*

Additionally, SB 669 lacks restorative justice for individuals most impacted by cannabis prohibition in Hawaii. Restorative justice is concept that has been supported by the Judiciary Committee this session in its recent approval of SB 903. It is sound cannabis policy to adopt restorative justice measures in legalization models. Illinois' 2019 legalization law resulted in the expungement of over 800,000 cannabis convictions. Connecticut's 2021 legalization law automatically expunged over 40,000 cannabis convictions. As Hawaii considers cannabis legalization it's important that we use this opportunity not just for economic development, but also to remove the scarlet letter of cannabis convictions that for decades have denied many Hawaii residents chances for upward mobility.

We suggest adopting automatic release and expungement provisions similar to SB 1043, such as: *"Each person arrested or convicted for an offense under chapter 329, Hawaii Revised Statutes, or under part IV of chapter 712, Hawaii Revised Statutes, for possession or cultivation of marijuana, shall be entitled to: (1) Release from the custody of law enforcement or incarceration no later than 90 days after the effective date of this Act, unless the person is also in custody or incarcerated for an offense that is not permitted by the new chapter of the Hawaii Revised Statutes; and 2) An expungement order, issued within days after the effective date of this Act, from the court in which the person was arraigned or convicted, that annuls, cancels, and rescinds the record of arrest and record of conviction, as applicable, for the relevant offense; provided that an expungement order shall not be issued for a person if the State, the department of the attorney general, or the applicable prosecuting attorney demonstrates good cause against the issuance of the order for that person."* And:

“Any person convicted or arrested for distribution of marijuana may petition at any time for: (1) Release from the custody of law enforcement or incarceration; and 2) an expungement order; and relief shall be granted unless the prosecutor objects within 14 days and proves that relief would not be in the interests of justice.

Furthermore, we recommend including a provision that requires the state’s lead actor in the record clearing process to issue a report on a regular basis (yearly, quarterly, etc.) on key metrics related to the fulfillment of automatic expungement for qualifying cannabis offenses. In shifting the process of record clearance away from the individual to the agencies that hold the criminal record, Hawaii should establish transparency requirements that allow lawmakers and citizens to monitor the state’s progress towards implementation.

Lastly, SB 669 lacks explicit market opportunities for individuals most harmed by cannabis prohibition. Most of the recent legalized states — Illinois, New Jersey, New York, Connecticut, and Rhode Island — have adopted social equity measures to center individuals from communities hard hit by the war on drugs and with cannabis convictions by prioritizing these individuals in issuing new cannabis businesses licenses. Indeed, the Dual Use Cannabis Taskforce that convened this summer stated in their final report "The history of cannabis enforcement in Hawaii has engendered a diverse set of inequities across racial, economic, and geographic spectrums, and as the rest of the country is discovering as well, explicit policies must be put in place to redress these harms. Without integrated social equity policies, the experience of other states, as well as a variety of scholarly research sources, have shown that these inequities only increase in emerging cannabis industries."

With that in mind, we urge the committee to adopt the social equity language like those included in SB 375 as follows:

"(1) Disproportionately impacted area" means a census tract or comparable geographic area that has a poverty rate of at least twenty per cent according to the latest federal decennial census. (2) Social equity applicant" means an applicant that is a resident of the State that meets one or more of the following criteria: (a) An applicant with at least fifty—one per cent ownership and control by one or more individuals who have resided for at least five of the preceding ten years in a disproportionately impacted area; (b) An applicant with at least fifty—one per cent ownership and control by one or more individuals who: Have been convicted of, or adjudicated delinquent for any marijuana related offense under Hawaii Revised Statutes; (c) An applicant with at least fifty—one per cent ownership and control by one or more individuals who are "Native Hawaiian" as defined in section 10H-3 of the Hawaii Revised Statutes. (3) The authority and department shall establish grant and loan programs for the purposes of providing financial assistance, loans, grants, and technical assistance to social equity applicants.

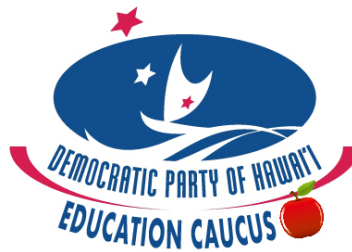
(4) For social equity applicants, the authority shall waive fifty per cent of any nonrefundable license application fees; any nonrefundable fees associated with purchasing a license to operate a business licensed under this chapter; and any surety bond or other financial requirements for the first five years of the applicant's operations; provided that the social equity applicant meets the following qualifications at the time the payment is due: (a) The applicant, including all individuals and entities with ten per cent or greater ownership and all parent companies, subsidiaries, and affiliates, has less than a total of \$750,000 of income in the previous calendar year; and (b) The applicant, including all individuals and entities with ten per cent or greater ownership and all parent companies, subsidiaries, and affiliates, has no more than two other licenses under this chapter.

(5) For a social equity applicant, the authority shall designate at least fifty per cent of the maximum number of applications that shall be for each license type exclusively for social equity applicants.

In conclusion, we strongly support the legalization of cannabis possession and cultivation rights for adults over 21. However, SB 669 can be strengthened to meet cannabis policy best practices. We urge you to amend SB 669 to include a significant fee for medical operators to convert to adult use, patient protections, expungement and restorative justice provisions, and prioritization of social equity licensing and then pass it.

Mahalo for the opportunity to comment. I can be reached at the contact below and I'm happy to answer any questions you may.

Sincerely,
DeVaughn Ward, Esq.
Senior Legislative Counsel
Marijuana Policy Project
Honolulu, HI
dward@mpp.org



SENATE BILL 669, RELATING TO CANNABIS

FEBRUARY 14, 2023 · SENATE JUDICIARY
COMMITTEE · CHAIR SEN. KARL RHOADS

POSITION: Comments with amendments.

RATIONALE: The Democratic Party of Hawai'i Education Caucus supports the intent and suggests amendments for SB 669, relating to cannabis, which establishes regulations for the cultivation, sale, and personal use of small amounts of cannabis; decriminalizes and regulates small amounts of cannabis for personal use; and establishes taxes for cannabis sales.

It is high time that Hawai'i stopped criminalizing people for smoking small amounts of a plant. 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 more stark 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?

Furthermore, legalizing recreational cannabis usage is an issue of restorative justice. As the visitor industry reaps record profits and supports expansion of 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. Therefore, passage this measure is a step toward reforming and preventing more people from becoming victims of our unjust and racially coded prison system.

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 in January 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 the more conservative \$50 million revenue estimate produced by the Hawai'i Department of Taxation last year is enough

to “stand up” a local cannabis industry. Many states have established well-regulated recreational cannabis industries that include restorative justice components for less than \$5 million.

Yet, we have deep concerns about the inadequacy of this measure as it currently stands. **To begin, this measure does not include any provisions regarding social equity.** 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. **Yet, again, SB 669 lacks any reference to social equity or expungement, which would only exacerbate the harm endured by those who have been prosecuted for cannabis and their families.**

Accordingly, we urge your committee to institute language found in SB 375 regarding social equity and expungement. We also encourage you to look at the fee and tax structure that is proposed in SB 375, which would guarantee that everyone pays their fair share to participate in the cannabis marketplace, including current medical dispensaries. Finally, we invite you to consider inserting additional protections for local cannabis operations into the bill that would prevent multistate corporations—the so-called “Walmarts of cannabis”—from controlling our islands’ cannabis industry, including the adoption of language that would allow a Hawai’i Cannabis Authority to set fees for non-local operators that far exceed those charged to local businesses (which should cost no more than a contractors’ license), and provisions that would give people of Native Hawaiian ancestry preference in obtaining licenses to participate in the recreational cannabis industry.

Kris Coffield · Chairperson, DPH Education Caucus · (808) 679-7454 · kriscoffield@gmail.com



To: Senator Karl Rhoads, Chair of the Senate Judiciary Committee
Senator Mike Gabbard, Vice Chair of the Senate Judiciary Committee
Members of the Senate Judiciary Committee

From: Bill Jarvis, CEO of Noa Botanicals

Re: Testimony **In Strong Support of Senate Bill (SB) 669** RELATING TO CANNABIS

Establishes regulations for the cultivation, sale, and personal use of small amounts of cannabis. Decriminalizes and regulates small amounts of cannabis for personal use. Establishes taxes for cannabis sales.

Dear Chair, Vice-Chair and Members of the Committee:

Noa Botanicals is a licensed operator on Oahu, is over 63% locally owned, and along with other licensees in Hawaii, collectively provides over 400 jobs to those in our community. 100% of our workforce lives and works in Hawaii.

Noa Botanicals **strongly supports SB669** as an important bill for cannabis reform in the State of Hawai'i.

Three key benefits of SB 669 are:

- Revenue generation for the State of Hawaii
- Increased safeguards to protect the community
- A more thoughtful phased-in approach to avoid the negative effects of an unregulated industry

SB 669's proposed 10% cannabis excise tax and 4.5% GET tax on legal cannabis sales are estimated to generate **\$81 million in revenue surplus** for the state annually. The State of Hawai'i already has this economic activity occurring but it takes place in the illicit market which is untaxed, unregulated, and offers, in many cases untested products.

This bill also sets very high safeguards to protect the community, including individuals under the age of 21. The current status quo of cannabis laws in Hawai'i do not keep our communities or children safe due to the unknown nature of the cannabis that exists on the streets. Not taking action to bring illicit cannabis activity into the light where it can be taxed, regulated, and products can be tested, continues to put our communities at risk.



Lastly, SB 669 ensures that the Adult-Use of cannabis in Hawai'i is a phased-in balanced approach to legalization specific to Hawai'i. Many states have created an under-regulated and over-saturated market that is entirely avoidable with thoughtful and conservative policy. This bill creates efficient and effective implementation while minimizing the potential risks of illicit criminal activity and other unintended consequences.

In the end, no bill is perfect but SB 669 will create economic opportunity, provides hundreds of new local jobs, make our communities safer, and prevents an unregulated runaway industry that does not serve our communities best interests.

Thank you for considering this extremely important and timely piece of legislation and the opportunity to testify.



February 13, 2023
Hawai'i 32nd Legislature, Senate Committee on Judiciary

Mark Barnett
Maine Craft Cannabis Association
146 Capitol St, Augusta, ME 04330

SB 669: COMMENTING ONLY

Honorable Members of the Committee on Judiciary,

The Maine Craft Cannabis Association (MCCA) is pleased to submit comments on SB 669. We submitted similar comments during the last Dual Use Task force hearing as well, and many of these policy points are relevant to the content of SB 669 before you.

Our members are small cannabis businesses from across the supply chain including cultivators, retailers, manufacturers, medical practitioners and medical patients - as well as businesses in Maine's newer Adult Use market. We have decades of collective experience in legal regulated cannabis markets. Our group is a member of the National Craft Cannabis Coalition (NCCC), a coalition of state-level organizations working to promote state and federal policies that support small producers and a business ecosystem that supports craft cannabis cultivation. Our testimony today represents only the opinions of the MCCA.

We believe Maine, a state which also has a dual-use system of regulation for cannabis and which has had a robust medical cannabis market for over twenty years, could be of great interest for Hawaiian policymakers. Hawai'i, like Maine, is unique in two ways: one, it has the potential for a real 'brand' that could keep the local industry relevant for years to come especially with federal legalization; and two, a very high cost structure relative to California and the farm belts which means without a real genuine high quality differentiated product forged through fair competition, Hawai'i will likely see its local industry decimated by federal legalization.

Overall, we believe it is important not to tie 'commercialization' to decriminalization, as the latter is a more important policy goal that will directly improve the lives of likely thousands of Hawaiians who could be or have previously been incarcerated or charged with cannabis-related crimes that we today see as unjust. In that respect, we strongly endorse SB 669's elements of decriminalization in Part II Section A-2 and Part III and believe these should be the focus of action and move forward. We hope that expungement of records could be incorporated into this reform as well. The business regulation proposed in SB669, however, presents some serious problems.

Most importantly, there is no urgency more important than good policy, so first and foremost we recommend that the State resist calls for swift implementation of a commercialized market that stands to benefit a chosen few investors. SB 669, and other bills that will come before you, have elements of 'regulatory capture' that we caution will torpedo the long-term success and potential of fully legalized cannabis in Hawai'i, and from which there will be no possibility of a course correction further down the line. In **Part II A-7**, SB669 explicitly creates a captured market for the



existing medical dispensary licensees for two whole years—potentially many millions of dollars in revenues—which not only gives them a huge advantage on establishing real estate presence, brand, and cash position, but also ensures them a huge stream of cash to lobby with to protect their own interests against competition. This has happened over and over in legal states and it would be a shame for it to happen here in Hawai'i as well.

Further, in **Part II Section A-6(b)**, the 'dual-use' license (which would only be available to the current dispensary holders) is the only license authorized to manufacture or transport cannabis, **meaning that every licensee will have to go through them for all products for distribution and for manufacturing except for packaged flower**. This may be an unintentional oversight, but either way it is pernicious language that must be addressed if Hawai'i is to have a fair market with choice, variety, and quality at its forefront. In our view extractive monopolies have no place in dynamic, modern economies, especially if they're created by a single sentence slipped into larger legislation. We believe that fair market access should be a fundamental principle for policymaking in cannabis. One final suggestion on the commercial language is to **remove Part II Section A-8(a) 3**, which could be used to award licenses only to dispensary operators and essentially guarantee no local competition can participate in the Adult Use market because nobody has ever been allowed to run other cannabis establishments.

On taxation, a 10% rate would put Hawai'i at the lower end of tax rates around the country, and that strikes us as a good decision given that high-tax states struggle to compete with their own 'legacy' markets. Some states like California have responded to that struggle by raising taxes even further, which is an absurd move that only makes the informal market stronger. We have one suggestion at this time for the language in **Part IV Section B-8** (underline and italics our suggested verbiage):

The department may by rule require the permittee to keep other records as it may deem necessary for the proper enforcement of this chapter in line with other industry recordkeeping requirements. Recordkeeping shall not be construed to require licensees to contract with any specific private company for such services.

Open-ended recordkeeping language has in some states led to forced contracts between private businesses and METRC (or competitors like BioTrack, etc), 'tracking' software that creates more problems than it solves and whose forced usage violates federal and Hawaiian antitrust laws.

There are many cannabis bills before this Legislature, and so we would like to include our more general comments that we submitted to the Dual Use Task Force as a hopefully useful framework for analyzing the policy decisions before you. We are happy to make ourselves and any other resources available to aid the Legislature in any way we can throughout this process.

Social Equity

- Legislation should focus first on decriminalizing and undoing the harms of unjust criminalization rather than on for-profit commercialization. The urgency lies in criminal justice reform, not profit or tax collections;



- Retaining strong oversight of Executive by the Legislature helps ensure the will of the people remains foremost in consideration (e.g. legislative review of rulemaking, strong ethics oversight, periodic holistic review & reporting);
- We suggest the State offer services and training to the industry where possible and re-invest funds from the program into relevant areas of public interest rather than treat license fee and tax receipts as a 'slush fund';
- We strongly suggest avoiding use of law enforcement for civil regulatory issues and avoiding staffing the office of oversight with law enforcement personnel;
- Low barriers to entry are the single greatest tool to promote equitable participation in the market. Market structures that limit participation to highly-capitalized players are guaranteed to fail the state's goals for equitable cannabis regulation. Affordability for patients is also an equity issue;
- A focus on providing robust, ongoing support to individuals who qualify as SEAs may be a lower-risk and more sustainable model than restricting others to avoid expensive litigation. We believe market restrictions based on limiting the market share of individual participants rather than on participation itself could prove more effective in achieving goals of supporting local participation.

Market Structure

- While creating an entirely new department of oversight may prove a good move, consider carefully what powers it will have and who is hired to enforce this role. A focus on expertise within the fields of agriculture and public health may be more appropriate than a background in law enforcement. We recommend avoiding individuals with conflicts of interest within or adjacent to the industry, and avoiding the awarding of no-bid or monopoly contracts in the guise of RFPs for government services. As the Group states in its findings: *"...Most of the rules applicable to the cannabis market: consumer protection, common law nuisance, county building safety/building codes, AOA covenants, tax compliance, business registration requirements, labor laws, insurance requirements, etc., already exist and do not need to be created sui generis."*
- All employees and consultants hired by state government should be rigorously vetted for conflicts of interest above and beyond current practices given the high rate of corruption in cannabis policy circles;
- There should be limits on the number of cultivation, retail, manufacturing, or any type of license a single individual/entity or affiliated group of individuals/entities can hold. This is the best way to ensure that access to capital does not automatically distort market share and push small and medium businesses owners out. Preventing cross-holdings is essential for fair market structure for such a nascent industry.
- Focus business enforcement on abusive monopolistic practices and gross violations of public safety rather than on minor business errors and overbearing proscriptive rules, and
- Look to create an oversight and penalty structure equivalent to other industries rather than one rooted in the criminal code;
- Focus on educating and supporting businesses rather than on punishing them unless there are real public health and safety risks - such as dumping of pesticides;
- Keep the regulations for the adult' use of cannabis entirely independent of the medical use of cannabis program to avoid regulatory capture of the medical program by consumer-



packaged-goods businesses. There can still be a holistic strategy for regulating the programs.

- Avoid using the state to create business models, focus on the bigger picture and keep the tools to pick winners and losers out of the hands of a small group of unelected individuals;
- Prioritize the societal and environmental considerations and implications of regulation before private commercial concerns;
- Keep business overhead and cannabis taxes low. Higher costs of doing business result in less competition and more advantage to the more highly-capitalized - and this ultimately leads to less choice and higher costs for patients;
- We recommend the State not give privileged early access to existing dispensary license holders. That is a guarantee of exclusive financial benefit to a tiny group not just for the early years of the program but well into the future. It could also lead to legal challenge. They already have a big leg up on new entrants to the industry.
- Keeping business regulation simple should expedite policymaking goals of launching a fair and robust market more than creating a special pathway to profits for a select few who can afford to navigate it.

Medical Use

- Explicitly enshrine the ability for Direct-to-Customer (DTC) operations to ensure patient access and choice. We recommend the state not limit these to dispensary license holders as those licenses are inaccessible to anyone but the very wealthy;
- Center patient choice and access by establishing a caregiver structure that removes patient limits and affirms patient choice among caregivers and dispensaries;
- Promote economic participation, better health outcomes from expanded access to medicine, and healthy competition by expanding the caregiver model and not the inaccessible dispensary licenses;
- Tax medical cannabis like healthcare rather than like 'recreational' cannabis;
- Use the State itself for overseeing public health and safety rather than creating mandatory business models for testing of cannabis or surveillance of patients and providers. Focus on things like secret shopping, inspections, and education to ensure product quality and reduce externalities, but ensure there are no market or regulatory barriers to affordably testing product for the benefit of the patient;
- Eliminating the list of qualifying conditions should be done immediately. Research clearly highlights the therapeutic applications and potential of cannabis—remove the stigma of who should be allowed to access this plant medicine;
- Provide access for visiting patients with valid identification. Patients visiting or doing business in Hawaii should continue to have access to treat the condition that they and their medical provider determined would most benefit from use of cannabis without having to resort to the illicit market;
- Consider limiting the cost of patient certifications to ensure economic status doesn't restrict access and/or funding the cost of certifications for groups in need.



Public Health and Safety

Be wary of crafting regulations that create plastic waste in the name of child safety, particularly around packaging. While preventing unsafe access to cannabis by youth should be a priority, parents are able to perform that function without packaging, which is already an environmental disaster in this country. Excessive labeling requirements not required for far more dangerous items in widespread use will also drive enormous packaging waste. In most states, cannabis packaging weighs multiples of the product it carries.

- Cannabis is not an inherently dangerous plant. Social attitudes towards it and particularly its legal treatment are not based on data showing harm, toxicity, or crime. On the contrary, cannabis can have enormous and varied medicinal and therapeutic benefits, and will have even greater potential when allowed to be studied. The criminalization and stigmatization of cannabis cultivation and use was an active commercial strategy employed by industrial interests in this country that found an ally in politicians using messages of racism and xenophobia to advance their own interests. Humans had been safely using cannabis in all its forms for thousands of years medicinally prior to that.
- When collecting and analyzing data, there is so much focus on the 'harms' of cannabis rather than its many potential benefits. Those potential benefits should be fundamental to the mission of any government body tasked with studying or facilitating study, especially with regards to distribution of resources such as public grant money.

Many states have made the mistake of allowing a market design easily captured by large well-funded interests in the name of the 'dangers' of cannabis. So many of the regulations in existence are based on the trifecta of bad science, stigma, and regulatory capture. We are so fortunate to be able to change this paradigm away from manipulative fear and towards social benefit. An industry made up of small farmers and entrepreneurs with a connection to the land, to the people, and to the place will ensure that regardless of how federal regulation unfolds, Hawai'i will have its own healthy and vibrant cannabis ecosystem for many years.

Sincerely,

Mark Barnett

Policy Director
Maine Craft Cannabis Association



To: Senator Karl Rhoads, Chair of the Senate Judiciary Committee
Senator Mike Gabbard, Vice Chair of the Senate Judiciary Committee
Members of the Senate Judiciary Committee

Fr: Casey Rothstein, CEO of Green Aloha Ltd.; Kauai's Medical Cannabis License

Re: **Testimony In Strong Support of Senate Bill (SB) 669**
RELATING TO CANNABIS
Establishes regulations for the cultivation, sale, and personal use of small amounts of cannabis. Decriminalizes and regulates small amounts of cannabis for personal use.
Establishes taxes for cannabis sales.

Dear Chair, Vice-Chair and Members of the Committee:

Green Aloha is the sole Medical Cannabis Dispensary License for the Island of Kauai. Green Aloha **strongly supports SB669** as an important bill for cannabis reform in the State of Hawai'i.

SB 669 addresses many concerns raised in the past about the implementation of an Adult-use of cannabis program in the State of Hawai'i. As written this bill creates a program that is **cost effective** to administer coupled with some of the **strongest and highest standards** of oversight in the nation.

SB 669's proposed 10% cannabis excise tax and 4.5% GET tax on legal cannabis sales are estimated to generate **\$81 million in revenue surplus** for the state annually. The State of Hawai'i already has this economic activity occurring but it takes place in the illicit market which is untaxed, unregulated and in many cases unsafe.

This bill also sets very high safeguards to protect the community, especially individuals under the age of 21. The current status quo in regards to cannabis laws in Hawai'i do not keep our communities or children safe due to the unknown nature of the cannabis that exists on the streets. Not taking action to bring illicit cannabis activity into the light where it can be taxed, regulated, and the public can be educated, continues to put our communities at risk.

Lastly, SB 669 ensures that the Adult-Use of cannabis in Hawai'i is a phased in balanced approach to legalization specific to Hawai'i. Hawai'i benefits from learning from all the mistakes other states have made in the implementation of an Adult-use programs and this bill carefully takes into consideration language to avoid those missteps. This bill creates efficient and effective implementation while minimizing the potential risks of illicit criminal activity and other unintended consequences. This bill will also strengthen the medical cannabis program as it will result in additional access points and wider varieties of products for patients. Passing this measure will create economic opportunity in the state while also taking the necessary actions to make our communities even safer.

Thank you for considering this extremely important and timely piece of legislation and the opportunity to testify.



Dedicated to safe, responsible, humane and effective drug policies since 1993

TESTIMONY IN SUPPORT OF SB 669

TO: Chair Rhoads, Vice Chair Gabbard, and Judiciary Committee Members

FROM: Nikos Leverenz
DPFH Board President

DATE: February 14, 2022 (1:00 PM)

Drug Policy Forum of Hawai'i (DPFH) **strongly supports** SB 669, which would legalize the personal use, possession, and sale of cannabis. The taxation and regulation of adult-use cannabis will generate income and excise taxes that will augment the legislature's ability to satisfy its year-to-year budgetary priorities.

The threshold of personal cannabis that is decriminalized under this bill should be increased to at least 100 grams (3.53 ounces).

As the legislature moves forward in its deliberations, it should carefully consider social justice measures to ensure a meaningful level of participation for those who have been marginalized and criminalized through cannabis prohibition and the larger drug war. [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 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.

Cannabis prohibition needlessly raises the costs to Hawai'i's criminal legal system, where terms of probation or parole are lengthened apart from a more calibrated determination of increased 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. [*A 2020 report from the Pew Charitable Trusts found that this state has the longest average term of probation at almost five years.*](#)

Recent domestic and international developments in the cannabis industry indicate that a system of workable regulations can provide new opportunities for prospective investors and local business owners to facilitate well-paid regular employment for kama'aina in the production and distribution of a range of quality consumer products. Once established, these businesses can attract an increased level of capital investment that might not otherwise be available to Hawai'i's economy. [*Even a smaller state like Alaska, which has a modest adult-use cannabis sector that has been online for three years, now sees \\$25 million in excise tax revenue.*](#)

The availability of legal cannabis products will be attractive to many visitors from domestic and international jurisdictions that do not permit legal adult use. This is currently the case with Hawai'i residents who visit Nevada, every other state with a Pacific coastline, and other states that include Montana and Missouri.

Hawai'i's emerging cannabis economy should be one that is open to broad participation. Social equity centers impacted communities in every stage of production and distribution, from the growth of cannabis plants to the distribution and delivery of cannabis flower and manufactured cannabis products, as well as licensing and the provision of technical assistance. Employment opportunities should be made available to formerly incarcerated persons and those otherwise involved in the criminal legal system. Businesses should be required to develop social responsibility programs that include equity initiatives.

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.

As a general matter, DPFH supports evidence-based education for all persons, from students to seniors, that includes science-based information on alcohol and other drugs and the promotion of resilience through harm reduction.

DPFH also supports treatment upon request for those with diagnosed substance use disorders. As noted by the American Public Health Association (APHA):

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.](#)")

DPFH also supports APHA in "ending the criminalization of drugs and drug consumers, prioritizing proven treatment and harm reduction strategies, and expanding (and removing barriers to) treatment and harm reduction services." (*Id.*)

Thank you for the opportunity to testify in support of this timely reform. Hawai'i can uniquely position itself to participate in an emerging industry that will likely experience protracted growth on a domestic and international basis in the coming years.



To: Senator Karl Rhoads, Chair of the Senate Judiciary Committee
Senator Mike Gabbard, Vice Chair of the Senate Judiciary Committee
Members of the Senate Judiciary Committee

Fr: Randy Gonce, Executive Director of the Hawaii Cannabis Industry Association

Re: **Testimony In Strong Support of Senate Bill (SB) 669**
RELATING TO CANNABIS
Establishes regulations for the cultivation, sale, and personal use of small amounts of cannabis. Decriminalizes and regulates small amounts of cannabis for personal use.
Establishes taxes for cannabis sales.

Dear Chair, Vice-Chair and Members of the Committee:

The Hawai'i Cannabis Industry Association is the trade association for the state's licensed medical cannabis dispensaries. HICIA **strongly supports SB669** as an important bill for cannabis reform in the State of Hawai'i.

SB 669 addresses many concerns raised in the past about the of implementing an Adult-use of cannabis program in the State of Hawai'i. As written this bill creates a program that is **cost effective** to administer coupled with some of the **strongest and highest standards** of oversight in the nation.

SB 669's proposed 10% cannabis excise tax and 4.5% GET tax on legal cannabis sales are estimated to generate **\$81 million in revenue surplus** for the state annually. The State of Hawai'i already has this economic activity occurring but it takes place in the illicit market which is untaxed and unregulated.

This bill also sets very high safeguards to protect the community, especially individuals under the age of 21. The current status quo in regards to cannabis laws in Hawai'i do not keep our communities or children safe due to the unknown nature of the cannabis that exists on the streets. Not taking action to bring illicit cannabis activity into the light where it can be taxed, regulated, and educated continues to put our communities at risk.

Lastly, SB 669 ensures that the Adult-Use of cannabis in Hawai'i is a phased in balanced approach to legalization specific to Hawai'i. Hawai'i benefits from learning from all the mistakes other states have made in the implementation of an Adult-use programs and this bill carefully takes into consideration language to avoid those missteps. This bill creates efficient and effective implementation while minimizing the

Hawai'i Cannabis Industry Association (HICIA)
220 S King St #1600, Honolulu, HI 96813
www.808hicia.com



potential risks of illicit criminal activity and other unintended consequences. Passing this measure will create economic opportunity in the state while also taking the necessary actions to make our communities even safer.

Thank you for considering this extremely important and timely piece of legislation and the opportunity to testify.

SB-669

Submitted on: 2/13/2023 9:18:28 AM

Testimony for JDC on 2/14/2023 9:40:00 AM

Submitted By	Organization	Testifier Position	Testify
Alex Wong	Testifying for Kauai Farm Planning	Oppose	Written Testimony Only

Comments:

Aloha e State of Hawaii Senators,

No law should limit how much food and medicine you can legally grow for your own community.

This proposed law does NOT legalize cannabis in Hawaii that produces social equity. It does NOT make any attempt to leverage cannabis as a grassroots marketplace to lift the socioeconomic bottom line of Hawaii's people when it comes to our TRUE local community.

What it does is corporate and commodify a natural plant medicine and community catalyst. It takes the plant away from our families and friends organic, community-oriented, culturally conscious cottage market and monopolizes it for corporate and governmental greed.

This bill is clearly pushing an agenda for ONLY corporate cannabis to profit off of an emerging industry, and is blatantly forcing all local residents and tourists to buy from the dispensaries - which will be owned by individuals who are pushing a very money-oriented (haole) economy and business model that will NOT be socially equitable nor will it benefit Native Hawaiians or the working class multigenerational local residents who come from a rich history of exploitative plantation style agriculture.

There will be no "Trickle down effect" from the profits these corporate cannabis companies in Hawaii will be raking in. That is the true nature and design of this very haole capitalist model.

We the people can clearly see what you are doing. And it is very apparent that if you legalize cannabis in this way, you are not making it fair and accessible for ALL. You are rigging the market and cuckolding your constituents' rights to self determination and access to a plant.

WHERE IS YOUR ALOHA? Respectfully.

DO THE RIGHT THING. Respectfully.

Mahalo nui loa,

Alex Wong



Tuesday, February 14, 2023

Chairman Karl Rhoads
Hawaii Senate Committee on Judiciary

Senate Bill 669 Imposes Excessive Restrictions on Cannabis Licensing

Dear Chairman Rhoads and Members of the Committee:

On behalf of the Reason Foundation, I thank you for accepting these comments and making them part of the public record. Among other things, the Reason Foundation is committed to ensuring that state-regulated cannabis markets are designed in such a way that they remain dynamic and offer genuine economic opportunity to individuals from a range of backgrounds. We are concerned that key provisions in Senate Bill 669 impose unnecessary restrictions on licensing that will raise barriers to entry, limit entrepreneurial opportunities, and inhibit the transition of legacy cannabis suppliers into the regulated marketplace.

Specifically, Section A-8(a)(8) requires the proposed cannabis regulatory authority to place “restrictions on the number of licenses that may be issued.” Similarly, Section A-5 (11) charges the agency to determine a maximum number of cannabis licenses that may be issued. This determination is not subject to further legislative review. The proposed agency is supposed to make this determination based on a review of market data to ensure the supply of regulated cannabis inventory does not exceed demand. The agency is instructed to make this determination prior to issuing rules that would implement the cannabis program. In other words, the agency would make calculations based on unreported transactions that occur in an illicit market. This is an impossible task given the illusiveness of illicit market data.

Moreover, this state-directed planning of supply would be misguided even if the information were readily available. Sponsors are concerned that an excess of supply relative to demand could result in the unauthorized distribution of regulated cannabis inventory. However, Sec. A-8(a)(5) already instructs the agency to adopt rules “to prevent the sale or diversion of cannabis and cannabis products” to unauthorized persons. To the extent this provision requires implementation of a statewide track-and-trace system granting regulators visibility into the location of all units of regulated inventory, then license limits serve no additional function in protecting the integrity of the regulated marketplace. To the contrary, these limits raise barriers to entry that will impede the orderly transition of legacy cannabis suppliers into the regulated marketplace. Jurisdictions that have imposed limits on licenses have witnessed numerous instances of public corruption as officials have demanded or accepted bribes from aspiring licensees.¹ Lack of availability of licenses has led to vibrant activity among unlicensed

¹ See, e.g., Geoffrey Lawrence, “Nevada’s Flawed Marijuana Legalization Process Leads to Corruption and Lawsuits,” Reason Foundation, October 22, 2019, <https://reason.org/commentary/nevadas-flawed-marijuana-legalization-process-leads-to-corruption-and-lawsuits/>; Adam Elmahrek et al. “New Details Show Sprawling Web of Corruption in Southern California Cannabis Licensing,” Los Angeles Times, October 15, 2022, <https://www.latimes.com/california/story/2022-10-15>

DRUG POLICY PROJECT CONTACTS:

Geoffrey Lawrence, Director (geoff.lawrence@reason.org)
Michelle Minton, Sr. Policy Analyst
(michelle.minton@reason.org)

Reason Foundation is a national 501(c)(3) public policy research and education organization with expertise across a range of policy areas, including public sector pensions, transportation, infrastructure, education, and criminal justice. For more information about Reason Foundation’s approach to education and transportation policy, visit reason.org



sellers from California to New York.

Exclusivity in licensing is only the first barrier to entry into the regulated marketplace that limits entrepreneurial opportunities and impedes transition of legacy suppliers into the regulated marketplace. High licensing fees are a second barrier. Sec. A-5(13) places no limit on the licensing fees that can be charged by the proposed cannabis regulatory authority. Section A-8(a)(2) nominally limits application fees to \$10,000, but allows the agency to go above this figure at its discretion. By comparison, application fees for most license types are \$1,000 or less in Alaska, California, Colorado, Maine, Massachusetts, Oregon and Washington.²

Finally, key provisions that should be included within a cannabis legalization measure appear to be missing from Senate Bill 669. There is no provision expressly stating that contracts between cannabis licensees are enforceable under Hawaiian law. Without this provision, parties may break contractual commitments on the basis of a illegality. There is no provision protecting holders of occupational licenses from censure by regulatory authorities on the basis of providing services to a cannabis licensee. There is no provision protecting the parental rights of lawful, adult users of cannabis. Finally, the bill is silent on the role that local governments will play in regulating cannabis licensees.

There are many promising aspects of Senate Bill 669, including a competitive tax rate assessed on retail transactions only. We hope lawmakers resolve the problematic provisions so that Hawaii can launch a successful and dynamic adult-use program that avoids complications seen in other jurisdictions. We are happy to provide further recommendations toward this objective.

Sincerely,
Geoffrey Lawrence
Research Director
Reason Foundation

[15/southern-california-weed-licensing-corruption](https://www.newsreview.com/sacramento/content/cannabis-crime-and-corruption/29674980/); Diane Goldstein, "Cannabis, Crime and Corruption," Sacramento News & Review, January 30, 2020, <https://www.newsreview.com/sacramento/content/cannabis-crime-and-corruption/29674980/>.

² Marijuana Policy Project, "Breakdown of Application, Licensing and Renewal Fees in Adult-Use States," <https://www.newsreview.com/sacramento/content/cannabis-crime-and-corruption/29674980/>.

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February 9, 2023

Re: SB669

COMMITTEE ON JUDICIARY

Senator Karl Rhoads, Chair

Senator Mike Gabbard, Vice Chair

The Coalition for a Drug-Free Hawaii opposes SB669

Aloha, my name is Greg Tjapkes, and I am the Executive Director of the Coalition for a Drug-Free Hawaii (CDFH), we do not find that the legalization of cannabis for personal or recreational use is a natural, logical, nor a reasonable outgrowth of the current science of cannabis.

Today's cannabis is not natural. Natural cannabis would have 1-3% THC, whereas today's genetically engineered cannabis can contain up to 30% THC.

Failing to account for public safety, administrative, and social costs of this policy is not logical. According to the Centennial Institute, for every dollar gained in tax revenue, Coloradans spent approximately \$4.50 to mitigate the effects of legalization

It is not reasonable to consider legalizing recreational cannabis with all of the warnings, research, and other state's experience with:

- increases in THC impaired driving deaths,
- negative outcomes from high THC products including psychosis, mental illness, suicidal ideation and suicide
- pediatric poisonings
- premature birth and early infant death from heavy cannabis using mothers
- and a black market that won't go away.

Please consult the science, work the numbers, and consider the human costs, and you should find that the legalization of cannabis for personal or recreational use is far from natural, logical, or reasonable.

Thank you for the appreciate the opportunity to provide this testimony.

Greg Tjapkes
Executive Director
Coalition for a Drug-Free Hawaii



Testimony from Gracie Johnson
State Policy Director
Last Prisoner Project

RE: Last Prisoner Project Calls on the Hawaii Legislature to Prioritize Criminal Justice Measures in SB 669 This Session

February 14, 2023

Dear Members of the Judiciary Committee,

When a state legalizes adult-use cannabis, it is acknowledging that public interest has shifted on the criminalization of cannabis. The magnitude of this shifting perception is clear in the landscape of national legalization, as adult-use cannabis is now legal in 21 states. 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.

Over the course of last year, the Last Prisoner Project (LPP) worked with members of the Dual Use of Cannabis Task Force to outline [evidence-based policy recommendations](#) for inclusion in any legalization proposal to ensure retroactive relief for those who have been criminalized by prohibition. The Task Force's Social Equity Working Group fully embraced LPP's recommendations, [endorsing them in their official report](#). Unfortunately, none of the recommendations that the Social Equity Working Group endorsed are reflected in SB 669. In order to adequately address the past harms of cannabis criminalization, SB 669 must outline legislative avenues for retroactive relief through state-initiated record clearance and resentencing processes that were supported by members of the Dual Use of Cannabis Task Force.

State-initiated record clearance is an evidence-based policy that is key to redressing the lasting harm caused by cannabis criminal records and the significant and lingering barriers they impose to success. The negative effects of a criminal record on an individual's life are well-documented. Even minor offenses, such as nonviolent drug possession, carry lifelong consequences that can impact an individual's access to employment, housing, voting, financial stability, social assistance programs, and other opportunities, despite the debt already paid to society. State-initiated record clearance is a process in which local and state agencies identify and clear

eligible records, with no action or payment required by the record holder.

State-initiated resentencing is another cornerstone of comprehensive cannabis policy. The War on Drugs and the criminalization of cannabis-related activities have created a racially inequitable criminal legal system where people of color are nearly four times more likely than their white counterparts to be arrested for cannabis, despite similar consumption rates. Requiring Hawaii courts to reconsider cannabis-related sentences upon prohibition's repeal provides a pathway to relief for individuals whose continued incarceration will no longer be in the interests of justice.

We urge the Hawaii legislature to ensure that SB 669 includes a state-initiated record clearance process for cannabis records and guarantees the reconsideration of cannabis-related sentences in light of prohibition's repeal. It is essential that Hawaii's legalization allows those trapped in jails, prisons, or on supervision for cannabis-related activities to have a fair pathway to relief.

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 Hawaii.



Submitted Online: February 13, 2023

HEARING: Tuesday, February 14, 2023

TO: Senate Committee on Judiciary
Sen. Karl Rhoads, Chair
Sen. Mike Gabbard, Vice-Chair

FROM: Eva Andrade, President

RE: Opposition to SB669 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 with regards to 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 major policy change for our community.

Let's fix the vaping problem in Hawaii before we create a situation that may very well be exacerbated by legalized recreational marijuana. On February 16, 2021, Governor David Ige presented a report on the Hawaii Student Health Behaviors. Although some positive results were mentioned, he also expressed great concern regarding “the high number of youth who have tried electronic smoking devices, with 31% (or almost 1 in 3) of high school students using electronic vapor products”ⁱ News stories at that time referred to an effort by the State Department of Health to reduce that number,ⁱⁱ but it continues to grow.

If the youth in Hawai'i are already dabbling in an illegal substance at such high rates, even with the attempt to provide deeper restrictions, do we really believe that marijuana will somehow escape their attention and use? Marijuana concentrates are being used in vaping devices and even the DEA has recognizedⁱⁱⁱ that the marijuana used in vaping contains a higher concentrate. Because marijuana is a performance-degrading drug, school aged keiki who access it will most certainly be put at a disadvantage.

The use of edible products is another way that our youth could access marijuana and that could be a huge unintended consequence. According to Smart Approaches to Marijuana^{iv}, youth drug use has risen in every state that has legalized recreational marijuana.^v We must do everything in our power to ensure that does not happen Hawaii.

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 does alcohol.”^{vi}

Legalization and the perceived societal acceptance are detrimental to the overall safety and wellbeing of our keiki. Family factors can serve both protective and risk functions in adolescents’ substance use. We hear stories of access to illegal substances because of an adult in their own family network. These same individuals have been the connection for their ability to gain easy access to marijuana purchased by adults for “medicinal” use. Legalization of recreational marijuana will make this worse.

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.”^{vii}

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 our strong concerns.

ⁱ [21-026-New-findings-show-promising-trends-in-Hawaii-student-health-behaviors.pdf](#) (February 16, 2021) (accessed 02/10/23)

ⁱⁱ (2022, October 29). *Hawaii DOH launches new campaign to stamp out teen vaping*. KITV 4. Retrieved February 10, 2023, from https://www.kitv.com/video/news/hawaii-doh-launches-new-campaign-to-stamp-out-teen-vaping/video_49d69be0-7890-5c29-99a3-d8e712fb4007.html

ⁱⁱⁱ (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

^{iv} 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>

^v (n.d.). *SAM Frequently Asked Questions*. SAM Smart Approaches to Marijuana. Retrieved February 10, 2023, from <https://learnaboutsam.org/faq/#sam19>

^{vi} 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>

^{vii} 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>

SB-669

Submitted on: 2/10/2023 3:01:25 PM

Testimony for JDC on 2/14/2023 9:40:00 AM

Submitted By	Organization	Testifier Position	Testify
Victor K. Ramos	Individual	Oppose	Written Testimony Only

Comments:

OPPOSE: PROTECT OUR CHILDREN & YOUTH by scrapping this proposal. The internet is full of examples, cases and stories of how the children and youth were negatively impacted in states where cannabis use was legalized for recreational use. In fact, products are being sold that target young people. The proof is at your fingertips. They talk about real people, real children and real families.

SB-669

Submitted on: 2/10/2023 3:35:48 PM

Testimony for JDC on 2/14/2023 9:40:00 AM

Submitted By	Organization	Testifier Position	Testify
Beverly Heiser	Individual	Oppose	Written Testimony Only

Comments:

Aloha Senator Karl Rhoads, Chair; Senator Mike Gabbard, Vice Chair; and Committee Members,

I STRONGLY oppose SB669 that establishes regulations for the cultivation, sale, and personal use of small amounts of cannabis, decriminalizes and regulates small amounts of cannabis for personal use, and establishes taxes for cannabis sales.

“Recreational” cannabis, unlike “medical” cannabis, does not contain CBD to modulate the adverse effects of THC. Some in the general public, without doing research, may not understand the difference. Recreational cannabis is just another way to get high.

The THC in cannabis is known to affect the heart, lungs, and mental health of individuals.

Health Effects Listed by the CDC: <https://www.cdc.gov/marijuana/health-effects/index.html>

Legalizing will increase cannabis use in our community, including our youth. The effects vary from person to person, depending on the type, the mode of use, the amount, and frequency. It can cause anxiety, paranoia, psychosis, and other mental disorders. There is evidence linking it to depression and suicide. There are already so many that need mental health care and are not getting it due to the lack of services and facilities.

Regulation will not work. Recent media showed an authorized “medical” cannabis grower exceeded the amount of plants allowed, so how do we expect to control the “recreational” type? Individuals will illegally grow and start selling their own stash. The THC in cannabis today is much stronger than years past. People will steal plants, causing a need to protect them. This will cause a rise in crime that is already out of control.

There will be an increase of impaired drivers and vehicle accidents.

Effects of secondhand smoke listed by the National Institute on Drug Abuse:

<https://nida.nih.gov/publications/research-reports/marijuana/what-are-effects-secondhand-exposure-to-marijuana-smoke>

Secondhand cannabis smoke is as bad as tobacco and contains the same toxic and cancer-causing chemicals, some in higher amounts. Secondhand smoke has also caused THC to be detected in

the blood or urine of those who do not use cannabis. It has also been detected in children and infants in homes where cannabis is used. How will this secondhand smoke affect their developing brains? A “contact high” resulting in mild impairment can be experienced by non-users when in a confined space around someone smoking.

Addictions will grow and may lead to the use of other drugs. We already DO NOT have enough drug treatment programs to treat those that need help.

Any amount of taxes collected is NOT worth the risk to our community. Other states legalizing is a poor justification to follow suit. It will NOT reduce crime or prison space. What are the statistics of people spending extended time in jail for cannabis possession? Our prison is known to be a revolving door. It is also outdated and overcrowded.

Please OPPOSE SB669.

Thank you for the opportunity to testify

To: The Honorable Senator Karl Rhoads, Chair
The Honorable Senator Mike Gabbard, Vice Chair
Members of the Senate Committee on Judiciary

Re: Opposition to SB 669 Relating to Cannabis

Hrg: Tuesday, February 14^h, 2023 at 9:40am, Conference Room 016

I am submitting testimony in **opposition of SB 669**, which would allow for personal use of cannabis in Hawaii.

We are moving too fast to legalize without enough consideration of the costs of such a policy.

- In states that have legalized, the black market in illegal cannabis has only grown.¹
- The costs, both fiscal and social, connected to legalization will outweigh any potential revenue projection. Other states have found that claims of high cannabis tax revenues have fallen far short of what they were promised.²
- We do not need to legalize cannabis to reform the criminal justice system. Hawaii has already decriminalized cannabis, which eliminated arrests for possessing small amounts of cannabis. We can remove criminal penalties, expunge records, and offer justice without commercializing high potency cannabis products.
- Cannabis is already available to those who have a medical need in Hawaii. There is no need for dual use.

The only people who benefit from a rush to legalize are a small number of investors and the large corporations that have moved into this industry.

The health and well-being of our keiki should be our priority. The bill doesn't take into account the cost to our children.

- The Academy of Pediatrics opposes legalization because of the potential harms to children and adolescents.³
- Substance use disorders, the development of psychosis, and suicide risk among heavy users are serious mental health concerns associated with adolescent marijuana use. Cannabis use has been associated with a negative impact on brain development, cognition, and academic performance.⁴
- Marijuana-related ER visits by Colorado teens has been on the rise since legalization.⁵

¹ Detrano, J. (n.d.). Cannabis Black Market Thrives Despite Legalization. Rutgers Center of Alcohol & Substance Use Studies. <https://alcoholstudies.rutgers.edu/cannabis-black-market-thrives-despite-legalization/>

² Becker, B. (2019). Cannabis Was Supposed to be a Tax Windfall for States. The Reality Has Been Different. *Politico*. Retrieved February, 10, 2023.

³ COMMITTEE ON SUBSTANCE ABUSE, COMMITTEE ON ADOLESCENCE, Seth D. Ammerman, Sheryl A. Ryan, William P. Adelman, Sharon Levy, Pamela K. Gonzalez, Lorena M. Siqueira, Vincent C. Smith, Paula K. Braverman, Elizabeth Meller Alderman, Cora C. Breuner, David A. Levine, Arik V. Marcell, Rebecca Flynn O'Brien; The Impact of Marijuana Policies on Youth: Clinical, Research, and Legal Update. *Pediatrics* March 2015; 135 (3): 584–587. 10.1542/peds.2014-4146

⁴ Kristie Ladegard, Christian Thurstone, Melanie Rylander; Marijuana Legalization and Youth. *Pediatrics* May 2020; 145 (Supplement_2): S165–S174. 10.1542/peds.2019-2056

⁵ Wang GS, Davies SD, Halmo LS, Sass A, Mistry RD. Impact of Marijuana Legalization in Colorado on Adolescent Emergency and Urgent Care Visits. *J Adolesc Health*. 2018 Aug;63(2):239-241. doi: 10.1016/j.jadohealth.2017.12.010. Epub 2018 Mar 30. PMID: 29609916.

- As more states legalize cannabis, there has been a sharp increase in calls to the Poison Control Center, as children unintentionally ingest products marketed to look like candy or snacks. A recent analysis by the American Academy of Pediatrics found in states where cannabis was legalized there was a 1375% increase in calls to the Poison Control centers due to children 5 and under being exposure to cannabis products. They also found an increase in acute toxicity and severity among cases, with nearly quarter of the children being hospitalized after consuming edible cannabis products. Drowsiness, breathing problems, fast hear rate, and vomiting were the most common symptoms.⁶

Our kids are watching everything we do and discuss as adults, and it impacts their behavior. The intention of the law may be to make cannabis legal for those 21 and older, but the real impact is that legalization will make cannabis more accessible to kids. It will also change the perception of harm kids have regarding marijuana use.

“In the national conversation regarding legalization, many legalization proponents portray marijuana use as harmless. Research has shown that perception of harm is a potential indicator of marijuana use and that a reduction of perceived harm is commonly associated with an increase in marijuana use.⁷ A study that used Monitoring the Future data showed that eighth-grade students from schools located close to medical marijuana dispensaries (short traveling distance, <5 miles) were more likely to have recently used marijuana compared with those from schools located farther from dispensaries (>25 miles).⁸”
(K. Ladegard, MD, C. Thurstone, MD, & M. Rylander, MD, American Academy of Pediatrics)⁹

Cannabis use places drivers at risk

- Cannabis can impair coordination, distort perception, and lead to memory loss and difficulty in problem-solving. When driving, THC can slow reaction times and reduce the ability to make decisions.
- Both Washington and Colorado have experienced increases in marijuana-impaired drivers on the road and marijuana-impaired fatalities since legalization.^{10 11}

Please consider the safety of our community and our children and do not pass SB 669.
Mahalo for your time and consideration.

Dr. Colleen Fox
Honolulu (Makiki), Hawaii

⁶ Marit S. Tweet, Antonia Nemanich, Michael Wahl; Pediatric Edible Cannabis Exposures and Acute Toxicity: 2017–2021. *Pediatrics* February 2023; 151 (2): e2022057761. 10.1542/peds.2022-057761

⁷ Johnston LD, O’Malley PM, Miech RA, Bachmen JG, Schulenberg JE. Monitoring the Future National Survey Results on Drug Use 1975-2016. 2017. Available at: <http://monitoringthefuture.org/pubs/monographs/mtf-overview2016.pdf>. Accessed August 23, 2019

⁸ Shi Y. The availability of medical marijuana dispensary and adolescent marijuana use. *Prev Med.* 2016;91:1–7

⁹ Kristie Ladegard, Christian Thurstone, Melanie Rylander; Marijuana Legalization and Youth. *Pediatrics* May 2020; 145 (Supplement_2): S165–S174. 10.1542/peds.2019-2056

¹⁰ Migoya, D. (2017, August 25). Exclusive: Traffic fatalities linked to marijuana are up sharply in Colorado; Is legalization to blame? Denver Post. Retrieved February 10, 2023, from <https://www.denverpost.com/2017/08/25/colorado-marijuana-traffic-fatalities/>

¹¹ Johnson, T. (2016, May 10). Fatal road crashes involving marijuana double after state legalizes drug. AAA NewsRoom. Retrieved February 10, 2023, from <http://newsroom.aaa.com/2016/05/fatal-road-crashes-involving-marijuana-double-state-legalizes-drug/>

SB-669

Submitted on: 2/11/2023 7:54:42 AM

Testimony for JDC on 2/14/2023 9:40:00 AM

Submitted By	Organization	Testifier Position	Testify
Dr Marion Ceruti	Individual	Support	Written Testimony Only

Comments:

Please vote "no." I oppose this bill, but if it passes, the legislature should lower taxes in other areas to make up for the money collected from cannabis use. We have a budget surplus. Something must be done to prevent Hawaiians from leaving the islands for economic reasons. Heavy taxation is among the reasons why the cost of living is so high here.

SB-669

Submitted on: 2/11/2023 3:51:09 PM

Testimony for JDC on 2/14/2023 9:40:00 AM

Submitted By	Organization	Testifier Position	Testify
Dara Yatsushiro	Individual	Oppose	Written Testimony Only

Comments:

Opposed

SB-669

Submitted on: 2/11/2023 5:11:28 PM

Testimony for JDC on 2/14/2023 9:40:00 AM

Submitted By	Organization	Testifier Position	Testify
Paulette Tam	Individual	Oppose	Written Testimony Only

Comments:

I oppose all measures including SB669 - Cannabis and related to Legalize Hemp, Cannabis Sativa Delta-9 tetrahydrocannabinol (THC) , Marijuana for recreational use, Taxation of , personal crop on private prpperty, due to possible Underage Access and Overdose. "... may have higher concentrations of cannabidol (CBD), which potentiially mitigates the psychoactive effects of THC(7)." Hemp - Wikipedia; second paragraph; Last edited 14 days ago.

Please don not pass SB669 related to Cannabis.

Thank you for your time.

February 11, 2023; 5:10 pm; Saturday

SB-669

Submitted on: 2/11/2023 4:29:22 PM

Testimony for JDC on 2/14/2023 9:40:00 AM

Submitted By	Organization	Testifier Position	Testify
Elaine Brown	Individual	Oppose	Written Testimony Only

Comments:

Honorable Legislators:

I oppose passing SB 669 because Hawaii's governance is not able to deal with the impacts and consequences of cannabis recreational use and abuse. Let us focus on dealing with current social problems that do not seem to subside in any way. Thank you.

SB-669

Submitted on: 2/11/2023 6:43:50 PM

Testimony for JDC on 2/14/2023 9:40:00 AM

Submitted By	Organization	Testifier Position	Testify
Wendy Pasion	Individual	Oppose	Written Testimony Only

Comments:

Aloha,

Please listen to my testimony with your heart; I have used marijuana in the past and my mind became

unstable in making good decisions which lead to further

drug abuse and physical and mental abuse in relationships not only does it eefec mental cognitive abilities but social financial employment and many more

areas were compromised due to drug use and abuse.

be very clear this drug is dangerous and is not to

be legalized at all costs to our community.

thank you

SB-669

Submitted on: 2/11/2023 6:45:23 PM

Testimony for JDC on 2/14/2023 9:40:00 AM

Submitted By	Organization	Testifier Position	Testify
LAURA NAKANELUA	Individual	Oppose	Written Testimony Only

Comments:

Aloha Chair Rhoads and Vice-Chair Gabbard,

My name is Laura Nakanelua and I am a concerned citizen and Kailua resident and am opposed to SB669.

As a parent of a local boy who became dependent on Marijuana through "recreational use" *and* as someone who is intimately familiar with addiction, I stand in strong opposition to SB669.

As a Hawaiian kid growing up and attending Pu'ohala and Kalaheo, my son would have had to work pretty hard to avoid being exposed to pot in and outside of school. Let's not send the message that drugs are cool and recreational use doesn't cause harm. That's a dangerous lie.

Take a closer look at our homeless population in Hawaii and ask yourself two questions:

Where did these people come from?

How did they get here?

The truth is that they are locals. And far too many of them will tell you straight that their journey began with a little bit of harmless weed and ended in devastation.

This bill may read that it is for adult consumers only, but passing it could cause harm not only to adults, but to kids and entire families. For generations. That's what drug use does.

Please... I ask you to choose to find ways to make our people healthier and stronger; of sound mind and body.

Be the one who stands between potential harm and our people and not the one who opens the door and invites it in.

Mahalo for your consideration,

Laura Nakanelua

548A Kipuka Pl, Kailua HI 96734

808-561-2325

SB-669

Submitted on: 2/12/2023 8:04:20 AM

Testimony for JDC on 2/14/2023 9:40:00 AM

Submitted By	Organization	Testifier Position	Testify
Ktreese Rodriguez	Individual	Support	Written Testimony Only

Comments:

I strongly support SB669.

SB-669

Submitted on: 2/12/2023 11:47:10 AM

Testimony for JDC on 2/14/2023 9:40:00 AM

Submitted By	Organization	Testifier Position	Testify
Dakin retzlaff	Individual	Support	Written Testimony Only

Comments:

Majority of residents, the governor, and the dual use task force all agree on passing this bill to legalize cannabis. Thank you.

SB-669

Submitted on: 2/12/2023 1:03:56 PM

Testimony for JDC on 2/14/2023 9:40:00 AM

Submitted By	Organization	Testifier Position	Testify
Rita Kama-Kimura	Individual	Oppose	Written Testimony Only

Comments:

Sen. Rhoads, Chair / Sen. Gabbard, Vice Chair

Senate Committee Members: Elefante, San Buenaventura and Awa

Please note that I stand in strong opposition to the passing of this Bill SB669 to legalize Cannabis.

A number of years ago we cautiously passed cannabis for *medicinal* use. However at that time, many were afraid that move would eventually open the door to this! “Recreational” use. The objective? Taxes? I do not believe the taxes will cover the damages this move will cost all of us.

Have you given any thought to the misuse of this cannabis? and it will be misused. Given thought to the danger of this falling into the vulnerable, easily influenced hands of our youth. Imagine the devastation that will follow.

Just how will misuse of this cannabis, work in conjunction with say the “Bail Reform” bill? Will it be considered minor? minor→ no bail, free to go?

I ask you to consider these things and I ask you to look at other testimonies being submitted in opposition. Some that may have heartbreak stories links to them.

Again I ask you to stop this bill now, do not let it move any further.

Respectfully,

Rita Kama-Kimura

SB-669

Submitted on: 2/12/2023 1:16:44 PM

Testimony for JDC on 2/14/2023 9:40:00 AM

Submitted By	Organization	Testifier Position	Testify
Alexander Leonard	Individual	Support	Written Testimony Only

Comments:

To the Senate Judiciary Committee of the 2023 Hawaii State Legislature

Testimony in support of SB669 Relating to Cannabis

From Alexander Leonard, Ph.D., Kailua-Kona, Hawai`i 96740

Honorable Senators, I support the legalization of cannabis in Hawaii in 2023.

As a licensed Hawaii Medical Cannabis user, I am very aware of the unique benefits cannabis brings to the treatment of my chronic life-long malady – benefits not replicated by modern pharmaceutical science. I rely on them to help me lead a productive life, and to engage positively with society. I can also assure you from personal experience, that contrary to commonly-stated opposition, cannabis is not a “gateway drug”.

Since Hawaii law permits me access to the natural medicine, my testimony here is not for myself – but rather those who have not got that access. I know that cannabis – if used appropriately – can be beneficial and healthful. Of course there can be negative consequences for inappropriate use, for example consuming unregulated grey-market cannabis that is tainted by pesticides. Legalization would significantly lessen those kinds of negatives.

I believe that the preponderance of evidence from other jurisdictions that have legalized cannabis is strongly supportive of the move – the positive social, equity and financial outcomes, such as no longer having to incarcerate people for cannabis-related offenses, far outweigh the negatives.

Do we need to protect children from access – yes, just as we do for tobacco, alcohol and guns – but you will note that data show that far more children are injured or worse from these three than are from cannabis use.

I urge you to review the findings and recommendations of State Dual-Use Cannabis Task force as summarized in their 2023 report to the legislature. I believe you will find common-sense and practical solutions to resolving some of the potential problems associated with legalization, and to listen to the voices of the significant majority of Hawaii residents and finally make cannabis, it’s cultivation and use legal under Hawai`i law.

SB-669

Submitted on: 2/12/2023 1:37:06 PM

Testimony for JDC on 2/14/2023 9:40:00 AM

Submitted By	Organization	Testifier Position	Testify
Will Caron	Individual	Support	Written Testimony Only

Comments:

As of 2022, 37 states and four U.S. territories allow the use of cannabis for either or both medical and personal purposes. Hawaii enacted Chapter 329, part IX, Hawaii Revised Statutes to create a medical use of cannabis exemption from criminal sanctions and chapter 329D, Hawaii Revised Statutes, was enacted to authorize medical cannabis dispensaries to operate beginning July 2016.

In addition to medical cannabis laws, some states and jurisdictions have legalized or decriminalized cannabis. In each state, cannabis users no longer face jail time for the possession or use of cannabis in the amount permitted by statute. As of 2020, 21 states and three United States territories have legalized recreational cannabis.

Colorado was the first state to remove the prohibition on commercial production of cannabis for general use. During the first year of legal cannabis sales in 2014, Colorado collected \$67,594,323 in taxes and fees from medical and retail cannabis. As of November 2020, Colorado has collected \$1,563,063,859 in total revenue from cannabis taxes and fees.

The federal government has also signaled its approval of decriminalization at the federal level. On December 4, 2020, the United States House of Representatives passed the Marijuana Opportunity Reinvestment and Expungement Act, or MORE Act, which removes cannabis from the list of federally controlled substances and facilitates cancelling low—level federal convictions and arrests related to cannabis. This was the first time Congress has acted on the issue of decriminalizing cannabis.

Legalization of cannabis for personal or recreational use is a natural, logical, and reasonable outgrowth of the current science of cannabis and attitude toward cannabis. Cannabis cultivation and sales hold potential for economic development, increased tax revenues, and reduction in crime. Please pass SB669.

SB-669

Submitted on: 2/12/2023 4:46:32 PM

Testimony for JDC on 2/14/2023 9:40:00 AM

Submitted By	Organization	Testifier Position	Testify
Jennifer Martin	Individual	Comments	Written Testimony Only

Comments:

To whom it may concern,

I have a 25-year history in the cannabis industry, first as a commercial grower, then as a consultant and licensing expert. I have been a Hawaii resident for 10 years. I have a person interest in the legislation, as I will be seeking a cultivation license, if they become available.

I object to two major items in SB669. Knowing that the current medical dispensaries are heavily lobbying and influencing the process of cannabis legalization in Hawaii, they are seeking certain advantages in these bills for themselves.

1. This bill gives the pre-existing dispensaries a right to full vertical integration and dual-use sales, but tries to exclude other license holders from having an interest in any other license types; they are limited to only 1 type. (pages 19-20)

2. The pilot period (page 21) is in the bill to give the pre-existing license holders an advantage over new licensees, but those medical license holders have already had a 7-year oligopoly in the state. They are already multi-million dollar companies and don't need any further advantage (!).

3. Last, the regulatory agency to be created in this bill will have discretion over how many licenses will be granted. The risk, again, is that the pre-existing license holders will have outweighed influence in this process. It would be more fair to simply define a number of licenses, and their maximum production sizes, based on the population and tourist consumer estimates, and critically, to not let any one licensee exceed a certain moderate size/production level. Licenses shouldn't be big or stackable. I recommend a 10,000 sqft canopy max for any cultivation license holder to dissuade and prevent out-of-state and in-state big business taking over Hawaii's cannabis industry. This is a size that allows for plenty of production and profit, without big-business dominance.

Legalization has gone wrong in other states where either A) too many licenses are granted, causing the price of cannabis, and the industry, to crash with oversupply, B) the gray market has been allowed to flourish alongside the legal market and C) when too few licenses allow the industry to be controlled by oligopolies, which increases prices and reduces product choices for consumers.

So to conclude, I support SB 669 if it is altered to cut back on the blatant advantages written into it for the sake of pre-existing medical license holders.

Thanks for your time, Jennifer Martin CannabisCultivationConsulting.com

SB-669

Submitted on: 2/12/2023 5:53:46 PM

Testimony for JDC on 2/14/2023 9:40:00 AM

Submitted By	Organization	Testifier Position	Testify
Celle Galarza	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Rhoads and Vice Chair Gabbard,

I am in strong SUPPORT of by SB 669 so that cannabis would be legal in the state of Hawai'i. It is legal for recreational and medical use in several other states. It is a medicine and has several medical benefits and should not be restricted. Mahalo for the opportunity to testify.

Sincerely,
Celle Galarza

SB-669

Submitted on: 2/12/2023 7:19:49 PM

Testimony for JDC on 2/14/2023 9:40:00 AM

Submitted By	Organization	Testifier Position	Testify
Monica Stone	Individual	Support	Written Testimony Only

Comments:

Mahalo Committee Members for receiving my testimony in support of SB669. Mahalo,

Monica Stone

Kailua-Kona, HI 96740

SB-669

Submitted on: 2/12/2023 7:22:26 PM

Testimony for JDC on 2/14/2023 9:40:00 AM

Submitted By	Organization	Testifier Position	Testify
Susan Oliver	Individual	Support	Written Testimony Only

Comments:

Cannabis should never have been illegal. This herb has been proven to be useful in many ways. It has been stigmatized out of ignorance and fear. That's understandable but ridiculous. People need to be educated and informed regarding benefits. This important tool is unfairly denied to many who cannot afford a medical marijuana permit. This is an important step forward for Hawaii. Progress should not be denied this state.

SB-669

Submitted on: 2/12/2023 7:42:19 PM

Testimony for JDC on 2/14/2023 9:40:00 AM

Submitted By	Organization	Testifier Position	Testify
adam siehr	Individual	Oppose	Written Testimony Only

Comments:

No opportunity for local farmers and small businesses to participate in the program .

SB-669

Submitted on: 2/12/2023 8:27:18 PM

Testimony for JDC on 2/14/2023 9:40:00 AM

Submitted By	Organization	Testifier Position	Testify
Pat Fondren	Individual	Oppose	Written Testimony Only

Comments:

I strongly oppose SB 669 .The people of Hawaii do not need a monopoly on cannabis .
Dispensary policy cannot be law in Hawaii

this I a disgrace to kupuna who need affordable access to medicine.

SB-669

Submitted on: 2/12/2023 8:47:19 PM

Testimony for JDC on 2/14/2023 9:40:00 AM

Submitted By	Organization	Testifier Position	Testify
Heidi Brown	Individual	Oppose	Written Testimony Only

Comments:

The decriminalization of cannabis is beyond needed in the State of Hawaii. The construction of this bill gives all power abilities to the dispensaries, leaving our local cannabis community and small business licenses without the ability to profit in this legalization process. This is a complete monopolization of the system. The legalization of cannabis should not have to compete in the same bill with the commercialization of cannabis. This is an extremely profitable industry and should be shared within the Hawaiian Community. Allowing a more community-based program for this legalization process will benefit everyone instead of the dispensaries and the State of Hawaii.

There is also a huge matter in question about tracking the patient's information from these facilities. This is completely against human rights and medical laws. This bill does not help our cannabis community, it hurts it. These should be two separate bills, as they are two completely different parts to what needs to be addressed. Commercialization and legalization are NOT the same and should NOT be paired together in one bill.

I oppose SB 669. A decriminalization and legalization bill cannot be tied to a dispensary commercialization bill. Dispensaries cannot be the only people profiting in the cannabis industry and this bill will strengthen an already monopolized system. This bill does not support local cannabis jobs and small business licenses for the people of Hawaii. We do support decriminalization, but bill SB669 is bartering cannabis legalization for commercialization. Thank you.

Prema Vristi Tanaka

SB-669

Submitted on: 2/12/2023 10:37:11 PM

Testimony for JDC on 2/14/2023 9:40:00 AM

Submitted By	Organization	Testifier Position	Testify
shayne pung	Individual	Oppose	Written Testimony Only

Comments:

I oppose bill sb669. We as Hawaiian Homestead DHHL native Hawaiians cannot afford dispensaries. We grow for ALL our sick and old kupunas and 5 cards per TMK is very very ridiculous. All the Hawaiian people gotta suffer again. We provide food and medicine to our Hawaiian home dhhl communities and that's a whole fight in itself.

SB-669

Submitted on: 2/12/2023 9:38:22 PM

Testimony for JDC on 2/14/2023 9:40:00 AM

Submitted By	Organization	Testifier Position	Testify
Amy Fitzgerald	Individual	Oppose	Written Testimony Only

Comments:

This is moving backwards in terms of truly decriminalizing cannabis.

SB-669

Submitted on: 2/12/2023 9:52:44 PM

Testimony for JDC on 2/14/2023 9:40:00 AM

Submitted By	Organization	Testifier Position	Testify
Adam L Smith	Individual	Support	Written Testimony Only

Comments:

As a resident of Hawaii, I strongly support the legalization of marijuana in our state. The benefits of legalizing and regulating marijuana are clear, including the potential to generate significant tax revenue that can be used to fund essential state services.

In states like Colorado, which legalized marijuana in 2014, tax revenue from marijuana sales has been used to fund programs and services like education, mental health, and substance abuse treatment. This revenue could make a significant difference in Hawaii, where we have a great need for improved public services and infrastructure.

Furthermore, legalizing marijuana could create new job opportunities and stimulate economic growth in our state. It could also reduce the number of nonviolent drug offenders incarcerated in Hawaii, which would save the state money while improving lives.

Overall, the benefits of legalizing marijuana in Hawaii are too great to ignore. I urge our legislators to support this bill and bring our state up to speed with the many other states that have already recognized the benefits of legalizing and regulating marijuana.

SB-669

Submitted on: 2/12/2023 9:59:34 PM

Testimony for JDC on 2/14/2023 9:40:00 AM

Submitted By	Organization	Testifier Position	Testify
Fehren Jones	Individual	Oppose	Written Testimony Only

Comments:

Aloha.

I oppose SB 699. This bill doesn't support local cannabis jobs and small licensed businesses here in Hawai'i and it's a shame because what keeps Hawai'i, Hawai'i is the communities, not big entities with deep pockets driving BMW and Teslas. The little "mom/pop" shop type that creates craft batches with care whether it's a special blend infused tincture because possibly harvesting their own coconuts to make coconut oil. Or supporting your favorite farmer because you are aware what type of fertilizer and inputs they put into the plants feeding regime and not harmful chemicals. Keep the money in Hawai'i economy!

We know cannabis can a the money crop. With that in mind, I don't like the idea that the dispensaries are profiting to a point of monopolizing with the system that's created. This SB 699 will only give the dispensaries strength and push the small guys out when they're trying to make ends meet as well. This is the worry of how alot of individuals in the cannabis community may lose their jobs/businesses too, followed with the ripple effect possibly not being able to pay rent, utilities, etc.

Mahalo for your time. Once again, I do not support SB 669. Maika'i lā.

SB-669

Submitted on: 2/12/2023 10:13:13 PM

Testimony for JDC on 2/14/2023 9:40:00 AM

Submitted By	Organization	Testifier Position	Testify
Rebecca Ching	Individual	Oppose	Written Testimony Only

Comments:

My name is Rebecca Ching I am submitting testimony in opposition of SB669.

this bill will destroy the cannabis community in Hawaii by allowing the dispensaries to monopolize the market and craft/small farmers will suffer and in turn our patients. Dispensaries are expensive and limited. Decriminalization is important but so are small farmers. There needs to be some measures in place to protect everyone's interest. Not just dispensaries.
aloha.

SB-669

Submitted on: 2/12/2023 10:22:31 PM

Testimony for JDC on 2/14/2023 9:40:00 AM

Submitted By	Organization	Testifier Position	Testify
Wendy Gibson-Viviani	Individual	Support	Written Testimony Only

Comments:

To: The REGULAR SESSION OF 2023 -- COMMITTEE ON JUDICIARY

From: Wendy Gibson-Viviani RN

RE: SB 669 –Relating to Cannabis-- **in Support**

HEARING: Tuesday, February 14, 2023 at 9:40 AM

PLACE: Conference Room 016 & Videoconference State Capitol 415 South Beretania Street

Dear Honorable Chair, Karl Rhoads, Vice-Chair, Mike Gabbard and Members of the Committee,

My name is Wendy Gibson-Viviani. I am a 30-year resident on Oahu, and a Cannabis Nurse Educator (RN/BSN). I am a strong **supporter of the decriminalization of cannabis and SB669.**

I believe that most people who use cannabis do so in a responsible fashion. I personally, do not put poisons (like alcohol) in my body—and feel that cannabis is a healthier choice of inebriant.

Our current law, allowing up to 3 grams for personal use was a good start but allowing up to 30 grams is a much more realistic amount that someone might possess.

I strongly support SB669 as it will allow for a reasonable amount of cannabis for personal use, has provisions for growing up to six plants and for taxed sales. I like that this bill would create a regulatory authority and would limit e-liquids/juices.

I appreciate that SB669 allows for personal freedoms while providing some measures for public health and safety.

Thank you for this opportunity to submit testimony.

Wendy Gibson-Viviani RN

Oahu resident for 30 years. (Kailua).

SB-669

Submitted on: 2/12/2023 10:47:23 PM

Testimony for JDC on 2/14/2023 9:40:00 AM

Submitted By	Organization	Testifier Position	Testify
ikaika aranda	Individual	Oppose	Written Testimony Only

Comments:

aloha I opposed this bill. I am a medical 329 patient this bill just give all right to dispensary and outside companies to make money. I thought medical cannabis would have been better in quality and prices in our hawaii dispensary .I can honestly say it not . with this bill you take away job from local farmers and people .there alot of farmer on islans there provide quality medicine better them dispensary. why not let dispensary buy form our local farmer. keep the money in hawaii not out of state business.

SB-669

Submitted on: 2/13/2023 12:41:27 AM

Testimony for JDC on 2/14/2023 9:40:00 AM

Submitted By	Organization	Testifier Position	Testify
renee kam	Individual	Oppose	Written Testimony Only

Comments:

I strongly oppose legalizing the recreational use of marijuana. The young adolescent's will start abusing and using marijuana and this will affect their overall health.

SB-669

Submitted on: 2/13/2023 1:13:17 AM

Testimony for JDC on 2/14/2023 9:40:00 AM

Submitted By	Organization	Testifier Position	Testify
Patrick Rorie	Individual	Oppose	Written Testimony Only

Comments:

Dear Hawaii State Senators and members of the Senate Committee on Judiciary,

Please vote 'No' to Senate Bill 669 which will legalize recreational marijuana in the State of Hawaii

Why? Here are 6 good reasons...

1) It is illegal on the Federal level, and in 29 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-669

Submitted on: 2/13/2023 5:57:09 AM

Testimony for JDC on 2/14/2023 9:40:00 AM

Submitted By	Organization	Testifier Position	Testify
Tricia Mills	Individual	Oppose	In Person

Comments:

Decriminalization and legalization cannot be tied to dispensary commercialization bills. Dispensaries cannot be the only people profiting in the cannabis industry and this bill will strengthen an already monopolized system. This bill does not support local cannabis jobs and small business licenses for the people of Hawaii. I support decriminalization, but bill SB669 barbers cannabis legalization for commercialization.

SB-669

Submitted on: 2/13/2023 6:14:02 AM

Testimony for JDC on 2/14/2023 9:40:00 AM

Submitted By	Organization	Testifier Position	Testify
Drew Erickson	Individual	Oppose	Written Testimony Only

Comments:

If we make cannabis legal, we should free people that are in jail due to cannabis-related offenses, and expunge the records of cannabis convictions. Please include language to address this. This Bill also gives the dispensaries a monopoly over the market, where they were created to serve medical patients not the larger public. This Bill needs more work and should not be passed in its present state.

SB-669

Submitted on: 2/13/2023 7:25:03 AM

Testimony for JDC on 2/14/2023 9:40:00 AM

Submitted By	Organization	Testifier Position	Testify
Jeremiah J Ryan III	Individual	Oppose	Written Testimony Only

Comments:

I oppose SB 669.

Decriminalization of Cannabis is a good idea, but not when it only favors a very small percentage of Hawaiians involved in the industry.

This bill does not support local Cannabis jobs or small business licenses for the people of Hawai'i.

The bill would enforce the current monopoly of the dispensaries which already sell inferior products at a ridiculous price.

Decriminalization equals Normalization. The health and welfare of the People should always come before the financial benefit of a few.

Thank you.

SB-669

Submitted on: 2/13/2023 7:27:32 AM

Testimony for JDC on 2/14/2023 9:40:00 AM

Submitted By	Organization	Testifier Position	Testify
J. Kawika kahiapo	Individual	Oppose	Written Testimony Only

Comments:

I support the decriminalization of cannabis use. I strongly oppose the commercialization of cannabis through a dispensary model as written in SB699. I believe that with better planning and foresight, we can create a medical marijuana economy that can both serve and protect Hawaii's economy, and take care of our ailing members of society.

SB-669

Submitted on: 2/13/2023 8:05:05 AM

Testimony for JDC on 2/14/2023 9:40:00 AM

Submitted By	Organization	Testifier Position	Testify
Chad Miller	Individual	Oppose	In Person

Comments:

i dont not support legalization. Though I feel that is something we need to consider in the future, right now Hawaii's Medical Cannabis program has failed the people of Hawaii. For 17 years we didnt have access to medicine for these patients. When dispensaries opened, since they one they have been for profit and the DOH has catered numerous changes to the laws to help them generate more money. Its 100 true and documented facts. Lets talk remediation? this was introduced to turn failed product into money, they also use it on the flower to Doop testing results to pass failed product and sell flower as flower which is not the way.

These dispensaries are prodcing the greatest medicine either and it is extremely overpriced. The state of Hawaii needs to fix and address the current issues in the medical market before ever turning to legalization. Look at every state that has went legal. Without proper attention and well thought out plans for the medical patients, as when that transition happens the true patients suffer the most, from cost of medicine as well as access to that medicine. This has become a huge problem in other states. We need to fix the vertically integrated structure to allow horizontal participation for and form the people of Hawaii. They have already changed the testing the rules for the plant but never documented it. Many of other states CANNRA or whatever fact MMJ site will show you that our testing is wrong and the main reason our market and dispensaries are hurting.

The only thing i support is addresssing fixing the current system before ever looking to transition to a legal rec market. The people of Hawaii should be flourishing from this plant based medicine not struggling like we have been. Its sad to see the state and other authorities target Care Waialua and other patient farms for actually succeeding in the rules for providing access to affordable medication.

A decriminalization and legislation bill cannot be tied to a dispensary commercialization bill. Dispensaries cannot be the only people profitting in the cannabis industry and this bill does not support local cannabis jobs and small business licensees for the people of Hawaii. I support decriminalization, but not on bartering cannabis legalization for commercialization.

SB-669

Submitted on: 2/13/2023 8:11:41 AM

Testimony for JDC on 2/14/2023 9:40:00 AM

Submitted By	Organization	Testifier Position	Testify
Michael karlovich	Individual	Oppose	Written Testimony Only

Comments:

As a medical patient I believe cannabis should be legalized but it should also be an open market in order to create more jobs and keep access to cannabis affordable for the people of Hawaii. Dispensaries and medical growers should have the same opportunities and rights to grow cannabis, we would not be here without the medicinal growers, they have carried the people that truly need this plant so far and deserve to keep doing so. Mahalo.

SB-669

Submitted on: 2/13/2023 8:27:55 AM

Testimony for JDC on 2/14/2023 9:40:00 AM

Submitted By	Organization	Testifier Position	Testify
Tanya Kamali'iwahine Gonzales	Individual	Oppose	Written Testimony Only

Comments:

Aloha,

I am a Lupus patient using cannabis to lessen my symptoms daily. I **oppose** SB 669 because a decriminalization and legalization bill can't be tied to a dispensary commercialization bill. Dispensaries cannot be the only people profiting in the cannabis industry and this bill will strengthen an already monopolized system. This bill does not support local cannabis jobs and small business licenses for the people of Hawai'i. Thank you.

Sincerely,

Tanya Gonzales

SB-669

Submitted on: 2/13/2023 8:34:55 AM

Testimony for JDC on 2/14/2023 9:40:00 AM

Submitted By	Organization	Testifier Position	Testify
David Shizuma	Individual	Support	Written Testimony Only

Comments:

I am writing in support of SB669.

As the bill calls out, there has been many advances in the scientific understanding of cannabis, as well as the legalization of cannabis and cannabis products throughout the US. While cannabis has been illegal to possess or use in Hawaii, we continue to see numerous other new illegal drugs invade our neighborhoods and communities, doing harm to the residents of Hawaii.

Just as with the legalization of alcohol, the legalization of cannabis has the potential to lessen the amount of new illegal drugs we see in Hawaii and is an avenue to improving the health of our communities.

Furthermore, as called out in the bill, there is an opportunity to do a trial period of 2 years of legalizing cannabis, which is revocable should this bill have unforeseen negative effects. Because of this, I believe that this bill should be passed and we can see the effects/impacts of legalizing cannabis in Hawaii.

Mahalo for your consideration.

SB-669

Submitted on: 2/13/2023 8:42:27 AM

Testimony for JDC on 2/14/2023 9:40:00 AM

Submitted By	Organization	Testifier Position	Testify
Judiah McRoberts	Individual	Oppose	Written Testimony Only

Comments:

I oppose the bill as it does not address social equity in the cannabis space or attempt to amend any of the harms related to the war on drugs which have disproportionately affected minority communities.

SB-669

Submitted on: 2/13/2023 8:46:52 AM

Testimony for JDC on 2/14/2023 9:40:00 AM

Submitted By	Organization	Testifier Position	Testify
Anthony italiano	Individual	Comments	Written Testimony Only

Comments:

Aloha

I am a small farmer, I don't wanna be called a criminal. I smoke cannabis all day and I require large amounts of cannabis daily to be able able to thrive. 14 grams of cannabis can easily be consumed by me in a day. We must allow people to have adequate amount of medicine. 4 usable ounces is not enough at all. That won't last even a month. We need to keep the jobs for locals not allowing out of state people to come take up the licenses. We must continue to strengthen the local economy and keep our family's intact here on island, not move to the mainland looking for work, because there is room for all to work and for growth in industry that we love, here. I work hard and help the aina through regenerative sustainable agricultural farming techniques. We rejuvenate the native soils with the microbes that are already here, We make local fertilizers to help maintain natural microbe populations and heal our aina We want to be able to take cleared lab sampled products from our harvests and sell it to the dispensary's. It will help hawaii thrive. It will make so many jobs for the people. We must keep the farming local ! No importing needed! We cannot allow out of state rich people to come here and buy up land and use there money to push local farmers out. We must allow small scale cultivation licenses, 8000 sq feet and under. We must support the Hawaiian people, and the people of this state with allowing cannabis cultivation for all family's and residents. Keeping the application fees and yearly fees 2500\$ so it's accessible to be an option for people to feed there family. Hawaii is a GLOBAL leader in cannabis. People from all over the world think of " Maui wowie" and the like. We have a product here in Hawaii that the entire globe will demand one day when we're allowed global shipments. Every single smoke shop owner/ gas station & dispensary owner on the planet would want there to be an option on there shevels for there customers to be able to buy Hawaiian grown cannabis. It's a treat to the rest of the world. Anything from Hawaii holds special value to anyone not here. We have a very very special product. All city's in the US and in the world will be ordering products from our islands. Please allow us and not big businesses to do this. This is for the love of all of Hawaii. God bless America, and bless your decision making process. Please vote for the people and the small businesses.

Anthony Italiano

Aloha 🙏

SB-669

Submitted on: 2/13/2023 8:57:41 AM

Testimony for JDC on 2/14/2023 9:40:00 AM

Submitted By	Organization	Testifier Position	Testify
Loretta Black	Individual	Oppose	Written Testimony Only

Comments:

I oppose SB 669

A decriminalization and legalization bill cannot be tied to a dispensary commercialization Bill

this bill does not support local cannabis jobs and small business licenses for the people of Hawaii

SB-669

Submitted on: 2/13/2023 9:00:24 AM

Testimony for JDC on 2/14/2023 9:40:00 AM

Submitted By	Organization	Testifier Position	Testify
Alexis McMillen	Individual	Oppose	Written Testimony Only

Comments:

I support the decriminalization of cannabis use. I strongly oppose the commercialization of cannabis through a dispensary model as written in SB699. I believe that with better planning and foresight, we can create a medical marijuana economy that can both serve and protect Hawaii's economy And take care of our ailing members of society.

SB-669

Submitted on: 2/13/2023 9:03:39 AM

Testimony for JDC on 2/14/2023 9:40:00 AM

Submitted By	Organization	Testifier Position	Testify
David Washington	Individual	Oppose	Written Testimony Only

Comments:

I support the legalization of Cannabis although I apposed the SB669. I strongly appose the commercialization of Cannabis through a dispensary such as mentioned in SB669

SB-669

Submitted on: 2/13/2023 9:29:38 AM

Testimony for JDC on 2/14/2023 9:40:00 AM

Submitted By	Organization	Testifier Position	Testify
Alexis Muller	Individual	Comments	Written Testimony Only

Comments:

I work in the cannabis industry in Hawaii and it is my expert opinion that Hawaii must have a diverse cannabis industry. Dispensaries should not be the only available source of medical or recreational cannabis in the state. Hawaii should pass laws that support home grown cannabis, every patient or person in the state of Hawaii has the right to cultivate their own medicine. We should not pass laws that are not progressive towards legalization of cannabis. It is a plant that grows from the ground like basil, rosemary, it provides medicine for people. Hawaii would benefit most from giving license to small grows run by locals only, co-ops that support community engagement and dispensaries. All cannabis should be tested and each facility should pay taxes and carry legal licenses.

please don't pass laws that punish the distribution of cannabis, it is taking our state backwards not forward, we must free the plant and those who depend on it for quality of life from the stigma that for so long incorrectly plagued this industry. Please don't make co-ops illegal, they provide affordable medicine to patients, give them licenses and make them test their cannabis and pay appropriate taxes like the dispensaries. We have an opportunity to make Hawaii's cannabis industry fruitful for all while maintaining clean safe medicine for patients and Rec users. Mahalo

SB-669

Submitted on: 2/13/2023 9:34:13 AM

Testimony for JDC on 2/14/2023 9:40:00 AM

Submitted By	Organization	Testifier Position	Testify
Edith	Individual	Oppose	Written Testimony Only

Comments:

I support the decriminalization of cannabis use. I strongly oppose the commercialization of cannabis through a dispensary model as written in SB699. I believe that with better planning and foresight, we can create a medical marijuana economy that can both serve and protect Hawaii's economy And take care of our ailing members of society.

SB-669

Submitted on: 2/13/2023 9:42:03 AM

Testimony for JDC on 2/14/2023 9:40:00 AM

Submitted By	Organization	Testifier Position	Testify
Alfred Hagen	Individual	Oppose	Written Testimony Only

Comments:

SB669 promotes the use of cannabis. Let's promote a life style that keeps teenagers and young adults clear eyed with sharp minds. No one benefits from this bill except those that stand to make money; and, they are making money at the expense of the good health of mind and body of the youth of Hawaii.

Vote NO on SB669!

Respectfully,

Alfred Hagen

SB-669

Submitted on: 2/13/2023 10:02:44 AM

Testimony for JDC on 2/14/2023 9:40:00 AM

Submitted By	Organization	Testifier Position	Testify
julius gutierrez	Individual	Support	Written Testimony Only

Comments:

It's silly that we still have to testify to make a medicinal plants available to all. Over half the country is already on board. Hawaii was the first state to have a medical marijuana system. Let's not be the last to make it recreational.

SB-669

Submitted on: 2/13/2023 10:07:15 AM

Testimony for JDC on 2/14/2023 9:40:00 AM

Submitted By	Organization	Testifier Position	Testify
Marina Miller	Individual	Oppose	Written Testimony Only

Comments:

Aloha,

I do not support this bill.

This bill does not support the local community or small farmers.

It only makes more regulations and cooperatizes a medicine that should be free to all.

SB-669

Submitted on: 2/13/2023 10:11:48 AM

Testimony for JDC on 2/14/2023 9:40:00 AM

Submitted By	Organization	Testifier Position	Testify
Hanna Greenwell	Individual	Oppose	Written Testimony Only

Comments:

As a medical cannabis user I strongly believe in keeping the plant in the peoples hands. I'm all for decriminalization when done properly. I believe that the people living here should be the ones supplying medicine for one another. Dispensaries really dont cover the needs of most of the people and the products we get from farms and caregivers are almost always superior. I strongly believe in hawaii having businesses owned by its own people helping one another. Please keep this healing plant in the hands of its own people.

SB-669

Submitted on: 2/13/2023 10:36:49 AM

Testimony for JDC on 2/14/2023 9:40:00 AM

Submitted By	Organization	Testifier Position	Testify
Lawrence Rich	Individual	Oppose	Written Testimony Only

Comments:

I strongly oppose SB 669 as it clearly aligns itself with proven failed systems, it will intentionally deny smaller Hawaiian cannabis cultivation.

Respectfully L. Rich

SB-669

Submitted on: 2/13/2023 10:48:11 AM

Testimony for JDC on 2/14/2023 9:40:00 AM

Submitted By	Organization	Testifier Position	Testify
Leilani Nevarez	Individual	Oppose	Written Testimony Only

Comments:

Oppose this 100% an ounce is not enough towards my medical use. The prices at the dispensaries are off the charts expensive. Growing 10 plants is my right. Mahalo for your time
Leilani Nevarez 329 card holder

SB-669

Submitted on: 2/13/2023 11:33:45 AM

Testimony for JDC on 2/14/2023 9:40:00 AM

Submitted By	Organization	Testifier Position	Testify
Duane Lum	Individual	Oppose	Written Testimony Only

Comments:

I oppose SB 669

SB-669

Submitted on: 2/13/2023 12:08:10 PM

Testimony for JDC on 2/14/2023 9:40:00 AM

Submitted By	Organization	Testifier Position	Testify
Michael EKM Olderr	Individual	Comments	Written Testimony Only

Comments:

Marijuana has been demonized for far too long. Its criminalization has a detriment to public safety and has been used as a weapon against minorities and political agendas. Therefore, I support the full legalization of marijuana for personal and medical use. Furthermore, I think that in addition to this, people incarcerated for Marijuana use and possession should be exonerated and have their records expunged. I hope that the legislature considers these comments when reading and adapting this bill.

SB-669

Submitted on: 2/13/2023 12:31:19 PM

Testimony for JDC on 2/14/2023 9:40:00 AM

Submitted By	Organization	Testifier Position	Testify
April Woolley	Individual	Oppose	Written Testimony Only

Comments:

This bill would give power solely to dispensaries (which there are very few) and not to patients whom may want to seek out a different alternatives to their medicine than what a dispensary offers. This also would eliminate many jobs in Hawaii for hardworking farmers.

SB-669

Submitted on: 2/13/2023 12:53:21 PM

Testimony for JDC on 2/14/2023 9:40:00 AM

Submitted By	Organization	Testifier Position	Testify
Michael Stacy	Individual	Oppose	Written Testimony Only

Comments:

The dispensary model is a failure in every respect. What's being done here is a civil rights violation, when viewed from outside the bubble of greed and corruption tainting the entire experiment of medical cannabis in Hawaii. SHAME! SHAME, for anyone who interferes with the right of a patient to water their plants in the sun. My husband and stepdaughter died in 2022, and I know from the ache in my heart that my medical cannabis PLANTS keep joy in my life, when there's so little left in my life. Medical cannabis has saved my life, and reminded me to stay alive.. when I had nothing left to remind me that I still belong in this world, I had a garden that needed watering. I had a harvest to look forward to. I'm still working to survive. 46 years of undiagnosed untreated Hansens. That's leprosy. I'm crippled, scarred like fire has eaten my flesh. Hashimotos Encephalopathy put me in a wheelchair, cannabis has helped me to stand again, to walk, crippled but alive, learning to smile again. I'm alone in this life now, except for my little garden. It reminds me that I still belong in THIS world. To hell with the dispensary model, I went to college for agriculture. I'm a widow, crippled and alone, a cannabis LEGALIZATION activist, who made the dispensary system possible. Long ago. Now, the system is considering my garden a criminal enterprise, to be monitored and inspected by strangers? Betrayal. SHAME. I am a patient, not a consumer to be profited from. I am a career agricultural worker who despises the pretense that the dispensary serves the purpose of protecting me from contaminants. I am capable of growing my own food without the states intervention. Same with my cannabis. I am a closed loop, non-renumerative cannabis grower who doesn't NEED or WANT the state or doh or the dispensary system or ANYONE telling me I don't have the RIGHT to grow what I need. The cannabis I grow is NOT the same thing the dispensary system grows. None of them can offer me what I have bred, to meet my own life or death requirements. It is the work of a lifetime, and it is outdoor cannabis. It grows under the sun, and it has kept me alive through the most hellish medical nightmares ever seen. I am the longest living UNDIAGNOSED UNTREATED LEPROSY victim in any medical records I have ever seen. Cannabis has kept me alive. When I water my garden I feel myself existing as a member of a human community of growers stretching back into human history to before the time of written language. Read my words now and realize that the world is reading them with you. SHAME, on anyone who interferes with a patients RIGHT to grow their own cannabis. Just as we may grow other herbs and food, for our own use. The global community is watching, and I know this for a FACT. I'm the federal informant sending the documentation of everything, straight to a dozen different people in Washington. All for the love of growing flowers, and having MY herb. There's no money, only love. Shame on anyone who cannot understand the healing and the hope that a patient is offered when growing their own cannabis. If there is no room for a patient to grow AS CURRENTLY LEGISLATED LEGAL, then the WHOLE SYSTEM needs to be thrown out. Go to D.C. rules.

Close the dispensaries. They are a betrayal of the trust patients placed in them. Anyone who opposes non remunerative patient groups is an enemy of patients, and any claim they make to be acting in patient interests is a lie and a mockery of the rights of citizens.

SB-669

Submitted on: 2/13/2023 12:59:24 PM

Testimony for JDC on 2/14/2023 9:40:00 AM

Submitted By	Organization	Testifier Position	Testify
Mary Smart	Individual	Oppose	Written Testimony Only

Comments:

I most strongly OPPOSE SB669 as it will cause harm to not only adults but also children (who won't pay attention to the age restrictions), and even our pets (many recent articles). In the past marijuana may have had marginal life long negative effects on an occasional user, however, the THC in cannabis is stronger than ever and can lead to life long person as well as societal problems. You don't have to take my word, I am including a quote from the Addiction Center. They report: "Higher concentrates of THC, according to the National Institutes of Health, may lead to physical dependence, psychosis, and anxiety, particularly in young users. Thus, another major health concern is the increased risk of [teen dependency](#). Since higher THC amounts in products increase the likelihood of addiction, those underage run a greater risk of developing health issues. Over the past few years, there have been cases of "cannabinoid hyperemesis syndrome," referred to by healthcare workers as "scromiting"—screaming and vomiting—among young people using highly concentrated Marijuana products in states like Colorado. Marijuana use among teens can lead to improper development. Imaging tests show that long-term use among teenagers results in fewer connections impaired cognitive functioning within the brain. The underdeveloped brain activity has been linked to slower learning as well as reduced levels of alertness and memory. Some studies have even discovered that underage weed consumption may lead to [lower IQ points](#) in young adulthood." Children have been known to get access to the edibles (brownies, cookies, candies, etc.) and passed the "treats" out to their classmates. This bill invites all types of problems. When I talk with people who are in states that allow recreational cannabis they bemoan all the problems that policy has caused in their communities. I knew a hiring manager for a local airline. When cannabis was illegal she already had difficulty hiring personnel from certain locales because of the high drug test failure rate. We need people who have critical jobs to be drug free in the performance of their duties that could impact the life and safety of others. Let's learn from the mistakes of other states and Vote NO on SB669. Do not pass this Bill for the sake of our state, communities, residents, and especially the keiki.

SB-669

Submitted on: 2/13/2023 1:14:14 PM

Testimony for JDC on 2/14/2023 9:40:00 AM

Submitted By	Organization	Testifier Position	Testify
Emily Sarasa	Individual	Support	Written Testimony Only

Comments:

Dear Chair Rhoads, Vice Chair Gabbard, and members of the Committee,

I am testifying in support of S.B. 669. Hawai‘i should follow the national trend of legalizing recreational cannabis use.

Like the other states that have legalized cannabis for recreational use, Hawai‘i can fund social services by enacting a recreational cannabis product sales tax. Instead of allowing consumers to purchase potentially dangerous cannabis products from unknown suppliers, Hawai‘i can regulate the recreational cannabis industry to ensure its citizens are purchasing and consuming safe products. The criminalization of cannabis is fundamentally rooted in racism against Black Americans, but cannabis was also used by Native Hawaiians for centuries before U.S. imperialism. From a social justice perspective, legalizing cannabis takes a small step in righting historic wrongs.

I respectfully request that the Committee supports this measure. Thank you for this opportunity to testify.

Mahalo,

Emily Sarasa

SB-669

Submitted on: 2/13/2023 2:07:08 PM

Testimony for JDC on 2/14/2023 9:40:00 AM

Submitted By	Organization	Testifier Position	Testify
Afsoon Shirazi	Individual	Support	Written Testimony Only

Comments:

Dear Chair Rhoads, Vice Chair Gabbard, and members of the Committee,

I am testifying in support of S.B. 669. I believe that Hawai'i must follow its peers across the U.S. by adopting recreational adult-use of cannabis – to promote consumer protection and economic opportunity. As a law student, public health professional, and former budtender – I believe everyone has the liberty to safely use recreational cannabis.

We currently live in a disparate situation – Americans in states like California, Arizona, and Illinois enjoy greater protections from cannabis criminalization than those of us in Hawai'i. Cannabis prohibition is an obsolete goal of a different era. We should work towards creating a permissive legal environment where adult use consumers and patients can acquire the health information they need to consume cannabis products safely and to achieve the goals they want out of such a widely-available drug. More and more Americans are preferring to consume cannabis over alcohol, however, illicit use puts individuals and communities, particularly minority communities, at risk of criminalization and political disenfranchisement. There are also many missed opportunities under our current cannabis laws. For example, the cannabis industry in Hawai'i could become a model for environmental sustainability in agriculture by building partnerships with native Hawaiian farmers, environmental engineers, and local businesses. One day at the Hawai'i Cannabis Expo will show you that home gardeners, plant geneticists, and cannabis consumers are excited about the myriad economic opportunities that could arise in a state with such perfect conditions to grow *cannabis sativa*.

The Legislature should enact S.B. 669 so we can join our fellow Americans to collectively pressure Congress to finally amend the Controlled Substances Act by decriminalizing cannabis. Hawai'i helped lead the way with medical marijuana; Hawai'i can make a big difference in peoples' lives, both at home and around the United States, by enacting adult recreational use.

I humbly request your support for this measure. Thank you for your time and consideration of this testimony.

Sincerely,

Afsoon Shirazi, MPH

J.D. Candidate, William S. Richardson School of Law

shirazi@Hawaii.edu

February 13, 2023

TO: Senator Karl Rhoads, Chair
Senator Mike Gabbard, Vice-Chair
Honorable Committee Members
Senate Judiciary Committee

RE: SB 669 – in Strong Opposition

I am very concerned that the State Legislature is seriously considering the legalization of recreational marijuana. Please step back and take a careful look at all of the issues that need to be considered if this legislation is passed into law.

Hawai'i already has a significant problem with serious and, often fatal, traffic accidents involving not only impaired drivers but also impaired pedestrians. The State Department of Transportation has reported that in 22% of fatal crashes between 2013 and 2017, positive findings for marijuana were demonstrated in drivers of vehicles involved and/or pedestrians.

Our youth have already been targeted by the e-cigarette industry and the legislature has had to take steps to curtail their ability to sell e-cigarette products that entice children and teens in our community to become involved with vaping. In spite of this there is evidence that teens are already involved in vaping THC products. The legalization of recreational marijuana will only make access to teenagers easier.

In addition, the marijuana that is produced today is much more potent with a much higher THC content than in the past. This presents problems to young children and others who are accidentally exposed and may result in serious injury, poisoning or even death in a very young child.

As I look at these issues, the problems caused far outweigh the anticipated financial benefits to the State.

I urge you to consider this and other evidence that is available and to vote no on SB 669

Respectfully,

Susan M. Slavish

SB-669

Submitted on: 2/13/2023 4:42:08 PM

Testimony for JDC on 2/14/2023 9:40:00 AM

Submitted By	Organization	Testifier Position	Testify
Henry Bell	Individual	Oppose	Written Testimony Only

Comments:

Aloha I am a Hawaiian Homes lessee who farms and also provides medicine to kupuna in the community. I believe that 5 patients is unreasonable. I should be able to provide for as many kupuna in need of medicine in the community because the dispensaries are too expensive and because Hawaiians are becoming more independent with natural food and medicine growing on Hawaiian home lands.

Mahalo, Henry P. Bell